
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 10-Q

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

For the quarterly period ended March 31, 2021

or

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

For the transition period from _____ to _____
Commission File Number 001-32601

LIVE NATION ENTERTAINMENT, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

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

9348 Civic Center Drive
Beverly Hills, CA 90210

(Address of principal executive offices, including zip code)

(310) 867-7000

(Registrant's telephone number, including area code)

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

Title of each class
Common stock, \$0.01 Par Value Per Share

Trading Symbol(s)
LYV

Name of each exchange on which registered
New York Stock Exchange

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

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

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

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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

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

On April 29, 2021, there were 218,683,233 outstanding shares of the registrant's common stock, \$0.01 par value per share, including 3,053,262 shares of unvested restricted and deferred stock awards and excluding 408,024 shares held in treasury.

**LIVE NATION ENTERTAINMENT, INC.
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GLOSSARY OF KEY TERMS	
AOCI	Accumulated other comprehensive income (loss)
AOI	Adjusted operating income (loss)
FASB	Financial Accounting Standards Board
GAAP	United States Generally Accepted Accounting Principles
Live Nation	Live Nation Entertainment, Inc. and subsidiaries
LNE	Live Nation Entertainment, Inc.
SEC	United States Securities and Exchange Commission
Ticketmaster	Our ticketing business

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

LIVE NATION ENTERTAINMENT, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	March 31, 2021	December 31, 2020
	<i>(in thousands)</i>	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,009,487	\$ 2,537,787
Accounts receivable, less allowance of \$70,330 and \$72,904, respectively	467,792	486,734
Prepaid expenses	567,969	577,130
Restricted cash	7,970	8,652
Other current assets	42,880	39,465
Total current assets	4,096,098	3,649,768
Property, plant and equipment, net	1,064,171	1,101,414
Operating lease assets	1,381,812	1,424,223
Intangible assets		
Definite-lived intangible assets, net	813,806	855,600
Indefinite-lived intangible assets	369,084	369,058
Goodwill	2,113,694	2,129,203
Long-term advances	672,449	668,756
Other long-term assets	408,528	391,281
Total assets	\$ 10,919,642	\$ 10,589,303
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable, client accounts	\$ 809,258	\$ 744,096
Accounts payable	72,913	86,356
Accrued expenses	898,518	894,149
Deferred revenue	1,817,328	1,839,323
Current portion of long-term debt, net	37,275	53,415
Current portion of operating lease liabilities	111,252	107,147
Other current liabilities	69,203	72,083
Total current liabilities	3,815,747	3,796,569
Long-term debt, net	5,289,891	4,855,096
Long-term operating lease liabilities	1,408,413	1,445,674
Long-term deferred income taxes	170,622	170,759
Other long-term liabilities	364,699	182,508
Commitments and contingent liabilities		
Redeemable noncontrolling interests	264,384	272,449
Stockholders' equity		
Common stock	2,160	2,145
Additional paid-in capital	2,431,387	2,386,790
Accumulated deficit	(2,984,026)	(2,676,833)
Cost of shares held in treasury	(6,865)	(6,865)
Accumulated other comprehensive loss	(173,216)	(177,009)
Total Live Nation stockholders' equity	(730,560)	(471,772)
Noncontrolling interests	336,446	338,020
Total equity	(394,114)	(133,752)
Total liabilities and equity	\$ 10,919,642	\$ 10,589,303

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended	
	March 31,	
	2021	2020
	<i>(in thousands except share and per share data)</i>	
Revenue	\$ 290,609	\$ 1,365,693
Operating expenses:		
Direct operating expenses	133,966	873,820
Selling, general and administrative expenses	322,853	514,021
Depreciation and amortization	108,876	122,080
Loss on disposal of operating assets	138	130
Corporate expenses	27,948	28,312
Operating loss	(303,172)	(172,670)
Interest expense	70,830	43,999
Interest income	(1,149)	(4,473)
Equity in earnings of nonconsolidated affiliates	(581)	(2,572)
Gain from sale of investments in nonconsolidated affiliates	(55,933)	(3,555)
Other expense (income), net	(6)	8,183
Loss before income taxes	(316,333)	(214,252)
Income tax expense (benefit)	6,389	(3,330)
Net loss	(322,722)	(210,922)
Net loss attributable to noncontrolling interests	(15,529)	(26,138)
Net loss attributable to common stockholders of Live Nation	\$ (307,193)	\$ (184,784)
Basic and diluted net loss per common share available to common stockholders of Live Nation	\$ (1.44)	\$ (0.94)
Weighted average common shares outstanding:		
Basic and diluted	214,531,958	211,048,294
Reconciliation to net loss available to common stockholders of Live Nation:		
Net loss attributable to common stockholders of Live Nation	\$ (307,193)	\$ (184,784)
Accretion of redeemable noncontrolling interests	(916)	(14,540)
Basic and diluted net loss available to common stockholders of Live Nation	\$ (308,109)	\$ (199,324)

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	Three Months Ended	
	March 31,	
	2021	2020
	<i>(in thousands)</i>	
Net loss	\$ (322,722)	\$ (210,922)
Other comprehensive income (loss), net of tax:		
Unrealized gain (loss) on cash flow hedge	15,096	(30,831)
Realized loss on cash flow hedge	1,916	—
Foreign currency translation adjustments	(13,219)	(82,782)
Comprehensive loss	(318,929)	(324,535)
Comprehensive loss attributable to noncontrolling interests	(15,529)	(26,138)
Comprehensive loss attributable to common stockholders of Live Nation	<u>\$ (303,400)</u>	<u>\$ (298,397)</u>

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)

Live Nation Stockholders' Equity									
Common Shares Issued	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Cost of Shares Held in Treasury	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	
<i>(in thousands, except share data)</i>									<i>(in thousands)</i>
Balances at December 31, 2020	214,466,988	\$ 2,145	\$ 2,386,790	\$ (2,676,833)	\$ (6,865)	\$ (177,009)	\$ 338,020	\$ (133,752)	\$ 272,449
Non-cash and stock-based compensation	—	—	40,017	—	—	—	—	40,017	—
Common stock issued under stock plans, net of shares withheld for employee taxes	566,285	5	(19,949)	—	—	—	—	(19,944)	—
Exercise of stock options	994,273	10	25,784	—	—	—	—	25,794	—
Purchases of noncontrolling interests	—	—	(500)	—	—	—	—	(500)	—
Sales of noncontrolling interests	—	—	161	—	—	—	8,868	9,029	—
Redeemable noncontrolling interests fair value adjustments	—	—	(916)	—	—	—	—	(916)	916
Contributions received	—	—	—	—	—	—	1,722	1,722	—
Cash distributions	—	—	—	—	—	—	(4,477)	(4,477)	(1,139)
Comprehensive loss:									
Net loss	—	—	—	(307,193)	—	—	(7,687)	(314,880)	(7,842)
Unrealized gain on cash flow hedge	—	—	—	—	—	15,096	—	15,096	—
Realized loss on cash flow hedge	—	—	—	—	—	1,916	—	1,916	—
Foreign currency translation adjustments	—	—	—	—	—	(13,219)	—	(13,219)	—
Balances at March 31, 2021	<u>216,027,546</u>	<u>\$ 2,160</u>	<u>\$ 2,431,387</u>	<u>\$ (2,984,026)</u>	<u>\$ (6,865)</u>	<u>\$ (173,216)</u>	<u>\$ 336,446</u>	<u>\$ (394,114)</u>	<u>\$ 264,384</u>

See Notes to Consolidated Financial Statements

	Live Nation Stockholders' Equity								Redeemable Noncontrolling Interests
	Common Shares Issued	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Cost of Shares Held in Treasury	Accumulated Other Comprehensive Income	Noncontrolling Interests	Total Equity	
	<i>(in thousands, except share data)</i>								<i>(in thousands)</i>
Balances at December 31, 2019	211,262,062	\$ 2,113	\$ 2,245,619	\$ (949,334)	\$ (6,865)	\$ (145,713)	\$ 318,134	\$ 1,463,954	\$ 449,498
Cumulative effect of change in accounting principle	—	—	—	(2,964)	—	—	—	(2,964)	—
Non-cash and stock-based compensation	—	—	11,741	—	—	—	—	11,741	—
Common stock issued under stock plans, net of shares withheld for employee taxes	262,170	2	(7,448)	—	—	—	—	(7,446)	—
Exercise of stock options	310,507	3	6,453	—	—	—	—	6,456	—
Fair value of convertible debt conversion feature, net of issuance cost	—	—	33,330	—	—	—	—	33,330	—
Acquisitions	—	—	—	—	—	—	31,165	31,165	11,148
Purchases of noncontrolling interests	—	—	(6,485)	—	—	—	(1,032)	(7,517)	(6,411)
Sales of noncontrolling interests	—	—	(8,161)	—	—	—	39,161	31,000	—
Redeemable noncontrolling interests fair value adjustments	—	—	(14,540)	—	—	—	—	(14,540)	14,540
Contributions received	—	—	—	—	—	—	76	76	—
Cash distributions	—	—	—	—	—	—	(4,768)	(4,768)	(10,345)
Other	—	—	—	—	—	—	56	56	—
Comprehensive loss:									
Net loss	—	—	—	(184,784)	—	—	(11,314)	(196,098)	(14,824)
Unrealized loss on cash flow hedge	—	—	—	—	—	(30,831)	—	(30,831)	—
Foreign currency translation adjustments	—	—	—	—	—	(82,782)	—	(82,782)	—
Balances at March 31, 2020	<u>211,834,739</u>	<u>\$ 2,118</u>	<u>\$ 2,260,509</u>	<u>\$ (1,137,082)</u>	<u>\$ (6,865)</u>	<u>\$ (259,326)</u>	<u>\$ 371,478</u>	<u>\$ 1,230,832</u>	<u>\$ 443,606</u>

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three Months Ended March 31,	
	2021	2020
<i>(in thousands)</i>		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (322,722)	\$ (210,922)
Reconciling items:		
Depreciation	56,975	57,844
Amortization	51,901	64,236
Amortization of non-recoupable ticketing contract advances	10,621	18,811
Amortization of debt issuance costs and discounts	9,196	6,871
Non-cash compensation expense	40,017	11,732
Loss (gain) on sale of investments in nonconsolidated affiliates	(53,899)	1,192
Other, net	(6,519)	(19,439)
Changes in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Decrease in accounts receivable	21,861	227,913
Decrease (increase) in prepaid expenses and other assets	4,704	(207,157)
Decrease in accounts payable, accrued expenses and other liabilities	(39,044)	(316,204)
Increase in deferred revenue	301,483	996,798
Net cash provided by operating activities	<u>74,574</u>	<u>631,675</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances of notes receivable	(10,784)	(10,688)
Collections of notes receivable	884	10,218
Investments made in nonconsolidated affiliates	(5,506)	(5,679)
Purchases of property, plant and equipment	(23,763)	(84,563)
Cash paid for acquisitions, net of cash acquired	(6,132)	(32,508)
Purchases of intangible assets	(5,495)	(206)
Proceeds from sale of investments in nonconsolidated affiliates	60,308	—
Other, net	596	1,055
Net cash provided by (used in) investing activities	<u>10,108</u>	<u>(122,371)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt, net of debt issuance costs	501,366	419,418
Payments on long-term debt	(80,316)	(6,032)
Distributions to noncontrolling interests	(5,616)	(15,114)
Purchases and sales of noncontrolling interests, net	(3,273)	(14,030)
Proceeds from exercise of stock options	25,794	6,456
Taxes paid for net share settlement of equity awards	(19,944)	(7,445)
Other, net	(994)	(831)
Net cash provided by financing activities	<u>417,017</u>	<u>382,422</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	<u>(30,681)</u>	<u>(84,257)</u>
Net increase in cash, cash equivalents, and restricted cash	471,018	807,469
Cash, cash equivalents and restricted cash at beginning of period	2,546,439	2,474,242
Cash, cash equivalents and restricted cash at end of period	<u>\$ 3,017,457</u>	<u>\$ 3,281,711</u>

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1—BASIS OF PRESENTATION AND OTHER INFORMATION

Preparation of Interim Financial Statements

The accompanying unaudited consolidated financial statements have been prepared in accordance with GAAP for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X issued by the SEC. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, they include all normal and recurring accruals and adjustments necessary to present fairly the results of the interim periods shown.

The financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our 2020 Annual Report on Form 10-K filed with the SEC on March 1, 2021.

Seasonality

Our Concerts and Sponsorship & Advertising segments typically experience higher revenue and operating income in the second and third quarters as our outdoor venues and festivals are primarily used in or occur from May through October. In addition, the timing of when tickets are sold and the tours of top-grossing acts can impact comparability of quarterly results year over year, although annual results may not be impacted. Our Ticketing segment revenue is impacted by fluctuations in the availability of events for sale to the public, which vary depending upon scheduling by our clients.

Cash flows from our Concerts segment typically have a slightly different seasonality as payments are often made for artist performance fees and production costs for tours in advance of the date the related event tickets go on sale. These artist fees and production costs are expensed when the event occurs. Once tickets for an event go on sale, we generally begin to receive payments from ticket sales at our owned or operated venues and festivals in advance of when the event occurs. We record these ticket sales as revenue when the event occurs. Our seasonality also results in higher balances in cash and cash equivalents, accounts receivable, prepaid expenses, accrued expenses and deferred revenue at different times in the year.

Due to the unprecedented stoppage of our concert and other events globally beginning in mid-March 2020 resulting from the global COVID-19 pandemic, we did not experience our typical seasonality trends in 2020 and do not expect any quarter in 2021 will follow our typical seasonality trends.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include all highly liquid investments with an original maturity of three months or less. Our cash and cash equivalents include domestic and foreign bank accounts as well as interest-bearing accounts consisting primarily of bank deposits and money market accounts managed by third-party financial institutions. These balances are stated at cost, which approximates fair value.

Included in the March 31, 2021 and December 31, 2020 cash and cash equivalents balance is \$724.4 million and \$673.5 million, respectively, of cash received that includes the face value of tickets sold on behalf of ticketing clients and their share of service charges (“client cash”), which amounts are to be remitted to these clients. We generally do not utilize client cash for our own financing or investing activities as the amounts are payable to our clients on a regular basis. These amounts are included in accounts payable, client accounts.

Restricted cash primarily consists of cash held in escrow accounts to fund capital improvements of certain leased or operated venues. The cash is held in these accounts pursuant to the related lease or operating agreement.

Nonconsolidated Affiliates

In general, nonconsolidated investments in which we own more than 20% of the common stock or otherwise exercise significant influence over an affiliate are accounted for under the equity method. We review the value of equity method investments and record impairment charges in the statements of operations for any decline in value that is determined to be other-than-temporary. If we obtain control of a nonconsolidated affiliate through the purchase of additional ownership interest or changes in the governing agreements, we remeasure our investment to fair value first and then apply the accounting guidance for business combinations. Any gain or loss resulting from the remeasurement to fair value is recorded as a component of other expense (income), net in the statements of operations. At March 31, 2021 and December 31, 2020, we had investments in nonconsolidated affiliates of \$162.5 million and \$170.5 million, respectively, included in other long-term assets on our consolidated balance sheets.

Income Taxes

Each reporting period, we evaluate the realizability of our deferred tax assets in each tax jurisdiction. As of March 31, 2021, we continued to maintain a full valuation allowance against our net deferred tax assets in certain jurisdictions due to cumulative pre-tax losses. As a result of the valuation allowances, no tax benefits have been recognized for losses incurred, if any, in those tax jurisdictions for the first three months of 2021.

Accounting Pronouncements - Not Yet Adopted

In August 2020, the FASB issued guidance that simplifies the accounting for convertible instruments and its application of the derivatives scope exception for contracts in an entity's own equity. The new guidance reduces the number of accounting models that require separating embedded conversion features from convertible instruments. As a result, only conversion features accounted for under the substantial premium model and those that require bifurcation will be accounted for separately. For contracts in an entity's own equity, the new guidance eliminates some of the current requirements for equity classification. The guidance also addresses how convertible instruments are accounted for in the diluted earnings per share calculation and requires enhanced disclosures about the terms of convertible instruments and contracts in an entity's own equity. The guidance is effective for annual periods beginning after December 15, 2021 and interim periods within that year. Early adoption is permitted for annual periods beginning after December 15, 2020 and interim periods within that year. The guidance should be applied using either a modified retrospective method or a full retrospective method. We will adopt this guidance on January 1, 2022, and are currently assessing which implementation method we will apply and the impact that adoption will have on our financial position and results of operations.

NOTE 2—IMPACT OF THE GLOBAL COVID-19 PANDEMIC

The unprecedented and rapid spread of COVID-19 and the related government restrictions and social distancing measures implemented throughout the world have significantly impacted our business. Beginning in March 2020, large public events were cancelled, governmental authorities began imposing restrictions on non-essential activities, and businesses suspended activities around the world. As the impact of the global COVID-19 pandemic became clearer, we ceased all Live Nation tours and closed our venues in mid-March 2020 to support global efforts at social distancing and mitigating the virus, and to comply with restrictions put in place by various governmental entities, which has had a materially negative impact on our revenue and financial position.

Operating Results

Our first quarter results were materially impacted by these necessary actions. Our overall revenue for the first quarter of 2021 decreased by 79% to \$290.6 million as compared to the same period of the prior year. The revenue reduction was primarily in our Concerts and Ticketing segments as a result of few shows occurring globally beginning in the last half of March 2020 and low ticket sales for future shows during the same period.

The event-related deferred revenue for our Concerts segment, which is reported as part of deferred revenue on our consolidated balance sheets, includes the face value and Concerts' share of service charges for all tickets sold by March 31, 2021 for shows expected to occur in the next 12 months. Any refunds committed to for shows cancelled or rescheduled during the first three months of 2021 have either been returned to fans or are reflected in accrued expenses on the consolidated balance sheets. In addition, we have recorded an estimate of \$89.0 million in Concerts for refunds that may occur in the future for shows we believe may be cancelled or rescheduled based on the data available on refunds resulting from the global shutdown of our live events. This estimate only impacts our financial position as a reclassification from deferred revenue to accrued expenses. We expect that the majority of our shows postponed due to the pandemic will be rescheduled. Event-related deferred revenue for tickets sold for shows expected to occur after March 31, 2022 totaled \$229.8 million and is reflected in other long-term liabilities on our consolidated balance sheets.

The revenue recognized in our Ticketing segment during the first three months of 2021 includes our share of ticket service charges for tickets sold during the period for third-party clients and for shows that occurred in the period for our Concerts business where our promoters control the ticketing. Revenue in the period has been reduced by refunds given during the period. In addition, revenue has been reduced for any shows that were cancelled and for refunds requested on rescheduled shows up to the time of the filing of these consolidated financial statements, and funds have either been returned to the customer or are reflected in accrued expenses on the consolidated balance sheets. Our ticketing clients determine if shows will be rescheduled or cancelled and what the refund policy will be for those shows. We have not recorded an estimate for refunds that may occur in the future since our clients, not Ticketmaster, determine when shows are cancelled or rescheduled and we have a limited amount of historical data of refunds resulting from a global shutdown of live events on which to reliably determine an estimate.

NOTE 3—LONG-LIVED ASSETS

We reviewed our long-lived assets for potential impairment indicators due to the suspension of our live events resulting from the global COVID-19 pandemic. Our venues are either owned or we have long-term operating rights under lease or management agreements with terms ranging from 5 to 25 years. Many of our definite-lived intangible assets are based on revenue-generating contracts, and client or vendor relationships associated with live events and have useful lives, established at the time of acquisition, typically ranging from 3 to 10 years. Our more significant investments in nonconsolidated affiliates are in the concert event promotion, venue operation or ticketing businesses, and these businesses are experiencing similar impacts to their operations, in line with what we are experiencing as a result of the pandemic. Based on our assessments, we have recorded impairment charges on certain of our definite-lived intangible assets, which are discussed below.

The length and severity of the impact to live events and our related sponsorship and ticketing businesses is still uncertain. We currently do not anticipate a significant change in activity levels until early in the second half of 2021 led by outdoor events and festivals in the United States and United Kingdom. We expect that most larger venues will reopen and global tours will resume in the second half of 2021 and that the underlying business supporting all of our long-lived assets will begin generating operating income once again. However, we have never previously experienced a complete cessation of our live events or a large-scale reduction in the number of events selling tickets and, as a consequence, our ability to be predictive regarding the impact of these circumstances is uncertain. As a result, the underlying assumptions used in our impairment assessments could change, resulting in future impairment charges.

Property, Plant and Equipment, Net

Property, plant and equipment, net, consisted of the following:

	March 31, 2021	December 31, 2020
	<i>(in thousands)</i>	
Land, buildings and improvements	\$ 1,246,345	\$ 1,239,696
Computer equipment and capitalized software	904,791	887,637
Furniture and other equipment	425,888	424,363
Construction in progress	134,829	151,830
	<u>2,711,853</u>	<u>2,703,526</u>
Less: accumulated depreciation	1,647,682	1,602,112
	<u>\$ 1,064,171</u>	<u>\$ 1,101,414</u>

Definite-lived Intangible Assets

The following table presents the changes in the gross carrying amount and accumulated amortization of definite-lived intangible assets for the three months ended March 31, 2021:

	Client / vendor relationships	Revenue- generating contracts	Venue management and leaseholds	Trademarks and naming rights	Technology	Other ⁽¹⁾	Total
<i>(in thousands)</i>							
Balance as of December 31, 2020:							
Gross carrying amount	\$ 496,074	\$ 578,664	\$ 147,956	\$ 150,344	\$ 72,283	\$ 17,413	\$ 1,462,734
Accumulated amortization	(146,397)	(277,710)	(51,924)	(73,604)	(45,799)	(11,700)	(607,134)
Net	349,677	300,954	96,032	76,740	26,484	5,713	855,600
Gross carrying amount:							
Acquisitions—current year	520	—	—	—	9,782	2,477	12,779
Acquisitions—prior year	5,366	—	—	—	—	—	5,366
Foreign exchange	(1,579)	(9,166)	(945)	(1,356)	(98)	(8)	(13,152)
Other ⁽²⁾	(15,360)	(1,250)	—	(7)	(7,618)	320	(23,915)
Net change	(11,053)	(10,416)	(945)	(1,363)	2,066	2,789	(18,922)
Accumulated amortization:							
Amortization	(21,669)	(16,043)	(3,618)	(4,180)	(5,231)	(1,160)	(51,901)
Foreign exchange	1,330	3,130	120	228	70	1	4,879
Other ⁽²⁾	15,360	1,239	3	50	7,589	(91)	24,150
Net change	(4,979)	(11,674)	(3,495)	(3,902)	2,428	(1,250)	(22,872)
Balance as of March 31, 2021:							
Gross carrying amount	485,021	568,248	147,011	148,981	74,349	20,202	1,443,812
Accumulated amortization	(151,376)	(289,384)	(55,419)	(77,506)	(43,371)	(12,950)	(630,006)
Net	\$ 333,645	\$ 278,864	\$ 91,592	\$ 71,475	\$ 30,978	\$ 7,252	\$ 813,806

⁽¹⁾ Other primarily includes intangible assets for non-compete agreements.

⁽²⁾ Other primarily includes netdowns of fully amortized or impaired assets.

The 2021 additions to definite-lived intangible assets from acquisitions have weighted-average lives as follows:

	Weighted- Average Life (years)
Client/vendor relationships	5
Non-compete agreements	2
All categories	3

The current year acquisitions amount above for technology intangibles includes software licenses acquired in the normal course of business.

We test for possible impairment of definite-lived intangible assets whenever events or circumstances change, such as a significant reduction in operating cash flow or a change in the manner in which the asset is intended to be used, which may indicate that the carrying amount of the asset may not be recoverable. During the three months ended March 31, 2021 and 2020, we reviewed the carrying value of certain definite-lived intangible assets that management determined had an indicator that future operating cash flows may not support their carrying value, as a result of the expected impacts from the global COVID-19 pandemic, and it was determined that those assets were impaired since the estimated undiscounted operating cash flows associated with those assets were less than their carrying value.

For the three months ended March 31, 2021, there were no significant impairment charges. For the three months ended March 31, 2020, we recorded impairment charges related to definite-lived intangible assets of \$10.1 million as a component of depreciation and amortization primarily related to intangible assets for revenue-generating contracts in the Concerts segment. See Note 6—Fair Value Measurements for further discussion of the inputs used to determine the fair value.

Amortization of definite-lived intangible assets for the three months ended March 31, 2021 and 2020 was \$1.9 million and \$64.2 million, respectively. As acquisitions and dispositions occur in the future and the valuations of intangible assets for recent acquisitions are completed, amortization will vary.

Goodwill

We review goodwill for impairment annually, as of October 1. As such, we completed our annual review in the fourth quarter of 2020 and, as reported in our December 31, 2020 Form 10-K, no impairments were recorded as the fair value of each reporting unit was determined to be in excess of its carrying value for all reporting units.

The rapid and severe impacts of the global COVID-19 pandemic, and more specifically the need to support global social distancing efforts, mitigate the spread of the virus and comply with restrictions put in place by various governmental entities, led to our decision to stop all tours and close our venues beginning in mid-March 2020. As such actions will continue to have a material impact on our cash flows during the suspension of operations, we have performed qualitative and sensitivity reviews to assess as of March 31, 2021 whether we believed these actions caused the fair value of any of our reporting units to fall below its carrying value. These qualitative and sensitivity reviews included discounted cash flow model sensitivity analyses, and a consideration of the impact from changes in financial forecasts, discount rates and carrying values. The conclusion for all reporting units was that no impairment trigger existed that would require a further quantitative analysis during the three months ended March 31, 2021. We are unable to predict how long the impacts from the global COVID-19 pandemic will impact our operations or what additional restrictions may be imposed by governments. Significant variations from current expectations could impact future assessments, resulting in future impairment charges.

The following table presents the changes in the carrying amount of goodwill in each of our reportable segments for the three months ended March 31, 2021:

	Concerts	Ticketing	Sponsorship & Advertising	Total
	<i>(in thousands)</i>			
Balance as of December 31, 2020:				
Goodwill	\$ 1,318,273	\$ 782,559	\$ 463,734	\$ 2,564,566
Accumulated impairment losses	(435,363)	—	—	(435,363)
Net	882,910	782,559	463,734	2,129,203
Acquisitions—current year	532	—	—	532
Acquisitions—prior year	(1,815)	(3,740)	419	(5,136)
Foreign exchange	(2,980)	(3,673)	(4,252)	(10,905)
Balance as of March 31, 2021:				
Goodwill	1,314,010	775,146	459,901	2,549,057
Accumulated impairment losses	(435,363)	—	—	(435,363)
Net	\$ 878,647	\$ 775,146	\$ 459,901	\$ 2,113,694

We are in various stages of finalizing our acquisition accounting for recent acquisitions, which may include the use of external valuation consultants, and the completion of this accounting could result in a change to the associated purchase price allocations, including goodwill and our allocation between segments.

Investments in Nonconsolidated Affiliates

During the three months ended March 31, 2021, we sold certain investments in nonconsolidated affiliates for \$0.3 million in cash plus \$6.8 million in deferred purchase price consideration resulting in a gain on sale of investments in nonconsolidated affiliates of \$55.9 million.

NOTE 4—LEASES

The significant components of operating lease expense are as follows:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Operating lease cost	\$ 55,299	\$ 62,128
Variable and short-term lease cost	9,453	12,522
Sublease income	(2,282)	(4,151)
Net lease cost	<u>\$ 62,470</u>	<u>\$ 70,499</u>

Many of our leases contain contingent rent obligations based on revenue, tickets sold or other variables, while others include periodic adjustments to rent obligations based on the prevailing inflationary index or market rental rates. Contingent rent obligations are not included in the initial measurement of the lease asset or liability and are recorded as rent expense in the period that the contingency is resolved.

Supplemental cash flow information for our operating leases is as follows:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Cash paid for amounts included in the measurement of lease liabilities	\$ 58,914	\$ 58,908
Lease assets obtained in exchange for lease obligations, net of terminations	\$ 6,771	\$ 55,042

Future maturities of our operating lease liabilities at March 31, 2021 are as follows:

	<i>(in thousands)</i>
April 1 - December 31, 2021	\$ 135,266
2022	199,696
2023	199,743
2024	182,932
2025	171,636
Thereafter	1,464,421
Total lease payments	<u>2,353,694</u>
Less: Interest	834,029
Present value of lease liabilities	<u>\$ 1,519,665</u>

The weighted average remaining lease term and weighted average discount rate for our operating leases are as follows:

	March 31, 2021	December 31, 2020
Weighted average remaining lease term (in years)	13.8	13.9
Weighted average discount rate	6.43 %	6.31 %

As of March 31, 2021, we have additional operating leases that have not yet commenced, with total lease payments of \$17.4 million. These operating leases, which are not included on our consolidated balance sheets, have commencement dates ranging from April 2021 to June 2030, with lease terms ranging from 1 to 20 years.

In response to the impacts we are experiencing from the global COVID-19 pandemic, we have amended certain of our lease agreements and are continuing negotiations with certain of our landlords for deferral or abatement of fixed rent payments. These lease concessions are not expected to substantially increase our obligations under the respective lease agreements.

Therefore, we have elected to account for these lease concessions as though enforceable rights and obligations for those concessions existed in our lease agreements as clarified by the FASB rather than applying the lease modification guidance.

NOTE 5—LONG-TERM DEBT

In January 2021, we issued \$500 million principal amount of 3.75% senior secured notes due 2028. A portion of the proceeds were used to pay estimated fees of \$7.7 million and repay \$75.0 million aggregate principal amount of the Company’s senior secured term loan B facility, leaving approximately \$417.3 million for general corporate purposes, including acquisitions and organic investment opportunities.

Long-term debt, which includes finance leases, consisted of the following:

	March 31, 2021	December 31, 2020
	<i>(in thousands)</i>	
Senior Secured Credit Facility:		
Term loan B	\$ 860,940	\$ 938,125
6.5% Senior Secured Notes due 2027	1,200,000	1,200,000
3.75% Senior Secured Notes due 2028	500,000	—
4.75% Senior Notes due 2027	950,000	950,000
4.875% Senior Notes due 2024	575,000	575,000
5.625% Senior Notes due 2026	300,000	300,000
2.5% Convertible Senior Notes due 2023	550,000	550,000
2.0% Convertible Senior Notes due 2025	400,000	400,000
Other long-term debt	118,882	125,226
Total principal amount	5,454,822	5,038,351
Less unamortized discounts and debt issuance costs	(127,656)	(129,840)
Total long-term debt, net of unamortized discounts and debt issuance costs	5,327,166	4,908,511
Less: current portion	37,275	53,415
Total long-term debt, net	<u>\$ 5,289,891</u>	<u>\$ 4,855,096</u>

Future maturities of long-term debt at March 31, 2021 are as follows:

	<i>(in thousands)</i>
April 1, 2021 - December 31, 2021	\$ 31,125
2022	576,441
2023	44,880
2024	988,895
2025	38,445
Thereafter	3,775,036
Total	<u>\$ 5,454,822</u>

All long-term debt without a stated maturity date is considered current and is reflected as maturing in the earliest period shown in the table above. See Note 6—Fair Value Measurements for discussion of the fair value measurement of our long-term debt.

3.75% Senior Secured Notes due 2028

In January 2021, we issued \$500 million principal amount of 3.75% senior secured notes due 2028. Interest on the notes is payable semi-annually in cash in arrears on January 15 and July 15 of each year beginning on July 15, 2021, and will mature on January 15, 2028. We may redeem some or all of the notes, at any time prior to January 15, 2024, at a price equal to 100% of the aggregate principal amount, plus any accrued and unpaid interest to the date of redemption, plus a ‘make-whole’ premium. We may redeem up to 35% of the aggregate principal amount of the notes from the proceeds of certain equity offerings prior to January 15, 2024, at a price equal to 103.75% of the aggregate principal amount, plus accrued and unpaid interest thereon, if any, to the date of redemption. In addition, on or after January 15, 2024 we may redeem some or all of the notes at any time at redemption prices specified in the notes indenture, plus any accrued and unpaid interest to the date of redemption.

We must make an offer to redeem the notes at 101% of their aggregate principal amount, plus accrued and unpaid interest to the repurchase date, if we experience certain defined changes of control. The notes are secured by a first priority lien on substantially all of the tangible and intangible personal property of LNE and LNE’s domestic subsidiaries that are guarantors, and by a pledge of substantially all of the shares of stock, partnership interests and limited liability company interests of our direct and indirect domestic subsidiaries.

NOTE 6—FAIR VALUE MEASUREMENTS

Recurring

The following table shows the fair value of our significant financial assets that are required to be measured at fair value on a recurring basis, which are classified on the consolidated balance sheets as cash and cash equivalents.

	Estimated Fair Value					
	March 31, 2021			December 31, 2020		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	<i>(in thousands)</i>					
Assets:						
Cash equivalents	\$ 379,076	\$ —	\$ 379,076	\$ 282,696	\$ —	\$ 282,696

Our outstanding debt held by third-party financial institutions is carried at cost, adjusted for any discounts or debt issuance costs. Our debt is not publicly traded and the carrying amounts typically approximate fair value for debt that accrues interest at a variable rate, which are considered to be Level 2 inputs as defined in the FASB guidance.

The following table presents the estimated fair values of our senior secured notes, senior notes and convertible senior notes:

	Estimated Fair Value at	
	March 31, 2021	December 31, 2020
	Level 2	
	<i>(in thousands)</i>	
6.5% Senior Secured Notes due 2027	\$ 1,330,212	\$ 1,340,688
3.75% Senior Secured Notes due 2028	\$ 493,160	\$ —
4.75% Senior Notes due 2027	\$ 954,978	\$ 970,872
4.875% Senior Notes due 2024	\$ 584,568	\$ 581,480
5.625% Senior Notes due 2026	\$ 308,853	\$ 307,785
2.5% Convertible Senior Notes due 2023	\$ 768,625	\$ 720,764
2.0% Convertible Senior Notes due 2025	\$ 440,368	\$ 425,172

The estimated fair value of our third-party fixed-rate debt is based on quoted market prices in active markets for the same or similar debt, which are considered to be Level 2 inputs.

Non-recurring

The following table shows the fair value of our financial assets that have been adjusted to fair value on a non-recurring basis, which had a significant impact on our results of operations for the three months ended March 31, 2020.

Description	Fair Value Measurement	Fair Value Measurements Using			Loss (Gain)
		Level 1	Level 2	Level 3	
<i>(in thousands)</i>					
2020					
Definite-lived intangible assets, net	\$ 7,390	\$ —	\$ —	\$ 7,390	\$ 10,068

For the three months ended March 31, 2021, there were no significant impairment charges. During the three months ended March 31, 2020, we recorded impairment charges related to definite-lived intangible assets of \$10.1 million as a component of depreciation and amortization primarily related to intangible assets for revenue-generating contracts in the Concerts segment. It was determined that these assets were impaired since the most recent estimated undiscounted future cash flows associated with these assets were less than their carrying value, primarily as a result of the expected impacts from the global COVID-19 pandemic for both periods. These impairments were calculated using operating cash flows, which were discounted to approximate fair value. The key inputs in these calculations include future cash flow projections, including revenue profit margins, and, for the fair value computation, a discount rate. The key inputs used for these non-recurring fair value measurements are considered Level 3 inputs.

NOTE 7—COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

Consumer Class Actions

The following putative class action lawsuits were filed against Live Nation and/or Ticketmaster in Canada: Thompson-Marcial v. Ticketmaster Canada Holdings ULC (Ontario Superior Court of Justice, filed September 2018); McPhee v. Live Nation Entertainment, Inc., et al. (Superior Court of Quebec, District of Montreal, filed September 2018); Crystal Watch v. Live Nation Entertainment, Inc., et al. (Court of Queen’s Bench for Saskatchewan, by amendments filed September 2018); and Gomel v. Live Nation Entertainment, Inc., et al. (Supreme Court of British Columbia, Vancouver Registry, filed October 2018). Similar putative class actions were filed in the United States during the same time period, but as of November 2020, each of the lawsuits filed in the United States has been dismissed with prejudice.

The Canadian lawsuits make similar factual allegations that Live Nation and/or Ticketmaster engage in conduct that is intended to encourage the resale of tickets on secondary ticket exchanges at elevated prices. Based on these allegations, each plaintiff asserts violations of different provincial and federal laws. Each plaintiff also seeks to represent a class of individuals who purchased tickets on a secondary ticket exchange, as defined in each plaintiff’s complaint. The Watch complaint also makes claims related to Ticketmaster’s fee display practices on the primary market. The complaints seek a variety of remedies, including unspecified compensatory damages, punitive damages, restitution, injunctive relief and attorneys’ fees and costs.

The McPhee matter is stayed pending the outcome of the Watch matter, and the Thompson-Marcial, Watch, and Gomel cases are in the class certification phase. In April 2021, the court in the Gomel lawsuit refused to certify all claims other than those pled under British Columbia’s Business Practices and Consumer Protection Act and claims for punitive damages, but the court did certify a class of British Columbia residents who purchased tickets to an event in Canada on any secondary market exchange from June 30, 2015 through April 15, 2021 that were initially purchased on Ticketmaster.ca. Based on information presently known to management, we do not believe that a loss is probable of occurring at this time, and we believe that the potential liability, if any, will not have a material adverse effect on our financial position, cash flows or results of operations. Further, we do not currently believe that the claims asserted in these lawsuits have merit, and considerable uncertainty exists regarding any monetary damages that will be asserted against us. We continue to vigorously defend these actions.

CIE Arbitration

In July 2019, Ticketmaster New Ventures, S. de R.L. de C.V. (“TNV”), an indirect wholly-owned subsidiary of LNE, entered into agreements with Corporación Interamericana de Entretenimiento, S.A.B. de C.V. (“CIE”) and Grupo Televisa, S.A.B. (“TV”) to acquire an aggregate 51% interest in OCESA Entretenimiento, S.A. de C.V. (“OCESA”) and certain other related subsidiaries of CIE. We made our initial concentration notice filings with the regulatory authorities in Mexico in late August 2019 and received approval for the transaction in mid-April 2020. CIE shareholders approved the acquisition in September 2019. In May 2020, we notified CIE that we were terminating our agreement with it as a result of CIE’s failure to

comply with its contractual obligation to continue operating the target companies in the ordinary course of business and the occurrence of a material adverse effect (as that term is defined in the CIE purchase agreement). We simultaneously notified TV that we were terminating our agreement with it, which agreement may be terminated if the agreement with CIE is terminated for any reason. On May 25, 2020, TNV commenced binding arbitration proceedings, in New York, New York, before the International Court of Arbitration of the International Chamber of Commerce, seeking a declaratory judgment that it properly terminated the CIE purchase agreement and that any obligations thereunder are excused on the grounds set forth above, among others. On July 30, 2020, CIE filed its response to TNV's claims, asserting, among other things, that CIE did not breach its obligation to continue operating the target companies in the ordinary course of business and that no material adverse effect (as that term is defined in the CIE purchase agreement) has occurred, and CIE joined LNE as a party to the arbitration proceedings as a joint obligor under the CIE purchase agreement. CIE is seeking specific performance to require us to proceed with closing under the CIE purchase agreement and damages in an unspecified amount arising from our alleged failure to timely close. The matter has been assigned to a panel of arbitrators and a hearing has been scheduled to commence in March 2022. We intend to vigorously defend these claims.

NOTE 8—EQUITY

Accumulated Other Comprehensive Loss

The following table presents changes in the components of AOCI, net of taxes, for the three months ended March 31, 2021:

	Cash Flow Hedge	Foreign Currency Items	Total
	<i>(in thousands)</i>		
Balance at December 31, 2020	\$ (31,587)	\$ (145,422)	\$ (177,009)
Other comprehensive income (loss) before reclassifications	15,096	(13,219)	1,877
Amount reclassified from AOCI	1,916	—	1,916
Net other comprehensive income (loss)	17,012	(13,219)	3,793
Balance at March 31, 2021	<u>\$ (14,575)</u>	<u>\$ (158,641)</u>	<u>\$ (173,216)</u>

Earnings Per Share

Basic net loss per common share is computed by dividing the net loss available to common stockholders by the weighted average number of common shares outstanding during the period. The calculation of diluted net loss per common share includes the effects of the assumed exercise of any outstanding stock options, the assumed vesting of shares of restricted and deferred stock awards and the assumed conversion of our convertible senior notes, where dilutive. For the three months ended March 31, 2021 and 2020, there were no reconciling items to the weighted average common shares outstanding in the calculation of diluted net loss per common share.

The following table shows securities excluded from the calculation of diluted net loss per common share because such securities are anti-dilutive:

	Three Months Ended March 31,	
	2021	2020
Options to purchase shares of common stock	8,334,027	11,050,847
Restricted stock and deferred stock—unvested	3,066,145	3,794,490
Conversion shares related to the convertible senior notes	11,864,035	11,864,035
Number of anti-dilutive potentially issuable shares excluded from diluted common shares outstanding	<u>23,264,207</u>	<u>26,709,372</u>

NOTE 9—REVENUE RECOGNITION

The global COVID-19 pandemic has significantly impacted the recognition of revenue for our Concerts, Ticketing and Sponsorship & Advertising segments. Beginning in mid-March 2020, we ceased all of our tours and closed our venues to support global efforts at social distancing to mitigate the spread of the virus, and to comply with restrictions put in place by various governmental entities.

For our Concerts segment, the impact is partially a delay in the timing of revenue recognition as many events are being rescheduled to dates later in 2021 or 2022. For events that have been cancelled as of March 31, 2021, the deferred revenue has been reclassified to accrued expenses on our consolidated balance sheets where not already refunded to the fan. In certain markets, we are offering fans an incentive to receive a voucher for a future ticket purchase to one of our events in lieu of receiving a refund for the cancelled event. Where a fan has elected to receive the incentive voucher, the cash from the original ticket purchase remains in deferred revenue. For certain of our rescheduled events, we are offering a limited refund window for fans to request a refund. Where a fan has elected to receive a refund for a rescheduled event and where we have estimated future refunds, the deferred revenue has been reclassified to accrued expenses if not already refunded. The estimate of future refunds was developed by allocating our event-related deferred revenue based on where we estimated that the affected events were in the refund process as of March 31, 2021, and applying a venue-specific refund take rate. The venue-specific refund take rates were based on the refunds we have issued since we ceased all our tours and closed our venues in mid-March 2020 through the end of the current reporting period.

For our Ticketing segment, the impact is similar to the Concerts segment if the tickets sold for an event are controlled by our concert promoters. For the Ticketing segment's third-party clients, previously recognized service charges are reversed from revenue when the event is cancelled or a refund is issued for a rescheduled event, including refunds issued after the balance sheet date but prior to the filing of our consolidated financial statements. The revenue reversal is reflected as accrued expenses on our consolidated balance sheets where not already refunded to the fan. The timing of our third-party clients' event cancellations and rescheduling of postponed events versus new events available for sale can result in refunds of service charges exceeding current quarter sales resulting in negative revenue for that period.

For our Sponsorship & Advertising segment, the impact is partially a delay in the timing of revenue recognition due to our concert events being rescheduled, our venues being closed along with the limited number of events currently available for sale on our websites. In response to the impacts we are experiencing from the global COVID-19 pandemic, we have amended or are continuing negotiations with certain of our sponsors to either provide additional benefits when our venues reopen and our concert events resume or extend the term of the agreement with no additional benefits to the sponsor.

Concerts

Concerts revenue, including intersegment revenue, for the three months ended March 31, 2021 and 2020 are as follows:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Total Concerts Revenue	\$ 239,416	\$ 993,393
Percentage of consolidated revenue	82.4 %	72.7 %

Our Concerts segment generates revenue from the promotion or production of live music events and festivals in our owned or operated venues and in rented third-party venues, artist management commissions and the sale of merchandise for music artists at events. As a promoter and venue operator, we earn revenue primarily from the sale of tickets, concessions, merchandise, parking, ticket rebates or service charges on tickets sold by Ticketmaster or third-party ticketing agreements, and rental of our owned or operated venues. As an artist manager, we earn commissions on the earnings of the artists and other clients we represent, primarily derived from clients' earnings for concert tours. Over 95% of Concerts' revenue, whether related to promotion, venue operations, artist management or artist event merchandising, is recognized on the day of the related event. The majority of consideration for our Concerts segment is collected in advance of or on the day of the event. Consideration received in advance of the event is recorded as deferred revenue or in other long-term liabilities if the event is more than twelve months from the balance sheet date. Any consideration not collected by the day of the event is typically received within three months after the event date.

Ticketing

Ticketing revenue, including intersegment revenue, for the three months ended March 31, 2021 and 2020 are as follows:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Total Ticketing Revenue	\$ 28,322	\$ 284,277
Percentage of consolidated revenue	9.7 %	20.8 %

Ticket fee revenue is generated from convenience and order processing fees, or service charges, charged at the time a ticket for an event is sold in either the primary or secondary markets. Our Ticketing segment is primarily an agency business that sells tickets for events on behalf of its clients, which include venues, concert promoters, professional sports franchises and leagues, college sports teams, theater producers and museums. Our Ticketing segment records revenue arising from convenience and order processing fees, regardless of whether these fees are related to tickets sold in the primary or secondary market, and regardless of whether these fees are associated with our concert events or third-party clients' concert events. Our Ticketing segment does not record the face value of the tickets as revenue. Ticket fee revenue is recognized when the ticket is sold for third-party clients and secondary market sales, as we have no further obligation to our client's customers following the sale of the ticket. For our concert events where our concert promoters control ticketing, ticket fee revenue is recognized when the event occurs because we also have the obligation to deliver the event to the fan. The delivery of the ticket to the fan is not considered a distinct performance obligation for our concert events because the fan cannot receive the benefits of the ticket unless we also fulfill our obligation to deliver the event. The majority of ticket fee revenue is collected within the month of the ticket sale. Revenue received from the sale of tickets in advance of our concert events is recorded as deferred revenue or in other long-term liabilities if the date of the event is more than twelve months from the balance sheet date. Reported revenue is net of any refunds made or committed to and the impact of any cancellations of events that occurred during the period up to the time of filing these consolidated financial statements.

Ticketing contract advances, which can be either recoupable or non-recoupable, represent amounts paid in advance to our clients pursuant to ticketing agreements and are reflected in prepaid expenses or in long-term advances if the amount is expected to be recouped or recognized over a period of more than twelve months. Recoupable ticketing contract advances are generally recoupable against future royalties earned by the client, based on the contract terms, over the life of the contract. Royalties are typically earned by the client when tickets are sold. Royalties paid to clients are recorded as a reduction to revenue when the tickets are sold and the corresponding service charge revenue is recognized. Non-recoupable ticketing contract advances, excluding those amounts paid to support clients' advertising costs, are fixed additional incentives occasionally paid by us to certain clients to secure the contract and are typically amortized over the life of the contract on a straight-line basis as a reduction to revenue.

At March 31, 2021 and December 31, 2020, we had ticketing contract advances of \$64.1 million and \$63.5 million, respectively, recorded in prepaid expenses and \$82.6 million and \$87.0 million, respectively, recorded in long-term advances on the consolidated balance sheets. We amortized \$10.6 million and \$18.8 million for the three months ended March 31, 2021 and 2020, respectively, related to non-recoupable ticketing contract advances.

Sponsorship & Advertising

Sponsorship & Advertising revenue, including intersegment revenue, for the three months ended March 31, 2021 and 2020 are as follows:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Total Sponsorship & Advertising Revenue	\$ 22,647	\$ 90,261
Percentage of consolidated revenue	7.8 %	6.6 %

Our Sponsorship & Advertising segment generates revenue from sponsorship and marketing programs that provide its sponsors with strategic, international, national and local opportunities to reach customers through our venue, concert and ticketing assets, including advertising on our websites. These programs can also include custom events or programs for the sponsors' specific brands, which are typically experienced exclusively by the sponsors' customers. Sponsorship agreements

may contain multiple elements, which provide several distinct benefits to the sponsor over the term of the agreement, and can be for a single or multi-year term. We also earn revenue from exclusive access rights provided to sponsors in various categories such as ticket pre-sales, beverage pouring rights, venue naming rights, media campaigns, signage within our venues, and advertising on our websites. Revenue from sponsorship agreements is allocated to the multiple elements based on the relative stand-alone selling price of each separate element, which are determined using vendor-specific evidence, third-party evidence or our best estimate of the fair value. Revenue is recognized over the term of the agreement or operating season as the benefits are provided to the sponsor unless the revenue is associated with a specific event, in which case it is recognized when the event occurs. Revenue is collected in installment payments during the year, typically in advance of providing the benefit or the event. Revenue received in advance of the event or the sponsor receiving the benefit is recorded as deferred revenue or in other long-term liabilities if the date of the event is more than twelve months from the balance sheet date.

At March 31, 2021, we had contracted sponsorship agreements with terms greater than one year that had approximately \$1.1 billion of revenue related to future benefits to be provided by us. We expect to recognize, based on current projections, approximately 22%, 31%, 16% and 31% of this revenue in the remainder of 2021, 2022, 2023 and thereafter, respectively.

Deferred Revenue

The majority of our deferred revenue is typically classified as current and is shown as a separate line item on the consolidated balance sheets. Deferred revenue that is not expected to be recognized within the next twelve months is classified as long-term and reflected in other long-term liabilities on the consolidated balance sheets. We had current deferred revenue of \$1.8 billion and \$1.4 billion at December 31, 2020 and 2019, respectively.

The table below summarizes the amount of the December 31 current deferred revenue recognized during the three months ended March 31, 2021 and 2020:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Concerts	\$ 37,824	\$ 260,859
Ticketing	4,421	16,708
Sponsorship & Advertising	5,583	13,490
Other & Corporate	—	1,475
	<u>\$ 47,828</u>	<u>\$ 292,532</u>

As of March 31, 2021, approximately 68.2% of the current deferred revenue balance from December 31, 2020 is expected to be recognized in 2021 and thus such amounts remain in current deferred revenue. In addition, as of March 31, 2021, approximately 4.6% of the current deferred revenue balance from December 31, 2020 has been or is expected to be refunded to fans as the corresponding events have been cancelled or refunds were or are expected to be requested for rescheduled events, and thus such amounts have been reclassified to accrued expenses if not already refunded. Our long-term deferred revenue balance has increased as events have been rescheduled into the second and third quarters of 2022 in markets still experiencing impacts from the global COVID-19 pandemic. We had long-term deferred revenue of \$294.1 million and \$88.6 million at March 31, 2021 and December 31, 2020, respectively, which is reflected in other long-term liabilities on the consolidated balance sheets.

NOTE 10—STOCK-BASED COMPENSATION

The following is a summary of stock-based compensation expense we recorded during the respective periods:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Selling, general and administrative expenses	\$ 28,074	\$ 4,963
Corporate expenses	11,943	6,769
Total	<u>\$ 40,017</u>	<u>\$ 11,732</u>

The increase in stock-based compensation expense for the three months ended March 31, 2021 as compared to the same period of the prior year is primarily due to the issuance of restricted stock awards in late 2020 that vested in the first quarter of 2021.

NOTE 11—SEGMENT DATA

Our reportable segments are Concerts, Ticketing and Sponsorship & Advertising. Our Concerts segment involves the promotion of live music events globally in our owned or operated venues and in rented third-party venues, the production of music festivals, the operation and management of music venues, the creation of associated content and the provision of management and other services to artists. Our Ticketing segment involves the management of our global ticketing operations, including providing ticketing software and services to clients, and consumers with a marketplace, both online and mobile, for tickets and event information, and is responsible for our primary ticketing website, *www.ticketmaster.com*. Our Sponsorship & Advertising segment manages the development of strategic sponsorship programs in addition to the sale of international, national and local sponsorships and placement of advertising such as signage, promotional programs, rich media offerings, including advertising associated with live streaming and music-related content, and ads across our distribution network of venues, events and websites.

Revenue and expenses earned and charged between segments are eliminated in consolidation. Our capital expenditures below include accruals for amounts incurred but not yet paid for, but are not reduced by reimbursements received from outside parties such as landlords and noncontrolling interest partners or replacements funded by insurance proceeds.

We manage our working capital on a consolidated basis. Accordingly, segment assets are not reported to, or used by, our management to allocate resources to or assess performance of our segments, and therefore, total segment assets have not been presented.

The following table presents the results of operations for our reportable segments for the three months ended March 31, 2021 and 2020:

	Concerts	Ticketing	Sponsorship & Advertising	Other	Corporate	Eliminations	Consolidated
	<i>(in thousands)</i>						
Three Months Ended March 31, 2021							
Revenue	\$ 239,416	\$ 28,322	\$ 22,647	\$ 815	\$ —	\$ (591)	\$ 290,609
Direct operating expenses	113,904	17,832	2,821	—	—	(591)	133,966
Selling, general and administrative expenses	207,847	94,668	19,103	1,235	—	—	322,853
Depreciation and amortization	62,886	36,478	7,164	11	2,337	—	108,876
Loss on disposal of operating assets	138	—	—	—	—	—	138
Corporate expenses	—	—	—	—	27,948	—	27,948
Operating loss	\$ (145,359)	\$ (120,656)	\$ (6,441)	\$ (431)	\$ (30,285)	\$ —	\$ (303,172)
Intersegment revenue	\$ 591	\$ —	\$ —	\$ —	\$ —	\$ (591)	\$ —
Capital expenditures	\$ 6,653	\$ 9,675	\$ 1,160	\$ —	\$ 1,449	\$ —	\$ 18,937
Three Months Ended March 31, 2020							
Revenue	\$ 993,393	\$ 284,277	\$ 90,261	\$ 796	\$ —	\$ (3,034)	\$ 1,365,693
Direct operating expenses	750,905	104,413	21,536	—	—	(3,034)	873,820
Selling, general and administrative expenses	331,276	157,546	22,987	2,212	—	—	514,021
Depreciation and amortization	72,216	38,176	7,512	53	4,123	—	122,080
Loss on disposal of operating assets	127	2	—	1	—	—	130
Corporate expenses	—	—	—	—	28,312	—	28,312
Operating income (loss)	\$ (161,131)	\$ (15,860)	\$ 38,226	\$ (1,470)	\$ (32,435)	\$ —	\$ (172,670)
Intersegment revenue	\$ 1,233	\$ 1,801	\$ —	\$ —	\$ —	\$ (3,034)	\$ —
Capital expenditures	\$ 48,871	\$ 22,167	\$ 1,292	\$ —	\$ 3,442	\$ —	\$ 75,772

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

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

Special Note About Forward-Looking Statements

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

Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from those in such statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to, those set forth below under Part II—Other Information—Item 1A.—Risk Factors, in Part I—Item IA.—Risk Factors of our 2020 Annual Report on Form 10-K as well as other factors described herein or in our annual, quarterly and other reports we file with the SEC (collectively, "cautionary statements"). Based upon changing conditions, should any risk or uncertainty that has already materialized, such as, for example, the risks and uncertainties posed by the global COVID-19 pandemic, worsen in scope, impact or duration, or should one or more of the currently unrealized risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described in any forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the applicable cautionary statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We do not intend to update these forward-looking statements, except as required by applicable law.

Impact of the Global COVID-19 Pandemic

The unprecedented and rapid spread of COVID-19 and the related government restrictions and social distancing measures implemented throughout the world have significantly impacted our business. Beginning in March 2020, large public events were cancelled, governmental authorities began imposing restrictions on non-essential activities, and businesses suspended activities around the world. As the impact of the global COVID-19 pandemic became clearer, we ceased all Live Nation tours and closed our venues in mid-March 2020 to support global efforts at social distancing and mitigating the virus, and to comply with restrictions put in place by various governmental entities, which has had a materially negative impact on our revenue and financial position.

Operating Results

Our first quarter results were materially impacted by these necessary actions. Our overall revenue for the first quarter of 2021 decreased by 79% to \$290.6 million as compared to the same period of the prior year. The revenue reduction was primarily in our Concerts and Ticketing segments as a result of few shows occurring globally beginning in the last half of March 2020 and low ticket sales for future shows during the same period.

The revenue recognized in our Concerts segment in 2020 included the results of the shows that occurred prior to the stoppage of events in mid-March. We had a limited number of shows in the first quarter of 2021, largely in Australia, New Zealand and the United States. Our event-related deferred revenue for Concerts, which is reported as part of deferred revenue on our consolidated balance sheets, includes the face value and Concerts' share of service charges for all tickets sold by March 31, 2021, for shows expected to occur in the next 12 months. Any refunds committed to for shows cancelled or rescheduled during the first three months of 2021 have either been returned to fans or are reflected in accrued expenses on the consolidated balance sheets. In addition, we have recorded an estimate of \$89.0 million in Concerts for refunds that may occur in the future for shows we believe may be cancelled or rescheduled based on the data available on refunds resulting from the global shutdown of our live events. This estimate only impacts our financial position as a reclassification from deferred revenue

to accrued expenses. We expect that the majority of our shows postponed due to the pandemic will be rescheduled. Event-related deferred revenue for tickets sold for shows expected to occur after March 31, 2022 totaled \$229.8 million and is reflected in other long-term liabilities on our consolidated balance sheets.

The revenue recognized in our Ticketing segment during the first three months of 2021 includes our share of ticket service charges for tickets sold during the period for third-party clients and for shows that occurred in the period for our Concerts business where our promoters control the ticketing. Revenue in the period has been reduced by refunds given during the period. In addition, revenue has been reduced for any shows that were cancelled and for refunds requested on rescheduled shows up to the time of the filing of these consolidated financial statements, and funds have either been returned to the customer or are reflected in accrued expenses on the consolidated balance sheets. Our ticketing clients determine if shows will be rescheduled or cancelled and what the refund policy will be for those shows. We have not recorded an estimate for refunds that may occur in the future since our clients, not Ticketmaster, determine when shows are cancelled or rescheduled and we have a limited amount of historical data of refunds resulting from a global shutdown of live events on which to reliably determine an estimate.

For events that are cancelled, our standard policy is to refund the fan within 30 days, though subject to regulations in various markets and in some cases at the discretion of venue or event organizer clients. Our ticket refund policies for rescheduled shows vary by ticketing client and country. In multiple international markets, including Germany, Italy and Belgium, governmental regulations which allow for the issuance of vouchers in place of cash refunds for rescheduled shows, and in some cases for cancelled shows, have been put in place in response to the global COVID-19 pandemic. The volume and pace of cash refunds has had and may continue to have a material negative effect on our liquidity and capital resources.

The length and severity of the reduction in live events due to the pandemic is uncertain; accordingly, we currently expect the negative impact to continue in 2021. The exact timing and pace of the recovery is uncertain given the significant impact of the pandemic and the uncertainty on the timing of the roll out of vaccines on the overall United States and global economies. We believe the ongoing effects of the global COVID-19 pandemic on our operations have had, and will continue to have a material negative impact on our financial results and liquidity, and such negative impact may continue beyond the containment of such outbreak. We have never previously experienced a complete cessation of our live events or a large-scale reduction in the number of events selling tickets, and as a consequence, our ability to be predictive regarding the impact of these circumstances is uncertain and we are unable to estimate the impact on our business, financial condition or near- or longer-term financial or operational results.

Cash and available liquidity

We currently have approximately \$963.6 million available for future borrowings under our senior secured credit facility, including \$400 million in undrawn term loan A capacity and \$563.6 million in available revolver capacity, net of outstanding letters of credit. In January 2021, we issued \$500 million principal amount of 3.75% senior secured notes due 2028. We will continue to evaluate future financing opportunities to further expand liquidity at reasonable costs. Additionally, our senior secured credit facility has a \$500 million liquidity covenant (as defined in the agreement) until the earlier of (a) December 31, 2021 and (b) at our election, any fiscal quarter prior to December 31, 2021, when we will revert to a net leverage covenant. We believe these allow us the flexibility to manage our business through the disruption that we continue to experience into 2021.

As of March 31, 2021, our total cash and cash equivalents balance was \$3.0 billion, which included \$724.4 million of ticketing client cash. We believe this cash, net of client cash, together with our available debt capacity of \$963.6 million, gives us the liquidity to fund our operations during the pandemic. Our total cash includes event-related deferred revenue for which the amount can fluctuate over the course of the year, but given the shift of shows into the second half of 2021 and 2022, we expect this number to remain above seasonally normal levels throughout the first half of 2021.

Event-related deferred revenue consists of cash held by our Concerts business for future shows, with roughly half the funds associated with upcoming shows in the United States and half for international shows as of March 31, 2021. In the United States, the funds are largely associated with shows in our owned or operated venues, notably amphitheaters, festivals, theaters and clubs. Internationally, the funds held are from a combination of both shows in our owned or operated venues, as well as shows in third-party venues associated with our promoter share of tickets in allocation markets. We do not otherwise generally hold funds for concerts being held in third-party buildings. In the United States, venues traditionally hold all funds, and internationally either the venue holds all funds or holds the portion of funds associated with their ticket allocation.

Cost and Cash Management Programs

Given the uncertainty associated with the duration of current conditions globally, we have implemented a number of initiatives to reduce fixed costs and conserve cash. As part of these cost reduction efforts, we have implemented salary reductions for most of our employees, with salaries for senior executives reduced by up to 60% during 2020. We began eliminating the salary reductions in January 2021 and expect to have salaries fully restored during the second quarter. Additional cost reduction efforts include hiring freezes, reduction in the use of contractors, rent re-negotiations, furloughs, termination of certain employees and reduction or elimination of other discretionary spending, including, among other things, travel and entertainment, repairs and maintenance, and marketing.

We are also making use of government support programs globally. In most European and Asian markets, including the United Kingdom, Germany, Italy, France, Spain and Australia, there were payroll support programs to mitigate a substantial portion of employee costs, some of which are continuing into 2021. Additionally, in the United States, we have filed for payroll support under the Employee Retention Credit program established as part of the 2020 CARES Act. Finally, the CARES Act also provides for deferred payment of the employer portion of social security taxes through the end of 2020, with 50% of the deferred amount due December 31, 2021 and the remaining 50% due December 31, 2022.

We are further protecting our cash outflows by reducing advances in both our ticketing and concert businesses, re-assessing all capital expenditure projects and evaluating all other cash deployment activities. As a result of these initiatives and government support programs, we achieved over \$950 million in cost reductions in 2020 and the elimination or deferral into 2021 of \$1.6 billion in cash outflows, which primarily includes the cost reductions discussed above along with lower capital expenditures, acquisition payments, and concert and ticketing advances. We believe this aggressive cost and cash management program, combined with a strong liquidity profile, positions us to manage through the global COVID-19 pandemic-related hold on show activity and provides the flexibility to scale up quickly when shows restart.

Based on these actions and assumptions regarding the impact of the global COVID-19 pandemic, we believe that we will remain in compliance with our debt covenants throughout 2021 and be able to generate sufficient liquidity to satisfy our obligations for the next twelve months, prior to giving effect to any additional financings that may occur. Our forecasted expense management and liquidity measures may be modified as we get more clarity on the timing of events. We cannot assure you that our assumptions used to estimate our liquidity requirements will be correct because we have never previously experienced a complete cessation of our live events and the magnitude, duration and speed of the global pandemic is unknown, and as a consequence, our ability to be predictive is uncertain.

Health and Safety and Planning for a Return to Business

We are currently planning for the health and safety of our employees as they return to work in our offices in the future, and for our artists and fans as they return to live events. We will return to work in local markets only after there is clear guidance that the time is right to do so, and then in appropriate numbers with expanded cleaning and any social distancing or other regulations. Similarly, we are planning for the resumption of concerts when the time is right. We will let the facts and science tell us when we should start putting on concerts again. We recognize the experience at our venues will change when concerts start back up, and are working with medical experts and public health officials to implement safety precautions and protocols necessary for fans to return to enjoy our shows. Recent fan surveys indicate that the demand will be there when the shows return, with 95% of fans expecting to attend concerts again once the pandemic is over. We expect the re-opening of concerts will happen on a market by market basis, and given we operate in 46 countries globally, the timelines will vary from now to not for several months or beyond. The length and severity of the impact to live events and our related sponsorship and ticketing businesses is still uncertain. We currently do not anticipate a significant change in activity levels until early in the second half of 2021 led by outdoor events and festivals in the United States and United Kingdom. We expect that most global tours will resume and larger venues will reopen in the second half of 2021 and that the underlying business will begin generating operating income once again.

While this disruption has had a material impact on our business, as the leading global live event and ticketing company we believe that we are well-positioned to provide the best service to artists, teams, fans and venues once business resumes. Twenty years of global growth demonstrates the resilience of fan demand for the live entertainment experience. We are actively taking steps to ensure that when the time is right for us to do so, we will be ready to ramp back up quickly and once again connect audiences to artists at the concerts they are looking forward to.

Executive Overview

Due to the global COVID-19 pandemic, we ceased all Live Nation tours and closed all our venues beginning in mid-March 2020 to support worldwide efforts to mitigate the spread of the virus. To ensure the safety of our artists, fans, and employees, we have held very few traditional events since the onset of this global health crisis, including during the first quarter of 2021. Our results for the first quarter of 2020 were very strong prior to the shutdown, and as a result, our year-over-year

variances for the first quarter of 2021 against that period are almost entirely due to COVID-19's impact on our business. Fortunately, while the effects of the pandemic are still impacting our operations, we are beginning to see pockets of recovery, particularly in the United States and United Kingdom. If these trends continue, we anticipate favorable year-over-year results in the second half of this year.

Our overall revenue for the first quarter of 2021 decreased by 79%, from \$1.4 billion in 2020 to \$291 million in 2021. The reduction was largely in our Concerts and Ticketing segments as a result of minimal show activity in the quarter and lower ticket sales for future shows due to the pandemic. Our operating loss grew from \$173 million in the first quarter of 2020 to \$303 million in the first quarter of 2021 also due to the lack of shows and ticket sales, however the lost revenue was partially offset by cost reductions we implemented starting in the second quarter of last year.

While the unparalleled disruption of the pandemic has had a material impact on our business, as the leading global live event and ticketing company, we firmly believe that we are well-positioned to provide the best service to artists, teams, fans and venues as business resumes. Twenty years of global growth demonstrates the resilience of fan demand for the live entertainment experience. As the vaccine rollout has accelerated in the United States and COVID-19 statistics improve, we have begun to see a ramp up of venues reopening, shows confirming to occur later this year and on-sales increasing. While other parts of the world may be further behind on their path to re-opening, we are actively taking steps to ensure that when the time is right for us to do so in each market, we will be ready to move quickly and responsibly to connect audiences to artists at the concerts they cherish.

Our Concerts segment revenue for the first quarter of 2021 was \$239 million, compared to \$993 million for 2020, a reduction of 76%. The unfavorable revenue results were almost entirely due to the impact of the global COVID-19 pandemic. Our operating loss for the quarter was \$145 million compared to an operating loss of \$161 million for the first quarter of last year. The improvement was primarily due to cost savings that exceeded the impact of our lost business. While we had 10.4 million fans attend our events in the first 10 weeks of 2020, we had 760 thousand fans for the first quarter of 2021, largely in Australia, New Zealand and the United States. Towards the end of this quarter, we began to see encouraging signs of recovery including that our Bonnaroo festival to be held in Tennessee in September 2021 broke all historical sales records. While we had no venues open at the beginning of the year in the United States, we now have 23% of our United States venues either open or confirmed to open soon. Our Reading and Leeds festivals as well as Creamfields in the United Kingdom have also sold out while Rhythm & Vines, New Zealand's premier multi-day music festival, had record presales in January 2021.

Our Ticketing segment revenue for the first quarter of 2021 was \$28 million, compared to \$284 million for the first quarter of last year, a reduction of 90% driven by a lack of ticket sales, partially offset by lower refunds year-over-year for shows that were cancelled or rescheduled. Our operating loss for the quarter was \$121 million compared to an operating loss of \$16 million for the first quarter of last year. The decline in operating results was largely driven by the lack of ticket sales, partially offset by cost savings. A total of 3.0 million tickets were refunded in the quarter, equating to just slightly over \$260 million of gross transaction value. This was our lowest quarter for refunds since the pandemic began. To compare, we refunded 10.7 million tickets in the second quarter of 2020, equating to over \$1.1 billion of gross transaction value – our highest refund quarter to date. We have recently seen ticket sales begin to rebound, particularly in the United States and United Kingdom.

Our Sponsorship & Advertising segment revenue for the first quarter of 2021 was \$23 million, compared to \$90 million for the first quarter of last year, a reduction of 75%. Despite the lack of live events, we have still been able to engage our fans and brand partners with streaming events for some of our most popular brands including Insomniac and Rolling Loud in the first quarter of 2021. Our operating loss for the quarter was \$6 million compared to operating income of \$38 million for the first quarter of last year. As with Concerts and Ticketing, the reduction in revenue-generating activity has been partially offset by cost reductions.

Even as we begin to see signs of sales returning and events happening in some markets, we continue to be focused on mitigating the financial impact of the shutdown. We have undertaken cost-savings initiatives across the organization and are also protecting our liquidity by tightly managing cash outflows associated with all our major expenditures: operating expenses, capital expenditures, acquisitions, and advances in both our ticketing and concert businesses. The length and severity of the impact to live events and our related sponsorship and ticketing businesses is still uncertain in most of the world. The magnitude and pace of the recovery will depend on each market and their containment efforts, the nature of the events being held, ongoing efforts to develop rapid testing technologies and rollout of approved vaccines and treatments for COVID-19. We remain optimistic about the long-term potential of our company and the unique power of live shows to unite people. We believe our aggressive cost-savings and cash management programs, combined with a strong liquidity profile, position Live Nation to manage through the global COVID-19 pandemic and its impact on live events and provides us the flexibility to scale up quickly when our shows resume.

Segment Overview

Our reportable segments are Concerts, Ticketing and Sponsorship & Advertising.

Concerts

Revenue and related costs for events are generally deferred and recognized when the event occurs. All advertising costs incurred during the year for shows in future years are expensed at the end of the year. If a current year event is rescheduled into a future year, all advertising costs incurred to date are expensed in the period when the event is rescheduled.

Concerts direct operating expenses include artist fees, event production costs, show-related marketing and advertising expenses, along with other costs.

To judge the health of our Concerts segment, we primarily monitor the number of confirmed events and fan attendance in our network of owned or operated and third-party venues, talent fees, average paid attendance, market ticket pricing, advance ticket sales and the number of major artist clients under management. In addition, at our owned or operated venues and festivals, we monitor ancillary revenue per fan and premium ticket sales. For business that is conducted in foreign markets, we also compare the operating results from our foreign operations to prior periods without the impact of changes in foreign exchange rates.

Ticketing

Revenue related to ticketing service charges is recognized when the ticket is sold for our third-party clients. For our own events, where our concert promoters control ticketing, revenue is deferred and recognized when the event occurs. Gross transaction value (“GTV”) represents the total amount of the transaction related to a ticket sale and includes the face value of the ticket as well as the service charge. We use GTV to evaluate changes in ticket fee revenue that are driven by the pricing of our service charges.

Ticketing direct operating expenses include call center costs and credit card fees, along with other costs.

To judge the health of our Ticketing segment, we primarily review the GTV and the number of tickets sold through our ticketing operations, the number of clients renewed or added and the average royalty rate paid to clients who use our ticketing services. In addition, we review the number of visits to our websites, cost of customer acquisition, the purchase conversion rate, the overall number of customers in our database, the number and percentage of tickets sold via mobile and the number of app installs. For business that is conducted in foreign markets, we also compare the operating results from our foreign operations to prior periods without the impact of changes in foreign exchange rates.

Sponsorship & Advertising

Revenue related to sponsorship and advertising programs is recognized over the term of the agreement or operating season as the benefits are provided to the sponsor unless the revenue is associated with a specific event, in which case it is recognized when the event occurs.

Sponsorship & Advertising direct operating expenses include fulfillment costs related to our sponsorship programs, along with other costs.

To judge the health of our Sponsorship & Advertising segment, we primarily review the revenue generated through sponsorship arrangements and online advertising, and the percentage of expected revenue under contract. For business that is conducted in foreign markets, we also compare the operating results from our foreign operations to prior periods without the impact of changes in foreign exchange rates.

Key Operating Metrics

	Three Months Ended March 31,	
	2021	2020
<i>(in thousands except estimated events)</i>		
Concerts ⁽¹⁾		
Estimated events:		
North America	300	4,772
International	364	2,323
Total estimated events	664	7,095
Estimated fans:		
North America	331	5,729
International	429	4,677
Total estimated fans	760	10,406
Ticketing ⁽²⁾		
Estimated number of fee-bearing tickets sold	6,581	36,204
Estimated number of non-fee-bearing tickets sold	10,556	55,254
Total estimated tickets sold	17,137	91,458

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- (1) Events generally represent a single performance by an artist. Fans generally represent the number of people who attend an event. Festivals are counted as one event in the quarter in which the festival begins, but the number of fans is based on the days the fans were present at the festival and thus can be reported across multiple quarters. Events and fan attendance metrics are estimated each quarter.
- (2) The fee-bearing tickets estimated above include primary and secondary tickets that are sold using our Ticketmaster systems or that we issue through affiliates. This metric includes primary tickets sold during the year regardless of event timing, except for our own events where our concert promoters control ticketing which are reported when the events occur. The non-fee-bearing tickets estimated above include primary tickets sold using our Ticketmaster systems, through season seat packages and our venue clients' box offices, along with tickets sold on our "do it yourself" platform. These ticketing metrics are net of any refunds requested and any cancellations that occurred during the period and up to the time of reporting of these consolidated financial statements. Fee-bearing tickets sold above are net of refunds of 3.0 million and 7.3 million tickets for the first quarter of March 31, 2021 and 2020, respectively.

Non-GAAP Measures

The following table sets forth the reconciliation of AOI to operating income (loss):

	Operating income (loss)	Stock- based compensation expense	Loss on disposal of operating assets	Depreciation and amortization	Amortization of non- recoupable ticketing contract advances	Acquisition expenses	AOI
	<i>(in thousands)</i>						
Three Months Ended March 31, 2021							
Concerts	\$ (145,359)	\$ 17,475	\$ 138	\$ 62,886	\$ —	\$ (9,679)	\$ (74,539)
Ticketing	(120,656)	7,806	—	36,478	12,423	1,197	(62,752)
Sponsorship & Advertising	(6,441)	2,793	—	7,164	—	—	3,516
Other and Eliminations	(431)	—	—	11	(1,802)	—	(2,222)
Corporate	(30,285)	11,943	—	2,337	—	258	(15,747)
Total	\$ (303,172)	\$ 40,017	\$ 138	\$ 108,876	\$ 10,621	\$ (8,224)	\$ (151,744)
Three Months Ended March 31, 2020							
Concerts	\$ (161,131)	\$ 2,360	\$ 127	\$ 72,216	\$ —	\$ (1,745)	\$ (88,173)
Ticketing	(15,860)	1,731	2	38,176	20,220	722	44,991
Sponsorship & Advertising	38,226	872	—	7,512	—	—	46,610
Other and Eliminations	(1,470)	—	1	53	(1,409)	—	(2,825)
Corporate	(32,435)	6,769	—	4,123	—	410	(21,133)
Total	\$ (172,670)	\$ 11,732	\$ 130	\$ 122,080	\$ 18,811	\$ (613)	\$ (20,530)

Adjusted Operating Income (Loss)

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

AOI Margin

AOI margin is a non-GAAP financial measure that we calculate by dividing AOI by revenue. We use AOI margin to evaluate the performance of our operating segments. We believe that information about AOI margin assists investors by allowing them to evaluate changes in the operating results of our portfolio of businesses separate from non-operational factors that affect net income (loss), thus providing insights into both operations and the other factors that affect reported results. AOI margin is not calculated or presented in accordance with GAAP. A limitation of the use of AOI margin as a performance measure is that it does not reflect the periodic costs of certain amortizing assets used in generating revenue in our business. Accordingly, AOI margin should be considered in addition to, and not as a substitute for, operating income (loss) margin, and other measures of financial performance reported in accordance with GAAP. Furthermore, this measure may vary among other companies; thus, AOI margin as presented herein may not be comparable to similarly titled measures of other companies.

Constant Currency

Constant currency is a non-GAAP financial measure. We calculate currency impacts as the difference between current period activity translated using the current period's currency exchange rates and the comparable prior period's currency exchange rates. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations.

Segment Operating Results**Concerts**

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

	Three Months Ended March 31,		% Change
	2021	2020	
	<i>(in thousands)</i>		
Revenue	\$ 239,416	\$ 993,393	(76)%
Direct operating expenses	113,904	750,905	(85)%
Selling, general and administrative expenses	207,847	331,276	(37)%
Depreciation and amortization	62,886	72,216	(13)%
Loss on disposal of operating assets	138	127	*
Operating loss	\$ (145,359)	\$ (161,131)	10%
Operating margin	(60.7 %)	(16.2 %)	
AOI **	\$ (74,539)	\$ (88,173)	15%
AOI margin **	(31.1 %)	(8.9 %)	

* Percentages are not meaningful.

** See “—Non-GAAP Measures” above for the definition and reconciliation of AOI and AOI margin.

Three Months*Revenue*

Concerts revenue decreased \$754.0 million during the three months ended March 31, 2021 as compared to the same period of the prior year primarily due to the unprecedented stoppage of our concert events globally in 2020 and 2021. Due to the global COVID-19 pandemic, beginning in mid-March 2020, we ceased all of our tours, closed our venues and cancelled or postponed our festivals to support global efforts at social distancing and mitigating the virus, and to comply with restrictions put in place by various governmental entities.

Operating results

The increase in Concerts operating results for the three months ended March 31, 2021 as compared to the same period of the prior year, was primarily driven by cost reduction measures implemented in the second quarter of 2020 and continuing in 2021, including salary reductions, hiring freezes, furloughs, and reduction or elimination of other discretionary spending along with participating in government support programs globally. In addition, we recorded a \$10.1 million impairment charge in the first quarter of 2020 primarily associated with revenue-generating contract intangible assets. There were no significant impairments recorded for the three months ended March 31, 2021. This increase in operating results was partially offset by the reduction in revenue caused by the global COVID-19 pandemic discussed above.

Ticketing

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

	Three Months Ended March 31,		% Change
	2021	2020	
	<i>(in thousands)</i>		
Revenue	\$ 28,322	\$ 284,277	(90)%
Direct operating expenses	17,832	104,413	(83)%
Selling, general and administrative expenses	94,668	157,546	(40)%
Depreciation and amortization	36,478	38,176	(4)%
Loss on disposal of operating assets	—	2	*
Operating loss	\$ (120,656)	\$ (15,860)	*
Operating margin	*	(5.6 %)	
AOI **	\$ (62,752)	\$ 44,991	*
AOI margin **	*	15.8 %	

* Percentages are not meaningful.

** See “—Non-GAAP Measures” above for the definition and reconciliation of AOI and AOI margin.

Three Months

Revenue

Ticketing revenue decreased \$256.0 million during the three months ended March 31, 2021 as compared to the same period of the prior year primarily due to the lack of tickets available for sale to the public driven by the unprecedented stoppage of concerts, sports and other events globally beginning in mid-March 2020 and continuing in 2021 due to the global COVID-19 pandemic.

Operating results

The decrease in Ticketing operating results for the three months ended March 31, 2021 as compared to the same period of the prior year, was primarily driven by the reduction of revenue caused by the global COVID-19 pandemic discussed above. This decrease was partially offset by cost reduction measures implemented in the second quarter of 2020 and continuing in 2021, including salary reductions, hiring freezes, furloughs, and reduction or elimination of other discretionary spending along with participating in government support programs globally.

Sponsorship & Advertising

Our Sponsorship & Advertising segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended March 31,		% Change
	2021	2020	
	<i>(in thousands)</i>		
Revenue	\$ 22,647	\$ 90,261	(75)%
Direct operating expenses	2,821	21,536	(87)%
Selling, general and administrative expenses	19,103	22,987	(17)%
Depreciation and amortization	7,164	7,512	(5)%
Operating income (loss)	<u>\$ (6,441)</u>	<u>\$ 38,226</u>	*
Operating margin	(28.4 %)	42.4 %	
AOI **	\$ 3,516	\$ 46,610	(92)%
AOI margin **	15.5 %	51.6 %	

* Percentages are not meaningful.

** See “—Non-GAAP Measures” above for the definition and reconciliation of AOI and AOI margin.

Three Months*Revenue*

Sponsorship & Advertising revenue decreased \$67.6 million during the three months ended March 31, 2021 as compared to the same period of the prior year primarily due to a reduction in sponsorship revenue associated with our venues, festivals and lack of online activity as ticket sales declined driven by the unprecedented stoppage of events beginning in mid-March 2020 and continuing in 2021 due to the global COVID-19 pandemic.

Operating results

The decrease in Sponsorship & Advertising operating income for the three months ended March 31, 2021 as compared to the same period of the prior year, was primarily driven by the reduction in revenue caused by the global COVID-19 pandemic discussed above.

Three Months

	Three Months Ended March 31,						
	2021			2020		% Change	
	As Reported	Currency Impacts	At Constant Currency**	As Reported	As Reported	At Constant Currency**	
	<i>(in thousands)</i>						
Revenue	\$ 290,609	\$ (8,630)	\$ 281,979	\$ 1,365,693	(79)%	(79)%	
Operating expenses:							
Direct operating expenses	133,966	(4,488)	129,478	873,820	(85)%	(85)%	
Selling, general and administrative expenses	322,853	(6,683)	316,170	514,021	(37)%	(38)%	
Depreciation and amortization	108,876	(1,976)	106,900	122,080	(11)%	(12)%	
Loss on disposal of operating assets	138	(2)	136	130	6%	5%	
Corporate expenses	27,948	(12)	27,936	28,312	(1)%	(1)%	
Operating loss	(303,172)	\$ 4,531	\$ (298,641)	(172,670)	(76)%	(73)%	
Operating margin	*		*	(12.6%)			
Interest expense	70,830			43,999			
Interest income	(1,149)			(4,473)			
Equity in earnings of nonconsolidated affiliates	(581)			(2,572)			
Gain from sale of investments in nonconsolidated affiliates	(55,933)			(3,555)			
Other expense (income), net	(6)			8,183			
Loss before income taxes	(316,333)			(214,252)			
Income tax expense (benefit)	6,389			(3,330)			
Net loss	(322,722)			(210,922)			
Net loss attributable to noncontrolling interests	(15,529)			(26,138)			
Net loss attributable to common stockholders of Live Nation	\$ (307,193)			\$ (184,784)			

* Percentages are not meaningful.

** See “—Non-GAAP Measures” above for the definition of constant currency.

Interest expense

Interest expense increased \$26.8 million, or 61%, during the three months ended March 31, 2021 as compared to the same period of the prior year due to additional interest costs from the issuance of our 2.0% convertible senior notes in February 2020, the issuance of our 6.5% senior secured notes in May 2020 and the issuance of our 3.75% senior secured notes in January 2021.

Gain from sale of investments in nonconsolidated affiliates

Gain from sale of investments in nonconsolidated affiliates increased \$52.4 million during the three months ended March 31, 2021 as compared to the same period of the prior year primarily due to the sale of certain cost basis investments during the first three months of 2021.

Income tax expense (benefit)

For the three months ended March 31, 2021, we had a net tax expense of \$6.4 million on a loss before income taxes of \$316.3 million compared to net tax benefit of \$3.3 million on loss before income taxes of \$214.3 million for the three months ended March 31, 2020. For the three months ended March 31, 2021, the income tax expense consisted of \$4.4 million related to foreign entities, \$1.7 million related to United States federal taxes, and \$0.3 million related to state and local income taxes. The net increase in tax expense of \$9.7 million was primarily due to unbenefited losses in certain non-United States jurisdictions and other discrete tax adjustments recorded in the first quarter of 2021.

Liquidity and Capital Resources

In response to the impact that the global COVID-19 pandemic has had on our business, and the uncertainty of the duration of current conditions globally, we have taken certain actions to strengthen our liquidity position and preserve our capital resources.

In April 2020, we amended our senior secured credit facility to provide an incremental \$130 million revolving credit facility. We further amended our senior secured credit facility in July 2020, which, among other things, substitutes our net leverage covenant with a \$500 million liquidity covenant (as defined in the agreement) until the earlier of (a) December 31, 2021 and (b) at our election, any fiscal quarter prior to December 31, 2021. In February 2020, we issued \$400 million principal amount of 2.0% convertible senior notes due 2025, in May 2020, we issued \$1.2 billion principal amount of 6.5% senior secured notes due 2027 and in January 2021, we issued \$500 million principal amount of 3.75% senior secured notes due 2028. As a result, we believe these amendments and additional debt issuances will allow us the flexibility to manage our business through the disruption we expect to experience in 2021 until we are able to resume our operations.

Our cash is centrally managed on a worldwide basis. Our primary short-term liquidity needs are to fund general working capital requirements, capital expenditures and debt service requirements while our long-term liquidity needs are primarily related to acquisitions and debt repayment. Our primary sources of funds for our short-term liquidity needs will be cash flows from operations and borrowings under our amended senior secured credit facility, while our long-term sources of funds will be from cash flows from operations, long-term bank borrowings and other debt or equity financings. We may from time to time engage in open market purchases of our outstanding debt securities or redeem or otherwise repay such debt.

Our balance sheet reflects cash and cash equivalents of \$3.0 billion at March 31, 2021 and \$2.5 billion at December 31, 2020. Included in the March 31, 2021 and December 31, 2020 cash and cash equivalents balances are \$724.4 million and \$673.5 million, respectively, of cash received that includes the face value of tickets sold on behalf of our ticketing clients and their share of service charges, which we refer to as client cash. We generally do not utilize client cash for our own financing or investing activities as the amounts are payable to clients on a regular basis. Our foreign subsidiaries held approximately \$919.2 million in cash and cash equivalents, excluding client cash, at March 31, 2021. We generally do not repatriate these funds, but if we did, we would need to accrue and pay United States state income taxes as well as any applicable foreign withholding or transaction taxes on future repatriations. We may from time to time enter into borrowings under our revolving credit facility. If the original maturity of these borrowings is 90 days or less, we present the borrowings and subsequent repayments on a net basis in the statement of cash flows to better represent our financing activities. Our balance sheet reflects total net debt of \$5.3 billion and \$4.9 billion at March 31, 2021 and December 31, 2020, respectively. Our weighted-average cost of debt, excluding unamortized debt discounts and debt issuance costs on our term loans and notes, was 4.4% at March 31, 2021.

Our cash and cash equivalents are held in accounts managed by third-party financial institutions and consist of cash in our operating accounts and invested cash. Cash held in non-interest-bearing and interest-bearing operating accounts in many cases exceeds the Federal Deposit Insurance Corporation insurance limits. The invested cash is in interest-bearing funds consisting primarily of bank deposits and money market funds. While we monitor cash and cash equivalents balances in our operating accounts on a regular basis and adjust the balances as appropriate, these balances could be impacted if the underlying financial institutions fail. To date, we have experienced no loss or lack of access to our cash and cash equivalents; however, we can provide no assurances that access to our cash and cash equivalents will not be impacted by adverse conditions in the financial markets, including those resulting from the global COVID-19 pandemic.

For our Concerts segment, we often receive cash related to ticket revenue in advance of the event, which is recorded in deferred revenue until the event occurs. In the United States, this cash is largely associated with events in our owned or operated venues, notably amphitheatres, festivals, theaters and clubs. Internationally, this cash is from a combination of both events in our owned or operated venues, as well as events in third-party venues associated with our promoter's share of tickets in allocation markets. We do not otherwise generally hold cash for events being held in third-party venues. In the United States, most venues traditionally hold all the cash, and internationally either the venue holds all the cash or holds the portion of the cash associated with their ticket allocation. With the exception of some upfront costs and artist advances, which are recorded in prepaid expenses until the event occurs, we pay the majority of event-related expenses at or after the event. Artists are paid when the event occurs under one of several different formulas, which may include fixed guarantees and/or a percentage of ticket sales or event profits, net of any advance they have received. When an event is cancelled, any cash held in deferred revenue is reclassified to accrued expenses as those funds are typically refunded to the fan within 30 days of event cancellation. In certain markets, we are offering fans an incentive to receive a voucher for a future ticket purchase to one of our events in lieu of receiving a refund for a cancelled event. Where a fan has elected to receive the incentive voucher, the cash from the original ticket purchase remains in deferred revenue. When a show is rescheduled, fans have the ability to request a refund if they do not want to attend the event on the new date, although historically we have had low levels of refund requests for rescheduled events.

We view our available cash as cash and cash equivalents, less ticketing-related client cash, less event-related deferred revenue, less accrued expenses due to artists and cash collected on behalf of others, plus event-related prepaid expenses. This is essentially our cash available to, among other things, repay debt balances, make acquisitions, pay artist advances and finance capital expenditures.

Our intra-year cash fluctuations are impacted by the seasonality of our various businesses. Examples of seasonal effects include our Concerts segment, which reports the majority of its revenue in the second and third quarters. Cash inflows and outflows depend on the timing of event-related payments but the majority of the inflows generally occur prior to the event. See “—Seasonality” below. We believe that we have sufficient financial flexibility to fund these fluctuations and to access the global capital markets on satisfactory terms and in adequate amounts, although there can be no assurance that this will be the case, and capital could be less accessible and/or more costly given current economic conditions, including those resulting from the global COVID-19 pandemic. We expect cash flows from operations and borrowings under our amended senior secured credit facility, along with other financing alternatives, to satisfy working capital requirements, capital expenditures and debt service requirements for at least the succeeding year.

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

The lenders under our revolving loans and counterparty to our interest rate hedge agreement consists of banks and other third-party financial institutions. While we currently have no indications or expectations that such lenders will be unable to fund their commitments as required, we can provide no assurances that future funding availability will not be impacted by adverse conditions in the financial markets, including those resulting from the global COVID-19 pandemic. Should an individual lender default on its obligations, the remaining lenders would not be required to fund the shortfall, resulting in a reduction in the total amount available to us for future borrowings, but would remain obligated to fund their own commitments. Should the counterparty to our interest rate hedge agreement default on its obligation, we could experience higher interest rate volatility during the period of any such default.

Sources of Cash

During 2020, we amended our senior secured credit facility, issued \$1.2 billion principal amount of 6.5% senior secured notes due 2027 and issued \$400 million principal amount of 2.0% convertible senior notes due 2025. A portion of the proceeds were used to pay transaction fees of \$35.5 million, leaving approximately \$1.6 billion for general corporate purposes.

In January 2021, we issued \$500 million principal amount of 3.75% senior secured notes due 2028. The proceeds were used to pay estimated fees of \$7.7 million and repay \$75.0 million aggregate principal amount of our senior secured term loan B facility, leaving approximately \$417.3 million for general corporate purposes, including acquisitions and organic investment opportunities.

Amended Senior Secured Credit Facility

In April and July 2020, we amended our senior secured credit facility and now have (i) a \$400 million delayed draw term loan A facility, (ii) a \$950 million term loan B facility, (iii) a \$500 million revolving credit facility and (iv) a \$130 million incremental revolving credit facility. The delayed draw term loan A facility is available to be drawn until October 2021. In addition, subject to certain conditions, we have the right to increase such facilities by an amount equal to the sum of (x) \$425 million during the Restricted Period and \$855 million after the Restricted Period, (y) the aggregate principal amount of voluntary prepayments of the delayed draw term loan A and term loan B and permanent reductions of the revolving credit facility commitments, in each case, other than from proceeds of long-term indebtedness, and (z) except during the Restricted Period, additional amounts so long as the senior secured leverage ratio calculated on a pro-forma basis (as defined in the agreement) is no greater than 3.75x. The combined revolving credit facilities provide for borrowings up to \$630 million with sublimits of up to (i) \$150 million for the issuance of letters of credit, (ii) \$50 million for swingline loans, (iii) \$300 million for borrowings in Dollars, Euros or British Pounds and (iv) \$100 million for borrowings in those or one or more other approved currencies. The amended senior secured credit facility is secured by a first priority lien on substantially all of the tangible and intangible personal property of LNE and LNE’s domestic subsidiaries that are guarantors, and by a pledge of substantially all of the shares of stock, partnership interests and limited liability company interests of our direct and indirect domestic subsidiaries and 65% of each class of capital stock of any first-tier foreign subsidiaries, subject to certain exceptions.

The interest rates per annum applicable to revolving credit facility loans and the delayed draw term loan A under the amended senior secured credit facility are, at our option, equal to either Eurodollar plus 2.25% or a base rate plus 1.25%. The interest rates per annum applicable to the term loan B are, at our option, equal to either Eurodollar plus 1.75% or a base rate plus 0.75%. The interest rates per annum applicable to the incremental revolving credit facility are, at our option, equal to either Eurodollar plus 2.5% or a base rate plus 1.5%. We are required to pay a commitment fee of 0.5% per year on the undrawn

portion available under the revolving credit facility and delayed draw term loan A, 1.75% per year on the undrawn portion available under the incremental revolving credit facility and variable fees on outstanding letters of credit.

For the delayed draw term loan A, we are required to make quarterly payments at a rate ranging from 0.625% of the original principal amount during the first three years to 1.25% during the last two years, with the balance due at maturity in October 2024. For the term loan B, we are required to make quarterly payments of \$2.4 million with the balance due at maturity in October 2026. Both the existing and incremental revolving credit facilities mature in October 2024. We are also required to make mandatory prepayments of the loans under the amended credit agreement, subject to specified exceptions, from excess cash flow and with the proceeds of asset sales, debt issuances and specified other events.

There were no borrowings under the revolving credit facilities as of March 31, 2021 and we have not drawn down on the delayed draw term loan A. Based on our outstanding letters of credit of \$66.4 million, \$963.6 million was available for future borrowings from our delayed draw term loan A and revolving credit facilities.

6.5% Senior Secured Notes Due 2027

In May 2020, we issued \$1.2 billion principal amount of 6.5% senior secured notes due 2027. Interest on the notes is payable semi-annually in cash in arrears on May 15 and November 15 of each year beginning on November 15, 2020, and will mature on May 15, 2027. We may redeem some or all of the notes, at any time prior to May 15, 2023, at a price equal to 100% of the aggregate principal amount, plus any accrued and unpaid interest to the date of redemption, plus a “make-whole” premium. We may redeem up to 35% of the aggregate principal amount of the notes from the proceeds of certain equity offerings prior to May 15, 2023, at a price equal to 106.5% of the aggregate principal amount, plus accrued and unpaid interest thereon, if any, to the date of redemption. In addition, on or after May 15, 2023 we may redeem some or all of the notes at any time at redemption prices starting at 104.875% of their principal amount, plus any accrued and unpaid interest to the date of redemption. We must make an offer to redeem the notes at 101% of their aggregate principal amount, plus accrued and unpaid interest to the repurchase date, if we experience certain defined changes of control. The notes are secured by a first priority lien on substantially all of the tangible and intangible personal property of LNE and LNE’s domestic subsidiaries that are guarantors, and by a pledge of substantially all of the shares of stock, partnership interests and limited liability company interests of our direct and indirect domestic subsidiaries and 65% of each class of capital stock of any first-tier foreign subsidiaries, subject to certain exceptions.

3.75% Senior Secured Notes Due 2028

Information regarding our 3.75% senior secured notes due 2028 can be found in Part I — Financial Information — Item 1.— Financial Statements — Note 5 —Long-Term Debt.

2.0% Convertible Senior Notes Due 2025

In February 2020, we issued \$400 million principal amount of 2.0% convertible senior notes due 2025. Interest on the notes is payable semiannually in arrears on February 15 and August 15, at a rate of 2.0% per annum. The notes will mature on February 15, 2025. The notes will be convertible, under certain circumstances, until November 15, 2024, and on or after such date without condition, at an initial conversion rate of 9.4469 shares of our common stock per \$1,000 principal amount of notes, subject to adjustment, which represents a 50.0% conversion premium based on the last reported sale price for our common stock of \$70.57 on January 29, 2020 prior to issuing the notes. Upon conversion, the notes may be settled in shares of common stock or, at our election, cash or a combination of cash and shares of common stock. Assuming we fully settled the notes in shares, the maximum number of shares that could be issued to satisfy the conversion is currently 3.8 million.

We may redeem for cash all or a portion of the notes, at our option, on or after February 21, 2023 and before the 41st scheduled trading day before the maturity date, if the sales price of our common stock reaches specified targets as defined in the indenture. The redemption price will equal 100% of the principal amount of the notes plus accrued interest, if any.

If we experience a fundamental change, as defined in the indenture governing the notes, the holders of the notes may require us to purchase for cash all or a portion of their notes, subject to specified exceptions, at a price equal to 100% of the principal amount of the notes plus any accrued and unpaid interest.

Debt Covenants

Our amended senior secured credit facility contains a number of restrictions that, among other things, require us to satisfy a financial covenant and restrict our and our subsidiaries’ ability to incur additional debt, make certain investments and acquisitions, repurchase our stock and prepay certain indebtedness, create liens, enter into agreements with affiliates, modify the nature of our business, enter into sale-leaseback transactions, transfer and sell material assets, merge or consolidate, and pay dividends and make distributions (with the exception of subsidiary dividends or distributions to the parent company or other subsidiaries on at least a pro-rata basis with any noncontrolling interest partners). Certain of these restrictions are further limited temporarily by the July 2020 amendment. Non-compliance with one or more of the covenants and restrictions could result in

the full or partial principal balance of the credit facility becoming immediately due and payable. The amended senior secured credit facility agreement has one covenant, measured quarterly, that relates to net leverage. The July 2020 amendment substitutes the consolidated net leverage ratio covenant with a liquidity covenant (as defined in the agreement) that requires our consolidated liquidity be at least \$500 million until the earlier of (a) December 31, 2021 and (b) at our election, any fiscal quarter ending prior to December 31, 2021 so long as such election is made during the last month of such fiscal quarter or within 30 days following the end of such fiscal quarter. The July 2020 amendment also requires the liquidity covenant to be measured monthly beginning January 31, 2021 until the earlier of (x) November 30, 2021 and (y) the last day of the month before the consolidated net leverage ratio covenant applies. For fiscal quarters after resumption of the consolidated net leverage covenant, we will be required to maintain a ratio of consolidated total net debt to consolidated EBITDA (both as defined in the amended credit agreement) for the trailing four consecutive quarters of 6.75x with step downs to 6.25x after four quarters, 5.75x after eight quarters, 5.50x after twelve quarters and 5.25x after fourteen quarters through maturity, except that calculations of consolidated EBITDA (as defined in the agreement) for the first three fiscal quarters after resumption of the covenant will be substituted with an annualized consolidated EBITDA (as defined in the agreement). For the avoidance of doubt, the consolidated net leverage covenant will resume for the quarter ended December 31, 2021 at the latest.

The indentures governing our 6.5% senior secured notes, 3.75% senior secured notes, 4.75% senior notes, 4.875% senior notes and 5.625% senior notes contain covenants that limit, among other things, our ability and the ability of our restricted subsidiaries to incur certain additional indebtedness and issue preferred stock, make certain distributions, investments and other restricted payments, sell certain assets, agree to any restrictions on the ability of restricted subsidiaries to make payments to us, merge, consolidate or sell all of our assets, create certain liens, and engage in transactions with affiliates on terms that are not on an arms-length basis. Certain covenants, including those pertaining to incurrence of indebtedness, restricted payments, asset sales, mergers, and transactions with affiliates will be suspended during any period in which the notes are rated investment grade by both rating agencies and no default or event of default under the indenture has occurred and is continuing. All of these notes contain two incurrence-based financial covenants, as defined, requiring a minimum fixed charge coverage ratio of 2.0x and a maximum secured indebtedness leverage ratio of 3.5x.

Some of our other subsidiary indebtedness includes restrictions on entering into various transactions, such as acquisitions and disposals, and prohibits payment of ordinary dividends. They also have financial covenants including minimum consolidated EBITDA to consolidated net interest payable, minimum consolidated cash flow to consolidated debt service, maximum consolidated debt to consolidated EBITDA and minimum liquidity, all as defined in the applicable debt agreements.

As of March 31, 2021, we believe we were in compliance with all of our debt covenants related to our senior secured credit facility and our corporate senior secured notes, senior notes and convertible senior notes. We expect to remain in compliance with all of these covenants throughout 2021.

Uses of Cash

Acquisitions

When we make acquisitions, the acquired entity may have cash on its balance sheet at the time of acquisition. All amounts related to the use of cash for acquisitions discussed in this section are presented net of any cash acquired. During the three months ended March 31, 2021, we used \$6.1 million of cash primarily for the acquisition of a venue in the United Kingdom.

During the three months ended March 31, 2020, we used \$32.5 million of cash primarily for the acquisitions of a festival promotion business and a venue management business, both located in the United States. As of the date of acquisition, the acquired businesses had a total of \$63.7 million of cash on their balance sheets, primarily related to deferred revenue for future events.

Capital Expenditures

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

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

Our capital expenditures, including accruals for amounts incurred but not yet paid for, but net of expenditures funded by outside parties such as landlords and noncontrolling interest partners or replacements funded by insurance proceeds, consisted of the following:

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Maintenance capital expenditures	\$ 5,657	\$ 30,447
Revenue generating capital expenditures	11,438	43,387
Total capital expenditures	<u>\$ 17,095</u>	<u>\$ 73,834</u>

Maintenance capital expenditures during the first three months of 2021 decreased from the same period of the prior year primarily due to reductions for certain office facilities and venue-related projects as part of our cash savings initiatives implemented in connection with the global COVID-19 pandemic.

Revenue generating capital expenditures during the first three months of 2021 decreased from the same period of the prior year primarily due to lower spending in our amphitheater venues and a reduction in technology-related projects as part of our cash savings initiatives implemented in connection with the global COVID-19 pandemic.

We currently expect capital expenditures to be approximately \$150 million for the full year of 2021.

Cash Flows

	Three Months Ended March 31,	
	2021	2020
	<i>(in thousands)</i>	
Cash provided by (used in):		
Operating activities	\$ 74,574	\$ 631,675
Investing activities	\$ 10,108	\$ (122,371)
Financing activities	\$ 417,017	\$ 382,422

Operating Activities

Cash provided by operating activities decreased \$557.1 million for the three months ended March 31, 2021 as compared to the same period of the prior year primarily due to the continued impacts of the global COVID-19 pandemic resulting in a lower increase in deferred revenue along with lower cash-related income during the first three months of 2021, partially offset by a decrease in prepaid expenses as compared to an increase in the same period of the prior year.

Investing Activities

Cash provided by investing activities was \$10.1 million for the three months ended March 31, 2021 as compared to cash used in investing activities of \$122.4 million in the same period of the prior year primarily due to proceeds from the sale of investments in nonconsolidated affiliates, fewer acquisitions and less cash paid for capital expenditures. See “—Uses of Cash” above for further discussion.

Financing Activities

Cash provided by financing activities increased \$34.6 million for the three months ended March 31, 2021 as compared to the same period of the prior year primarily due to receipt of proceeds from sale of noncontrolling interests in 2021 as compared to purchases of noncontrolling interests in the prior year as well as an increase in proceeds received from exercise of stock options. See “—Sources of Cash” above for further discussion.

Seasonality

Information regarding the seasonality of our business can be found in Part I—Financial Information—Item 1.—Financial Statements—Note 1—Basis of Presentation and Other Information.

Market Risk

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

Foreign Currency Risk

We have operations in countries throughout the world. The financial results of our foreign operations are measured in their local currencies. Our foreign subsidiaries also carry certain net assets or liabilities that are denominated in a currency other than that subsidiary's functional currency. As a result, our financial results could be affected by factors such as changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which we have operations. Currently, we do not have significant operations in hyper-inflationary countries. Our foreign operations reported an operating loss of \$85.2 million for the three months ended March 31, 2021. We estimate that a 10% change in the value of the United States dollar relative to foreign currencies would change our operating loss for the three months ended March 31, 2021 by \$8.5 million. As of March 31, 2021, our most significant foreign exchange exposure included the Euro, British Pound, Australian Dollar and Canadian Dollar. This analysis does not consider the implication such currency fluctuations could have on the overall economic conditions of the United States or other foreign countries in which we operate or on the results of operations of our foreign entities. In addition, the reported carrying value of our assets and liabilities, including the total cash and cash equivalents held by our foreign operations, will also be affected by changes in foreign currency exchange rates.

We primarily use forward currency contracts, in addition to options, to reduce our exposure to foreign currency risk associated with short-term artist fee commitments. We also may enter into forward currency contracts to minimize the risks and/or costs associated with changes in foreign currency rates on forecasted operating income. At March 31, 2021, we had forward currency contracts outstanding with a notional amount of \$53.2 million.

Interest Rate Risk

Our market risk is also affected by changes in interest rates. We had \$5.5 billion of total debt, excluding debt discounts and issuance costs, outstanding as of March 31, 2021, of which \$5.1 billion was fixed-rate debt and \$0.4 billion was floating-rate debt.

Based on the amount of our floating-rate debt as of March 31, 2021, each 25-basis point increase or decrease in interest rates would increase or decrease our annual interest expense and cash outlay by approximately \$1.0 million. This potential increase or decrease is based on the simplified assumption that the level of floating-rate debt remains constant with an immediate across-the-board increase or decrease as of March 31, 2021 with no subsequent change in rates for the remainder of the period.

In January 2020, we entered into an interest rate swap agreement that is designated as a cash flow hedge for accounting purposes to effectively convert a portion of our floating-rate debt to a fixed-rate basis. The swap agreement expires in October 2026, has a notional amount of \$500.0 million and ensures that a portion of our floating-rate debt does not exceed 3.397%.

Accounting Pronouncements

Information regarding recently issued and adopted accounting pronouncements can be found in Part I — Financial Information—Item 1.—Financial Statements—Note 1 —Basis of Presentation and Other Information.

Critical Accounting Policies and Estimates

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

Management believes that the accounting estimates involved in business combinations, impairment of long-lived assets and goodwill, revenue recognition, and income taxes are the most critical to aid in fully understanding and evaluating our reported financial results, and they require management's most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain. These critical accounting estimates, the judgments and assumptions and the effect if actual results differ from these assumptions are described in Part II Financial

Information—Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations of our 2020 Annual Report on Form 10-K filed with the SEC on March 1, 2021.

Impacts to our critical accounting policies and estimates are discussed below and in Part I—Financial Information—Item 1. Financial Statements—Note 3—Long-Lived Assets.

Goodwill

We currently have seven reporting units with goodwill balances: International Concerts, North America Concerts, Artist Management and Artist Services (non-management) within the Concerts segment; Sponsorship & Advertising; and International Ticketing and North America Ticketing within the Ticketing segment. We review goodwill for impairment annually, as of October 1, using a two-step process.

We also test goodwill for impairment in other periods if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount or when we change our reporting units. The rapid and severe impacts of the global COVID-19 pandemic, and more specifically the need to support global social distancing efforts, mitigate the spread of the virus, and comply with restrictions put in place by various governmental entities, led to our decision to stop all tours and close our venues beginning in mid-March 2020. As such actions are having a material impact on our cash flows during the suspension of operations, we performed qualitative and sensitivity reviews in the first quarter of 2021 to assess whether we believed these actions caused the fair value of any of our reporting units to fall below its carrying value.

These qualitative and sensitivity reviews considered relevant events and circumstances such as recent historical financial performance, industry and market conditions, macroeconomic conditions, reporting unit-specific events, historical results of goodwill impairment testing, and the timing of the last performance of a quantitative assessment. Inherent in such assessments are certain judgments and estimates relating to future cash flows, including our interpretation of current economic indicators and market influences and valuations, and assumptions about our near-term and strategic plans with regard to our operations. This included our expectations of the timing for resuming operations, including the differences in that timing worldwide and the rescheduling efforts for our events, as well as our current aggressive cost-savings and cash management programs. Due to the uncertainties associated with such estimates, actual results could differ from such estimates.

Specifically, these reviews included updating recent quantitative tests for current discount rates and financial results and forecasts, performing tests of model sensitivities to changes in discount rates, revenue and terminal growth rates and market multiples, or a consideration of the impact from changes in financial forecasts, discount rates and carrying values. As a result of these interim assessments, we concluded that, during the three months ended March 31, 2021, no conditions existed that would more likely than not reduce the fair value of any of our reporting units below its carrying amount and therefore we do not believe that our goodwill is impaired. We are unable to predict how long the impacts from the global COVID-19 pandemic will impact our operations or what additional restrictions may be imposed by governments. Significant variations from current expectations could impact future assessments.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

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

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

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

Based on their evaluation as of March 31, 2021, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) are effective to ensure that (1) the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (2) the information we are required to disclose in such reports is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

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

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any material impact to our internal controls over financial reporting resulting from the fact that employees are working remotely due to the global COVID-19 pandemic. We are continually monitoring and assessing the impact of the global COVID-19 pandemic on our internal controls to minimize the affects on their design and operating effectiveness.

PART II—OTHER INFORMATION**Item 1. Legal Proceedings**

Information regarding our legal proceedings can be found in Part I—Financial Information—Item 1. Financial Statements—Note 7—Commitments and Contingent Liabilities.

Item 1A. Risk Factors

While we attempt to identify, manage and mitigate risks and uncertainties associated with our business to the extent practical under the circumstances, some level of risk and uncertainty will always be present. Part I—Item 1A.—Risk Factors of our 2020 Annual Report on Form 10-K filed with the SEC on March 1, 2021, describes some of the risks and uncertainties associated with our business which could materially and adversely affect our business, financial condition, cash flows and results of operations, and the trading price of our common stock could decline as a result. We do not believe that there have been any material changes to the risk factors previously disclosed in our 2020 Annual Report on Form 10-K.

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

The following table provides information regarding repurchases of our common stock during the three months ended March 31, 2021:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share ⁽¹⁾	Total Number of Shares Purchased as Part of Publicly Announced Program ⁽²⁾	Maximum Fair Value of Shares that May Yet Be Purchased Under the Program ⁽²⁾
January 2021	194	\$72.28		
February 2021	34,932	\$88.13		
March 2021	193,999	\$86.88		
	<u>229,125</u>			

⁽¹⁾ Represents shares of common stock that employees surrendered as part of the default option to satisfy withholding taxes in connection with the vesting of restricted stock awards, and in respect of the exercise price and withholding taxes for net stock option exercises where no resulting shares were sold, under our stock incentive plan. Pursuant to the terms of our stock plan, such shares revert to available shares under the plan.

⁽²⁾ We do not have a publicly announced program to purchase shares of our common stock. Accordingly, there were no shares purchased as part of a publicly announced program.

Item 3. Defaults Upon Senior Securities

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit No.	Filing Date	
10.1	Indenture, dated as of January 4, 2021 by and among Live Nation Entertainment, Inc., the Guarantors identified therein and U.S. Bank National Association, as trustee and notes collateral agent.					X
10.2	Form Stock Option Agreement for the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of March 19, 2015.					X
10.3	Form Restricted Stock Award Agreement for the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of March 19, 2015.					X
10.4	Form Stock Option Agreement for the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan.					X
10.5	Form Restricted Stock Award Agreement for the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan.					X
31.1	Certification of Chief Executive Officer.					X
31.2	Certification of Chief Financial Officer.					X
32.1	Section 1350 Certification of Chief Executive Officer.					X
32.2	Section 1350 Certification of Chief Financial Officer.					X
101.INS	XBRL Instance Document - this instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	XBRL Taxonomy Schema Document.					X
101.CAL	XBRL Taxonomy Calculation Linkbase Document.					X
101.DEF	XBRL Taxonomy Definition Linkbase Document.					X
101.LAB	XBRL Taxonomy Label Linkbase Document.					X
101.PRE	XBRL Taxonomy Presentation Linkbase Document.					X
104	Cover Page Interactive Data File (Formatted as Inline XBRL and contained in Exhibit 101)					X

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, on May 6, 2021.

LIVE NATION ENTERTAINMENT, INC.

By: _____ /s/ Brian Capo

Brian Capo

Chief Accounting Officer (Duly Authorized Officer)

LIVE NATION ENTERTAINMENT, INC.
3.750% SENIOR SECURED NOTES DUE 2028

INDENTURE

Dated as of January 4, 2021

U.S. BANK NATIONAL ASSOCIATION,
as Trustee and Collateral Agent

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INDENTURE dated as of January 4, 2021 by and among Live Nation Entertainment, Inc. (the “*Issuer*”), a Delaware corporation, the Guarantors (as hereinafter defined) and U.S. Bank National Association, as trustee (in such capacity, the “*Trustee*”) and notes collateral agent (in such capacity, the “*Collateral Agent*”).

The Issuer, the Guarantors, the Trustee and the Collateral Agent agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the Issuer’s 3.750% Senior Secured Notes due 2028.

RECITALS

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

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

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

ARTICLE 1

DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.01 *Definitions.*

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

“*Academy Music Group*” means AMG and its Subsidiaries.

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

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

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

“*AIL Group*” means AmphiTheatre Ireland Limited and its Subsidiaries.

“*AIL Indebtedness*” means Indebtedness of any Person comprising part of the AIL Group in an aggregate amount for all such Indebtedness not exceeding the U.S. dollar equivalent of €40,000,000 at any time outstanding.

“*AMG*” means Academy Music Holdings Ltd., a company incorporated in England and Wales.

“*AMG Indebtedness*” means Indebtedness of any Person comprising part of the Academy Music Group in an aggregate amount for all such Indebtedness not exceeding the U.S. dollar equivalent of £60,000,000 at any time outstanding.

“*Applicable Authorized Representative*” means (i) prior to the Applicable Authorized Agent Change Date, the Credit Agreement Administrative Agent and (ii) on and following the Applicable Authorized Agent Change Date, the Major Non-Controlling Authorized Representative.

“*Applicable Collateral Agent*” means, (i) prior to the Applicable Authorized Agent Change Date, the Credit Agreement Collateral Agent and (ii) on and following the Non-Controlling Authorized Representative Enforcement Date, the collateral agent for the Series of First Lien Obligations (other than Credit Agreement Obligations) that constitutes the largest outstanding aggregate principal amount of any then outstanding Series of First Lien Obligations (other than Credit Agreement Obligations).

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

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

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

- (a) transfers of cash or Cash Equivalents, Marketable Securities and Investment Grade Securities;
- (b) transfers of assets of the Issuer (including Equity Interests) that are governed by, and made in accordance with, the first paragraph of Section 5.01;
- (c) Permitted Investments and Restricted Payments not prohibited under Section 4.07;
- (d) the creation of or realization on any Lien not prohibited under this Indenture;
- (e) transfers of damaged, worn-out or obsolete equipment or assets that, in the Issuer’s reasonable judgment, are no longer used or useful in the business of the Issuer or its Restricted Subsidiaries;
- (f) sales or grants of licenses or sublicenses to use the patents, trade secrets, know-how and other intellectual property, or abandonment thereof, and licenses, leases or subleases of other assets, of the Issuer or any Restricted Subsidiary to the extent not materially interfering with the business of Issuer and the Restricted Subsidiaries;

(g) any transfer or series of related transfers that, but for this clause, would be Asset Sales, if the aggregate Fair Market Value of the assets transferred in such transaction or series of related transactions does not exceed \$50.0 million;

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

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

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

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

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

“*Authorized Representative*” means, at any time, (i) in the case of any Credit Agreement Obligations or the Credit Agreement Secured Parties, the Credit Agreement Administrative Agent, (ii) in the case of the Notes Obligations or the Notes Secured Parties, the Trustee, (iii) in the case of the May 2027 Notes Obligations or the May 2027 Notes Secured Parties, the trustee under the May 2027 Notes, and (iv) in the case any Series of Future First Lien Obligations or Future First Lien Secured Parties that become subject to the First Lien Intercreditor Agreement after the Issue Date, the authorized representative named for such Series in the applicable joinder to the First Lien Intercreditor Agreement.

“*Bankruptcy Code*” means Title 11 U.S.C., as now or hereinafter in effect, or any successor thereto.

“*Bankruptcy Law*” means the Bankruptcy Code or any similar Federal, state or foreign law for the relief of debtors.

“*Board of Directors*” means:

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

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

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

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

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

“*Capital Lease Obligations*” means, as to any Person, the obligations of such Person under a lease that are required to be classified and accounted for as capital lease obligations under GAAP and, for purposes of this definition, the amount of such obligations at the time any determination thereof is to be made shall be the amount of

the liability in respect of a capital lease that would at such time be so required to be capitalized on a balance sheet in accordance with GAAP.

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

“*Cash Equivalents*” means:

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

“*CFC*” means a “controlled foreign corporation” within the meaning of Section 957 of the Internal Revenue Code.

“*CFC Holdco*” means any Domestic Subsidiary with no material assets other than the Capital Stock of one or more Foreign Subsidiaries that are CFCs.

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

- (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Exchange Act and the rules of the Commission thereunder as in

effect on the Issue Date) of Equity Interests representing more than 50% (on a fully diluted basis) of the total voting power represented by the issued and outstanding Equity Interests of the Issuer then entitled to vote in the election of the Board of Directors of the Issuer generally; or

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

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

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

"*Collateral*" means all property and assets in which Liens are, or are purported to be, granted pursuant to the Collateral Documents.

"*Collateral Agent*" means U.S. Bank National Association, in its capacity as notes collateral agent, until a successor replaces U.S. Bank National Association in accordance with the applicable provisions of this Indenture and thereafter means the successor serving as notes collateral agent under this Indenture.

"*Collateral Documents*" means the Security Agreement, the Pledge Agreement and any other documents executed and delivered in connection with the attachment or perfection of security interests to secure the Notes Obligations.

"*Commission*" means the Securities and Exchange Commission.

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

(a) provision for taxes based on income, profits or capital;

(b) Consolidated Interest Expense;

(c) Consolidated Non-Cash Charges of such Person for such period;

(d) any extraordinary, non-recurring or unusual losses or expenses, including, without limitation, (i) salary, benefit and other direct savings resulting from workforce reductions by such Person implemented during such period, (ii) severance or relocation costs or expenses and fees and restructuring costs of such Person during such period, (iii) costs and expenses incurred after the date of this Indenture related to employment of terminated employees incurred by such Person during such period, (iv) costs or

charges (other than Consolidated Non-Cash Charges) incurred in connection with any Equity Offering, Permitted Investment, acquisition, disposition, recapitalization or incurrence or repayment of Indebtedness permitted under this Indenture, including a refinancing thereof, and including any such costs and charges incurred in connection with the Transactions, and (v) losses realized in connection with any business disposition or any disposition of assets outside the ordinary course of business or the disposition of securities, in each case to the extent deducted in computing such Consolidated Net Income and without regard to any limitations of Item 10(e) of Regulation S-K;

(e) any losses in respect of post-retirement benefits of such Person, as a result of the application of Financial Accounting Standards Board ASC Topic 715, to the extent that such losses were deducted in computing such Consolidated Net Income; and

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

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

“*Consolidated First Lien Indebtedness Leverage Ratio*” means, as of any date of determination, the ratio of (1) the Total First Lien Debt as of such date of determination to (2) Consolidated Cash Flow of the Issuer for the period of the most recent four consecutive fiscal quarters for which internal financial statements are available, with such pro forma and other adjustments to each of Total First Lien Debt and Consolidated Cash Flow as are appropriate and consistent with the pro forma and other adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

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

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

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

Asset Acquisition (including the incurrence, assumption or liability for any such Acquired Debt) or operational change had occurred on the first day of the Measurement Period, in each case giving effect to any Pro Forma Cost Savings.

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

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

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

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

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

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

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

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

"Consolidated Interest Expense" means, with respect to any Person for any period, consolidated interest expense of such Person for such period, whether paid or accrued, including amortization of original issue discount and its Restricted Subsidiaries, non-cash interest payments and the interest component of Capital Lease Obligations, on a consolidated basis determined in accordance with GAAP, but excluding amortization or write-off of deferred financing fees and expensing of any other financing fees, and the non-cash portion of interest expense resulting from the reduction in the carrying value under purchase accounting of outstanding Indebtedness; *provided* that, for purposes of calculating consolidated interest expense, no effect will be given to the discount and/or premium resulting from the bifurcation of derivatives in accordance with the Financial Accounting Standards Board Accounting Standards Codification 815 as a result of the terms of the Indebtedness to which such consolidated interest expense applies; *provided, further*, that with respect to the calculation of the consolidated interest expense of the Issuer, the interest expense of Unrestricted Subsidiaries and any Person that is not a Subsidiary shall be excluded.

"Consolidated Leverage Ratio" means, as of any date of determination, the ratio of (i) the aggregate principal amount of Indebtedness of the Issuer and its Restricted Subsidiaries outstanding on such date, determined on a consolidated basis, to the extent required to be recorded on a balance sheet in accordance with GAAP, to (ii) the Consolidated Cash Flow of the Issuer for the period of the most recent four consecutive fiscal quarters for which internal financial statements prepared on a consolidated basis are available, with such *pro forma* and other

adjustments to each of Indebtedness and Consolidated Cash Flow as are appropriate and consistent with the *pro forma* and other adjustment provisions set forth in the definition of “Consolidated Fixed Charge Coverage Ratio.”

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

- (a) the Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person, in the case of a gain, or to the extent of any contributions or other payments by the referent Person, in the case of a loss;
- (b) the Net Income of any Person that is a Subsidiary that is not a Restricted Subsidiary shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person;
- (c) solely for purposes of Section 4.07, the Net Income of any Subsidiary of such Person that is not a Guarantor shall be excluded to the extent that the declaration or payment of dividends or similar distributions is not at the time permitted by operation of the terms of its charter or bylaws or any other agreement, instrument, judgment, decree, order, statute, rule or government regulation to which it is subject; *provided* that the Consolidated Net Income of such Person will be increased by the amount of dividends or distributions or other payments actually paid in cash (or converted to cash) by any such Subsidiary to such Person in respect of such period, to the extent not already included therein;
- (d) the cumulative effect of a change in accounting principles shall be excluded;
- (e) any after-tax effect of income (loss) (x) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments, (y) from sales or dispositions of assets (other than in the ordinary course of business), or (z) that is extraordinary, non-recurring or unusual (without regard to any limitations of Item 10(e) of Regulation S-K), in each case, shall be excluded;
- (f) any non-cash compensation expense recorded from grants and periodic remeasurements of stock appreciation or similar rights, stock options, restricted stock or other rights shall be excluded;
- (g) any non-cash impairment charge or asset write-off, in each case, pursuant to GAAP, and the amortization of intangibles arising pursuant to GAAP shall be excluded;
- (h) any fees, expenses and other charges in connection with the Transactions or any acquisition, investment, asset disposition, issuance or repayment of debt, issuance of Equity Interests, refinancing transaction or amendment or other modification of any debt instrument shall be excluded; and
- (i) gains and losses resulting solely from fluctuations in foreign currencies shall be excluded.

“*Consolidated Non-Cash Charges*” means, with respect to any Person for any period, the aggregate depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period), impairment, compensation, rent, other non-cash expenses and write-offs and write-downs of assets (including non-cash charges, losses or expenses attributable to the movement in the mark-to-market valuation of Hedging Obligations pursuant to Financial Accounting Standards Board ASC Topic 815 or in connection with the early extinguishment of Hedging Obligations) of such Person and its Restricted Subsidiaries reducing Consolidated Net Income of such Person for such period on a consolidated basis and otherwise determined in accordance with GAAP, but excluding (i) any such charge which consists of or requires an accrual of, or cash reserve for, anticipated cash charges for any future period and (ii) the non-cash impact of recording the change in fair value of any embedded derivatives in accordance with the Financial Accounting Standards Board Accounting

Standards Codification 815 as a result of the terms of any agreement or instrument to which such Consolidated Non-Cash Charges relate.

“*Consolidated Tangible Assets*” means, as of any date of determination for any Person, the Consolidated Total Assets of such Person as of such date, less, to the extent otherwise constituting Consolidated Total Assets, all of such Person’s and its Subsidiaries’, on a consolidated basis, goodwill, patents, tradenames, trademarks, copyrights, franchises, experimental expenses, organization expenses and any other assets classified as intangible assets in accordance with GAAP as shown on the most recent balance sheet of such Person immediately preceding such date of determination.

“*Consolidated Total Assets*” means, as of any date of determination for any Person, the total assets of such Person and its Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of such Person immediately preceding such date of determination.

“*continuing*” means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

“*Corporate Trust Office of the Trustee and Collateral Agent*” means the principal office of the Trustee and Collateral Agent at which at any time this Indenture shall be administered, which office at the date hereof is located at 633 West Fifth Street, 24th Floor, Los Angeles, CA 90071, Attn: B. Scarbrough (Live Nation Entertainment, Inc.), or such other address as the Trustee may designate from time to time by notice to the Holders and the Issuer, or the principal corporate trust office of any successor Trustee or any successor Collateral Agent (or such other address as such successor Trustee or successor Collateral Agent may designate from time to time by notice to the Holders and the Issuer).

“*Credit Agreement*” means that certain credit agreement, dated May 6, 2010, by and among the Issuer, as borrower, certain Foreign Subsidiaries, as foreign borrowers, certain subsidiaries of the Issuer as guarantors, certain lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as administrative agent (and any successor thereto, in each case, the “Credit Agreement Administrative Agent”) and collateral agent (and any successor thereto, in each case, the “Credit Agreement Collateral Agent”), JPMorgan Chase Bank, N.A., Toronto Branch, as Canadian agent, J.P. Morgan Europe Limited, as London agent and the other parties party thereto, as amended by Amendment No. 1, dated June 29, 2012, Amendment No. 2, dated August 16, 2013, Amendment No. 3, dated October 31, 2016, Amendment No. 4, dated June 27, 2017, Amendment No. 5, dated as of March 28, 2018, Amendment No. 6, dated as of October 17, 2019, Amendment No. 7, dated as of April 9, 2020 and Amendment No. 8, dated as of July 29, 2020 and as such agreement or facility may be further amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement exchanging, extending the maturity of, refinancing, renewing, replacing, substituting or otherwise restructuring, whether in the bank or debt capital markets (or combination thereof) (including increasing the amount of available borrowings thereunder or adding or removing Subsidiaries as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement or facility or any successor or replacement agreement or facility.

“*Credit Agreement Administrative Agent*” has the meaning provided in the term “Credit Agreement”.

“*Credit Agreement Collateral Agent*” has the meaning provided in the term “Credit Agreement”.

“*Credit Agreement Documents*” means the collective reference to the Credit Agreement, any notes issued pursuant thereto and the guarantees thereof, and the collateral documents relating thereto, and any other documents, certificates, instruments or agreements executed and delivered by or on behalf of the Issuer or any Guarantor for the benefit of the Credit Agreement Collateral Agent or any Credit Agreement Secured Party in connection therewith that specifically identifies itself as a “Credit Document,” a “Loan Document” or similar term, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified, in whole or in part, from time to time.

“*Credit Agreement Foreign Obligations*” means all Obligations under the Credit Agreement and the other Credit Agreement Documents, in respect of any Foreign Subsidiary.

“*Credit Agreement Obligations*” means all Obligations under the Credit Agreement and the other Credit Agreement Documents, but excluding Credit Agreement Foreign Obligations.

“*Credit Agreement Secured Parties*” means the Credit Agreement Administrative Agent, the Credit Agreement Collateral Agent and the holders from time to time of Credit Agreement Obligations.

“*Credit Facilities*” means one or more credit agreements or debt facilities to which the Issuer and/or one or more of its Restricted Subsidiaries is party from time to time (including without limitation the Credit Agreement), in each case with banks, investment banks, insurance companies, mutual funds or other lenders or institutional investors providing for revolving credit loans, term loans, debt securities, bankers acceptances, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case as such agreements or facilities may be amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement exchanging, extending the maturity of, refinancing, renewing, replacing, substituting or otherwise restructuring, whether in the bank or debt capital markets (or combination thereof) (including increasing the amount of available borrowings thereunder or adding or removing Subsidiaries as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement or facility or any successor or replacement agreement or facility.

“*Default*” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“*Definitive Note*” means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the “Schedule of Exchanges of Interests in the Global Note” attached thereto.

“*Depository*” means The Depository Trust Company and any and all successors thereto appointed as depository hereunder and having become such pursuant to an applicable provision hereof.

“*Designated Preferred Stock*” means Preferred Equity Interests of the Issuer (other than Disqualified Stock) that is issued for cash (other than to any of the Issuer’s Subsidiaries or an employee stock plan or trust established by the Issuer or any of its Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an Officers’ Certificate, on the date of issuance thereof, the cash proceeds of which are excluded from the calculation set forth in Section 4.07(a)(3).

“*Discharge*” means, with respect to any Collateral and any Series of First Lien Obligations, the date on which such Series of Liens Obligations is no longer secured by such Collateral in accordance with the terms of the documentation governing such Series of First Lien Obligations.

“*Disqualified Stock*” means any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date on which the Notes mature; *provided, however*, that any such Capital Stock may require the issuer of such Capital Stock to make an offer to purchase such Capital Stock upon the occurrence of certain events if the terms of such Capital Stock provide that such an offer may not be satisfied and the purchase of such Capital Stock may not be consummated until the 91st day after the purchase of the Notes as required by Section 4.15.

“*Dollar*” or “*\$*” means the lawful currency of the United States.

“*Domestic Restricted Subsidiaries*” means all Restricted Subsidiaries that are Domestic Subsidiaries.

“*Domestic Subsidiary*” means any Subsidiary other than a Foreign Subsidiary.

“*Eligible Institution*” means a commercial banking institution that has combined capital and surplus of not less than \$500.0 million or its equivalent in foreign currency, whose debt is rated by at least two nationally recognized statistical rating organizations in one of each such organization’s four highest generic rating categories at the time as of which any investment or rollover therein is made.

“*Equity Interests*” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock). For the avoidance of doubt, a debt security that is convertible into, or exchangeable for, any combination of cash and Capital Stock based on the value of such Capital Stock will satisfy the exclusion set forth in the parenthetical to the preceding sentence.

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

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended (and any successor statute) and the rules and regulations promulgated thereunder.

“*Excluded Accounts*” means any deposit or securities account (a) used exclusively for payroll, and/or payroll, local, state, federal and other taxes and/or other employee wage and benefit payments to or for the benefit of the Issuer’s or any Guarantor’s employees, (b) used exclusively to pay all taxes required to be collected, remitted or withheld, (c) which the Issuer or any Guarantor holds exclusively as an escrow, fiduciary or trust for the benefit of another Person (other than the Issuer or a Guarantor) or (d) actually pledged pursuant to clause (aa) of the definition of “Permitted Liens”.

“*Excluded Capital Stock*” refers to certain equity interests listed on Schedule 1.01F attached to the Credit Agreement, as amended and supplemented from time to time.

“*Excluded Property*” means:

- (a) vehicles or other assets covered by a certificate of title or ownership;
- (b) any interest in real property (whether fee or leasehold or otherwise);
- (c) those assets as to which the Issuer and the Credit Agreement Administrative Agent shall reasonably determine in writing that the costs of obtaining such security interest are excessive in relation to the value of the security to be afforded thereby; *provided* that the Collateral Agent shall have received written notice of such determination and such assets do not secure (or purport to secure) any other First Lien Obligations or any Junior Lien Obligations;
- (d) assets if the granting or perfecting of a security interest in such assets in favor of the Collateral Agent would violate any applicable law (other than to the extent that any such term would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code of any applicable jurisdiction) or principles of equity;
- (e) any right, title or interest in any instrument, permit, lease, general intangible (other than Equity Interests), license, contract or agreement to the extent, but only to the extent that a grant of a security interest therein to secure the Notes Obligations would, under the terms of such instrument, permit, lease, general intangible (other than Equity Interests), license, contract or agreement, result in a breach of the terms of, or constitute a default under, or result in the abandonment, termination, invalidation or unenforceability of, or require the consent of any Person other than the Issuer or any of its Subsidiaries, which has not been obtained under such instrument, permit, lease, general intangible, license, contract or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Section

9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code of any applicable jurisdiction or any other applicable law (including, without limitation, Title 11 of the United States Code) or principles of equity);

(f) (A) any Excluded Capital Stock and (B) any Capital Stock acquired after the Issue Date (other than Capital Stock in a Subsidiary issued or acquired after such Person became a Subsidiary) in accordance with this Indenture if, and to the extent that, and for so long as, in the case of this clause (B), (i) such Capital Stock constitutes less than 100% of all applicable Capital Stock of such Person, and the Person or Persons holding the remainder of such Capital Stock are not Affiliates of the Issuer, (ii) the granting or perfecting of a security interest in such assets in favor of the Collateral Agent would violate applicable law or a contractual obligation binding on such Capital Stock and (iii) with respect to such contractual obligations (other than contractual obligations in connection with limited liability company agreements, stockholders' agreements and other joint venture agreements), such obligation existed at the time of the acquisition of such Capital Stock and was not created or made binding on such Capital Stock in contemplation of or in connection with the acquisition of such Person;

(g) any Property purchased with the proceeds of Purchase Money Indebtedness incurred pursuant to Section 4.09(6) if the contract or other agreement in which the Indebtedness and/or Liens related thereto is granted (or the documentation providing for such Capital Lease Obligation) prohibits or requires the consent of any person other than the Issuer or any of its Subsidiaries as a condition to the creation of any other security interest on such Property;

(h) (i) the Licensing Agreement dated February 18, 1992 among Isaac B. Tigrett, Daniel E. Aykroyd and Judith Belushi Pisano, as assigned to House of Blues Brand Corp. and as amended or supplemented from time to time, and any sublicenses pertaining to the trademarks owned by Daniel E. Aykroyd and Judith Belushi Pisano and (ii) Equity Interests in the following entities at any time owned by HOB Entertainment, LLC: (A) HOB Chicago, Inc., (B) HOB Marina City, Inc. and (C) House of Blues Orlando Restaurant Corp.;

(i) cash or cash equivalents (and all accounts and other depository arrangements with respect thereto) securing customary obligations of such Person that are incurred in the ordinary course of business in connection with ticketing, promoting or producing live entertainment events;

(j) inventory consisting of beer, wine or liquor;

(k) any Capital Stock of Unrestricted Subsidiaries;

(l) (A) any voting Capital Stock in any First-Tier Foreign Subsidiary or any CFC Holdco that is directly owned by the Issuer or any Guarantor in excess of 65% of the total outstanding voting Capital Stock and (B) any assets of any Foreign Subsidiary or any CFC Holdco;

(m) deposit and securities accounts of Foreign Subsidiaries subject to Liens granted pursuant to clause (z) of the definition of "Permitted Liens";

(n) Excluded Accounts;

(o) any intent-to use Trademark applications prior to the filing of a "Statement of Use", "Amendment to Allege Use" or similar filing with regard thereto, to the extent and solely during the period, in which the grant of a security interest therein may impair the validity or enforceability of any Trademark that may issue from such intent to use Trademark application under applicable law;

(p) ticket inventory and proceeds thereof (including any deposit accounts holding such Proceeds) that are subject to a Lien, to the extent actually granted pursuant to clause (aa) of the definition of "Permitted Liens"; and

(q) “margin stock” (within the meaning of Regulation U issued by the FRB);

provided, however, that Excluded Property shall not include any Proceeds, substitutions or replacements of any Excluded Property referred to in clauses (a) through (q) (unless such Proceeds, substitutions or replacements would constitute Excluded Property referred to in clauses (a) through (q)).

In addition, (i) control agreements shall not be required with respect to deposit accounts, securities accounts, or uncertificated securities and (ii) perfection actions (other than the filing of UCC financing statements) with respect to owned intellectual property shall be limited to material intellectual property.

“*Existing Indebtedness*” means any Indebtedness (other than the Notes and the Guarantees) of the Issuer and its Subsidiaries in existence on the Issue Date.

“*Fair Market Value*” means the value (which, for the avoidance of doubt, will take into account any liabilities associated with related assets) that would be paid by a willing buyer to an unaffiliated willing seller in an arm’s-length transaction not involving distress or compulsion of either party, determined in good faith by the Board of Directors of the Issuer (unless otherwise provided in this Indenture).

“*First Lien Documents*” means (i) the Credit Agreement Documents, (ii) the May 2027 Notes Documents, (iii) the Notes Documents and (iv) all Future First Lien Documents.

“*First Lien Indebtedness*” means any Indebtedness secured by a Lien on any assets of the Issuer or any Restricted Subsidiary ranking pari passu with the Liens securing the Notes Obligations.

“*First Lien Intercreditor Agreement*” means the First Lien Intercreditor Agreement, dated as of May 20, 2020, by and among the Issuer, the other grantors party thereto, JPMorgan Chase Bank, N.A., as the Credit Agreement Collateral Agent for the Credit Agreement Secured Parties, JPMorgan Chase Bank, N.A. as the Authorized Representative for the Credit Agreement Secured Parties, U.S. Bank National Association, as the collateral agent for the May 2027 Notes Secured Parties, and U.S. Bank National Association, as trustee for the May 2020 Notes, as the Authorized Representative, as supplemented by the Joinder No. 1 to the First Lien Intercreditor Agreement, dated as of January 4, 2021 (the “*Joinder to the First Lien Intercreditor Agreement*”) (as may be amended from time to time).

“*First Lien Obligations*” means (i) the Credit Agreement Obligations, (ii) the May 2027 Notes Obligations, (iii) the Notes Obligations and (iv) any Series of Future First Lien Obligations.

“*First Lien Secured Parties*” means (i) the Credit Agreement Secured Parties, (ii) the May 2027 Notes Secured Parties, (iii) the Notes Secured Parties and (iv) any Future First Lien Secured Parties.

“*First-Tier Foreign Subsidiary*” means any Foreign Subsidiary that is owned directly by the Issuer or a Guarantor.

“*Foreign Currency Obligations*” means, with respect to any Person, the obligations of such Person pursuant to any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect the Issuer or any Restricted Subsidiary of the Issuer against fluctuations in currency values.

“*Foreign Subsidiary*” means (i) any Subsidiary that is not incorporated, formed or organized under the laws of the United States of America, any state thereof or the District of Columbia and (ii) any Subsidiary of a Subsidiary described in the foregoing clause (i).

“*Future First Lien Documents*” means, with respect to any Future First Lien Obligations, the notes, indentures, credit agreements, security documents, intercreditor agreements and other operative agreements evidencing or governing such Indebtedness and Liens securing such Indebtedness.

“*Future First Lien Indebtedness*” means any Indebtedness of the Issuer and/or the Guarantors that is secured by a Lien on the Collateral and ranks equally in right of payment and Lien priority to the Notes as permitted hereunder (other than Credit Agreement Obligations and Notes Obligations); provided that (i) an authorized representative of the holders of such Indebtedness shall be a party to the First Lien Intercreditor Agreement or shall have executed a joinder to the First Lien Intercreditor Agreement and (ii) the Issuer shall designate such Indebtedness as “Additional Pari Passu Obligations” under the First Lien Intercreditor Agreement.

“*Future First Lien Obligations*” means Obligations in respect of Future First Lien Indebtedness (other than Obligations with respect to additional Notes issued hereunder, which shall constitute Notes Obligations).

“*Future First Lien Secured Parties*” means holders of any Future First Lien Obligations and any trustee, authorized representative or agent of such Future First Lien Obligations.

“*GAAP*” means United States generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are applicable as of the date of determination; *provided* that, except as otherwise specifically provided, all calculations made for purposes of determining compliance with the terms of the provisions of this Indenture shall utilize GAAP as in effect on the Issue Date, but without giving effect to Accounting Standards Codification Topic 842, Leases. Notwithstanding anything to the contrary, any lease that is treated as an operating lease for purposes of GAAP as of December 14, 2018 shall not be treated as Indebtedness or Capital Lease Obligations and shall continue to be treated as an operating lease (and any future lease, if it were in effect on December 14, 2018, that would be treated as an operating lease for purposes of GAAP as of December 14, 2018 shall be treated as an operating lease), in each case for purposes of this Indenture or any document related thereto, notwithstanding any actual or proposed change in GAAP after December 14, 2018.

“*Global Note Legend*” means the legend set forth in Section 2.01(b) hereof, which is required to be placed on all Global Notes issued under this Indenture.

“*Global Notes*” means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes, substantially in the form of Exhibit A hereto issued in accordance with Section 2.01 or 2.06 hereof.

“*Government Securities*” means direct obligations of, or obligations guaranteed or insured by, the United States or any agency or instrumentality thereof for the payment of which guarantee or obligations the full faith and credit of the United States is pledged.

“*guarantee*” means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

“*Guarantee*” means a guarantee by a Guarantor of the Notes.

“*Guarantors*” means the Issuer’s direct and indirect Domestic Restricted Subsidiaries that guarantee any Credit Facility incurred under Section 4.09(b)(2) or Indebtedness incurred in reliance on Section 4.09(a) (other than under the second proviso thereto).

“*Hedging Obligations*” means, with respect to any Person, the obligations of such Person pursuant to any arrangement with any other Person, whereby, directly or indirectly, such Person is entitled to receive from time to time periodic payments calculated by applying either floating or a fixed rate of interest on a stated notional amount in exchange for periodic payments made by such other Person calculated by applying a fixed or a floating rate of interest on the same notional amount and shall include, without limitation, interest rate swaps, caps, floors, collars and similar agreements designed to protect such Person against fluctuations in interest rates.

“*Holder*” means, with respect to any Note, the Person in whose name such Note is registered with the Registrar.

“*Indebtedness*” means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof, but excluding, in any case, any undrawn letters of credit) or representing the balance deferred and unpaid of the purchase price of any property (including pursuant to capital leases) or representing any Hedging Obligations or Foreign Currency Obligations, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing (other than Hedging Obligations or Foreign Currency Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, and also includes, to the extent not otherwise included, the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock or, with respect to any Restricted Subsidiary of such Person, the liquidation preference with respect to, any Preferred Equity Interests (but excluding, in each case, any accrued dividends) as well as the guarantee of items that would be included within this definition.

“*Indenture*” means this Indenture, as amended or supplemented from time to time.

“*Independent Financial Advisor*” means a Person or entity which, in the judgment of the Board of Directors of the Issuer, is independent and otherwise qualified to perform the task for which it is to be engaged.

“*Indirect Participant*” means a Person who holds a beneficial interest in a Global Note through a Participant.

“*Initial Notes*” means the \$500,000,000 in aggregate principal amount of 3.750% Senior Secured Notes due 2028 of the Issuer issued under this Indenture on the Issue Date.

“*Initial Purchasers*” means, with respect to the Initial Notes, J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, HSBC Securities (USA) Inc., Scotia Capital (USA) Inc., Mizuho Securities USA LLC, Citizens Capital Markets, Inc., BofA Securities, Inc., Citigroup Global Markets Inc., MUFG Securities Americas Inc., Truist Securities, Inc., Wells Fargo Securities, LLC, U.S. Bancorp Investments, Inc. and LionTree Advisors LLC.

“*Institutional Accredited Investor*” means an institution that is an “accredited investor” as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act.

“*Investment Grade*” designates a rating of BBB- or higher by S&P or Baa3 or higher by Moody’s or the equivalent of such ratings by S&P or Moody’s. In the event that the Issuer shall select any other Rating Agency, the equivalent of such ratings by such Rating Agency shall be used.

“*Investment Grade Securities*” means:

- (a) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents) and in each case with maturities not exceeding two years from the date of acquisition;
- (b) securities that have a rating equal to or higher than Baa3 (or the equivalent) by Moody’s or BBB- (or the equivalent) by S&P, or an equivalent rating by any other “nationally recognized statistical rating organization” within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act;
- (c) Investments in any fund that invests at least 95% of its assets in Investments of the type described in clauses (a) and (b) which fund may also hold immaterial amounts of cash pending investment and/or distribution; and

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

“*Investments*” means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees), advances or capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities and all other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP (excluding accounts receivable, deposits and prepaid expenses in the ordinary course of business, endorsements for collection or deposits arising in the ordinary course of business, guarantees and intercompany notes permitted by Section 4.09, and commission, travel and similar advances to officers and employees made in the ordinary course of business). For purposes of Section 4.07, the sale of Equity Interests of a Person that is a Restricted Subsidiary following which such Person ceases to be a Subsidiary shall be deemed to be an Investment by the Issuer in an amount equal to the Fair Market Value of the Equity Interests of such Person held by the Issuer and its Restricted Subsidiaries immediately following such sale.

“*Issue Date*” means January 4, 2021.

“*Junior Lien Intercreditor Agreement*” shall have the meaning assigned to such term in the definition of “Junior Lien Obligations”.

“*Junior Lien Obligations*” means any Obligations that are secured by a Lien that is junior in priority to the Liens securing the Notes Obligations and is subject to a customary (as reasonably determined by the Issuer as set forth in an Officers’ Certificate delivered to the Trustee and the Collateral Agent) junior priority intercreditor agreement among the Credit Agreement Administrative Agent, the Credit Agreement Collateral Agent, the Trustee, the Collateral Agent, the authorized agents of any holders of Future First Lien Obligations, and the authorized agent for any holders of Junior Lien Obligations (such intercreditor agreement, a “Junior Lien Intercreditor Agreement”).

“*Legal Holiday*” means a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed.

“*Lien*” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement and any lease in the nature thereof).

“*Make Whole Amount*” means, with respect to any Note at any redemption date, as determined by the Issuer, the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess, if any, of (A) an amount equal to the present value of (1) the redemption price of such Note at January 15, 2024 *plus* (2) the remaining scheduled interest payments on the Notes to be redeemed (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date) to January 15, 2024 (other than interest accrued to the redemption date), computed using a discount rate equal to the Treasury Rate *plus* 50 basis points, *over* (B) the principal amount of the Notes to be redeemed. The Trustee shall have no obligation to calculate or verify the calculation of the Make Whole Amount.

“*Marketable Securities*” means (a) Government Securities; (b) any certificate of deposit maturing not more than 365 days after the date of acquisition issued by, or time deposit of, an Eligible Institution; (c) commercial paper maturing not more than 365 days after the date of acquisition issued by a corporation (other than an Affiliate of the Issuer) with a rating by at least two nationally recognized statistical rating organizations in one of each such organization’s four highest generic rating categories at the time as of which any investment therein is made, issued or offered by an Eligible Institution; (d) any bankers’ acceptances or money market deposit accounts issued or offered by an Eligible Institution; and (e) any fund investing exclusively in investments of the types described in clauses (a) through (d) above.

“*Moody’s*” means Moody’s Investors Service, Inc.

“*May 2027 Notes*” means the Issuer’s 6.500% Senior Secured Notes due 2027.

“*May 2027 Notes Documents*” means the May 2027 Notes (including additional notes issued under the indenture), and the guarantees, the collateral documents, the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement, if applicable, and the indenture related thereto.

“*May 2027 Notes Obligations*” means all Obligations of the Issuer and the Guarantors under the May 2027 Notes Documents.

“*May 2027 Notes Secured Parties*” means the trustee, the collateral agent and the holders of the May 2027 Notes.

“*Net Income*” means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP.

“*Net Proceeds*” means the aggregate cash proceeds received by the Issuer or any of its Restricted Subsidiaries, as the case may be, in respect of any Asset Sale, net of the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commissions) and any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof (estimated reasonably and in good faith by the Issuer and after taking into account any available tax credits or deductions and any tax sharing arrangements), amounts required to be applied to the repayment of Indebtedness (other than First Lien Obligations and Junior Lien Obligations) secured by a Lien on the asset or assets that are the subject of such Asset Sale, any reserve for adjustment in respect of the sale price of such asset or assets and any reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such Asset Sale and retained by the Issuer or any of its Subsidiaries after such Asset Sale, including pension and other post-employment benefit liabilities and liabilities related to environmental matters, or against any indemnification obligations associated with such Asset Sale. Net Proceeds shall exclude any non-cash proceeds received from any Asset Sale, but shall include such proceeds when and as converted by the Issuer or any Restricted Subsidiary to cash.

“*Non-Controlling Authorized Representative*” means any Authorized Representative that is not the Applicable Authorized Representative at such time.

“*Non-U.S. Person*” means a Person who is not a U.S. Person.

“*Notes*” means the Initial Notes and any other notes issued after the Issue Date in accordance with the fourth paragraph of Section 2.02 hereof treated as a single class of securities.

“*Notes Documents*” means the Notes (including additional Notes issued under this Indenture), the Guarantees, the Collateral Documents, the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement, if applicable, and this Indenture.

“*Notes Obligations*” means all Obligations of the Issuer and the Guarantors under the Notes Documents.

“*Notes Secured Parties*” means, collectively, the Trustee, the Collateral Agent and the Holders, together with their respective successors and assigns.

“*Obligations*” means any principal, interest, penalties, fees, expenses (including any interest, fees or expenses that accrue following the commencement of any insolvency or liquidation proceeding, whether allowed or allowable in such proceeding), indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

“*Offering Memorandum*” means the offering memorandum, dated December 17, 2020, relating to and used in connection with the initial offering of the Initial Notes.

“*Officer*” means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, Controller, Secretary or any Vice President of such Person, or any other officer designated by the Board of Directors.

“*Officers’ Certificate*” means a certificate signed on behalf of the Issuer by two Officers of such Person or of such Person’s partner or managing member, one of whom must be the principal executive officer, principal financial officer, treasurer or principal accounting officer of such Person or of such Person’s partner or managing member, that meets the requirements of Section 12.05.

“*Opinion of Counsel*” means an opinion, in form satisfactory to the Trustee or Collateral Agent, as applicable, from legal counsel, who may be an employee of or counsel to the Issuer or any Subsidiary of the Issuer, that meets the requirements of Section 12.05 and may be subject to certain qualifications and assumptions that are consistent with similar opinions delivered to the agent or trustee for other Indebtedness of the Issuer, including as to matters of governing law.

“*Participant*” means, with respect to the Depository, a Person who has an account with the Depository.

“*Permitted Business*” means the businesses of the Issuer and its Restricted Subsidiaries conducted (or proposed to be conducted) on the Issue Date and any business reasonably related, ancillary or complimentary thereto and any reasonable extension or evolution of any of the foregoing.

“*Permitted Investments*” means:

- (a) Investments in the Issuer or in a Restricted Subsidiary;
- (b) Investments in Cash Equivalents, Marketable Securities and Investment Grade Securities;
- (c) any guarantee of obligations of the Issuer or a Restricted Subsidiary permitted by Section 4.09;
- (d) Investments by the Issuer or any of its Subsidiaries in a Person if, as a result of such Investment, (i) such Person becomes a Restricted Subsidiary or (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary;
- (e) Investments received in settlement of debts and owing to the Issuer or any of its Restricted Subsidiaries, in satisfaction of judgments, in a foreclosure of a Lien or as payment on a claim made in connection with any bankruptcy, liquidation, receivership or other insolvency proceeding;
- (f) any Investment existing on, or made pursuant to binding commitments or publicly announced but unconsummated transactions existing on, the Issue Date and any Investment consisting of an extension, modification, renewal, replacement, refunding or refinancing of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; *provided* that the amount of any such Investment may be increased (i) as required by the terms of such Investment as in existence on the Issue Date or (ii) as otherwise permitted under this Indenture;
- (g) Investments in any Person to the extent such Investment represents the non-cash portion of the consideration received for an Asset Sale that was made pursuant to and in compliance with Section 4.10 or for an asset disposition that does not constitute an Asset Sale;
- (h) loans or advances or other similar transactions with customers, distributors, clients, developers, suppliers, promoters, managers, or purchasers or sellers of goods or services, in each case, in the ordinary course of business, regardless of frequency;

(i) other Investments in an amount not to exceed the greater of \$500.0 million and 7.5% of Consolidated Total Assets at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value) at any one time outstanding for all Investments made after the Issue Date; *provided, however*, that if any Investment pursuant to this clause (i) is made in any Person that is not a Restricted Subsidiary of the Issuer at the date of the making of such Investment and such Person becomes a Restricted Subsidiary of the Issuer after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (a) above and shall cease to have been made pursuant to this clause (i) for so long as such Person continues to be a Restricted Subsidiary;

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

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

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

(m) any Investment in any joint venture engaged in a Permitted Business, including without limitation by contribution of assets of any Restricted Subsidiary, not to exceed \$300.0 million outstanding at any time for Investments made after the Issue Date (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

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

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

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

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

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

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

(t) any Investment in an Unrestricted Subsidiary having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (t) that are at the time outstanding, not to exceed the greater of \$100.0 million and 2.0% of Consolidated Total Assets at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value).

“Permitted Liens” means:

- (a) Liens securing the Notes issued on the Issue Date and Liens securing any Guarantee thereof;
- (b) Liens securing (x) Indebtedness under any Credit Facility (and related Hedging Obligations and cash management obligations to the extent such Liens arise under the definitive documentation governing such Indebtedness and the incurrence of such obligations is not otherwise prohibited by this Indenture) permitted by Section 4.09(b)(2) and (y) other Indebtedness permitted under Section 4.09; *provided* that (i) in the case of any such Indebtedness described in subclause (y), after giving effect to the incurrence of such Indebtedness and the application of proceeds therefrom and the granting of such Liens, the Consolidated First Lien Indebtedness Leverage Ratio does not exceed 4.25 to 1.00 as of the last day of the most recent quarter for which internal financial statements are available on the date such Indebtedness is incurred and (ii) any such Indebtedness described in this clause (b) shall be (1) secured solely by Liens on the Collateral (except, in the case of any Credit Agreement Foreign Obligations, to the extent secured by any Foreign Subsidiary or any Property of any Foreign Subsidiary), (2) to the extent such Liens are First Lien Obligations, such Liens shall be subject to the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement (if any) and (3) to the extent such Liens are Junior Lien Obligations, such Liens shall be subject to the Junior Lien Intercreditor Agreement;
- (c) Liens securing (i) Hedging Obligations and Foreign Currency Obligations permitted to be incurred under Section 4.09 and (ii) cash management obligations not otherwise prohibited by this Indenture;
- (d) Liens securing Purchase Money Indebtedness permitted under Section 4.09(b)(6); *provided* that such Liens do not extend to any assets of the Issuer or its Restricted Subsidiaries other than the assets so acquired, constructed, installed or improved, products and proceeds thereof and insurance proceeds with respect thereto;
- (e) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Issuer or any of its Restricted Subsidiaries *provided* that such Liens were not incurred in connection with, or in contemplation of, such merger or consolidation and do not apply to any assets other than the assets of the Person acquired in such merger or consolidation;
- (f) Liens on property of an Unrestricted Subsidiary at the time that it is designated as a Restricted Subsidiary pursuant to the definition of “Unrestricted Subsidiary”; *provided* that such Liens were not incurred in connection with, or contemplation of, such designation;
- (g) Liens on property existing at the time of acquisition thereof by the Issuer or any Restricted Subsidiary of the Issuer; *provided* that such Liens were not incurred in connection with, or in contemplation of, such acquisition and do not extend to any assets of the Issuer or any of its Restricted Subsidiaries other than the property so acquired, constructed, installed or improved, products and proceeds thereof and insurance proceeds with respect thereto;
- (h) Liens to secure the performance of statutory obligations, surety or appeal bonds or performance bonds, or landlords’, carriers’, warehousemen’s, mechanics’, suppliers’, materialmen’s or other like Liens, in any case incurred in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by appropriate process of law, if a reserve or other appropriate provision, if any, as is required by GAAP is made therefor;
- (i) Liens existing on the Issue Date (other than such Liens existing pursuant to clauses (a) and (b) of this definition);

- (j) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings; *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP is made therefor;
- (k) Liens securing Indebtedness permitted under Section 4.09(b)(10); *provided* that (i) such Liens shall not extend to assets other than the assets that secure such Indebtedness being refinanced and (ii) such Liens have a Lien priority equal to or junior to (but not senior to) the Liens securing such Indebtedness being refinanced;
- (l) Liens (other than Liens created or imposed under ERISA) incurred or deposits made by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);
- (m) easements, rights-of-way, covenants, restrictions (including zoning restrictions), minor defects or irregularities in title and other similar charges or encumbrances not, in any material respect, impairing the use of the encumbered property for its intended purposes;
- (n) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of the Issuer or its Restricted Subsidiaries;
- (o) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods and Liens deemed to exist in connection with Investments in repurchase agreements that constitute Cash Equivalents;
- (p) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;
- (q) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;
- (r) [reserved];
- (s) Liens on Property of any Restricted Subsidiary that is not a Guarantor securing Indebtedness of such Restricted Subsidiary incurred in accordance with Section 4.09;
- (t) Liens in favor of the Issuer or any Guarantor;
- (u) Liens securing reimbursement obligations with respect to commercial letters of credit which solely encumber goods and/or documents of title and other property relating to such letters of credit and products and proceeds thereof;
- (v) extensions, renewals or refundings of any Liens referred to in clause (e), (g) or (i) above; *provided* that any such extension, renewal or refunding does not extend to any assets or secure any Indebtedness not securing or secured by the Liens being extended, renewed or refinanced;
- (w) other Liens securing Indebtedness that is permitted by the terms of this Indenture to be outstanding having an aggregate principal amount at any one time outstanding not to exceed \$300.0 million in an aggregate amount at any time outstanding; *provided* that such amount shall be increased \$375.0 million if after giving effect to such Indebtedness, the Consolidated Leverage Ratio of the Issuer, on a pro forma basis, as of the last day of the most recent quarter for which internal financial statements are available on the date such Indebtedness is incurred, is equal to or less than 3.75 to 1.00; *provided further*

that Liens pursuant to this clause (w) shall not constitute Liens on any Collateral ranking *pari passu* with the Liens securing the Notes Obligations;

(x) Liens incurred to secure any treasury management arrangement;

(y) Liens on Equity Interests of Unrestricted Subsidiaries;

(z) Liens on deposits and accounts of Foreign Subsidiaries to secure Indebtedness permitted under Section 4.09(b)(23);

(aa) Liens on ticket inventory and Proceeds thereof (including on deposit accounts holding such Proceeds) securing Indebtedness not exceeding \$150.0 million in an aggregate principal amount at any time outstanding; *provided* that such Indebtedness shall only be used to finance advances to artists and performers and similar expenses;

(bb) Liens on Collateral securing any Obligations with respect to Indebtedness permitted to be incurred under this Indenture; *provided* that any such Obligations shall be Junior Lien Obligations;

(cc) Liens in connection with attachments or judgments (including judgment or appeal bonds) that do not result in an Event of Default under Section 6.01(g);

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

(ff) pledges and deposits and other Liens securing liability for reimbursement or indemnification obligations of (including obligations in respect of bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to the Issuer or any Subsidiary;

(gg) Liens on Capital Stock in joint ventures securing obligations of such joint venture, to the extent required by the terms of the organizational documents or material contracts of such joint venture;

(hh) Liens securing insurance premiums financing arrangements; provided that such Liens are limited to the applicable unearned insurance premiums; and

(ii) Liens on (i) assets of any member of the Academy Music Group securing AMG Indebtedness or (ii) on assets of any member of the AIL Group securing AIL Indebtedness.

“*Person*” means any natural person, corporation, limited partnership, general partnership, limited liability company, limited liability partnership, joint venture, association, joint stock company, trust, bank trust company, land trust, business trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity whether legal or not.

“*Pledge Agreement*” means the Pledge Agreement, dated as of the Issue Date, by and among the Issuer and the Guarantors, as pledgors, and the Collateral Agent, as amended, supplemented and otherwise modified from time to time.

“*Preferred Equity Interest*” in any Person, means an Equity Interest of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over Equity Interests of any other class in such Person.

“*Private Placement Legend*” means the legend set forth in Section 2.01(c) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions hereof.

“*Pro Forma Cost Savings*” means, with respect to any period, the reduction in net costs and expenses and related adjustments that (i) were directly attributable to an acquisition, merger, consolidation, disposition or operational change that occurred during the four-quarter reference period or subsequent to the four-quarter reference period and on or prior to the date of determination and calculated on a basis that is consistent with Regulation S-X under the Securities Act, (ii) were actually implemented by the business that was the subject of any such acquisition, merger, consolidation, disposition or operational change or by any related business of the Issuer or any Restricted Subsidiary with which such business is proposed to be or is being or has been integrated within 12 months after the date of the acquisition, merger, consolidation, disposition or operational change and prior to the date of determination that are supportable and quantifiable by the underlying accounting records of any such business, or (iii) relate to the business that is the subject of any such acquisition, merger, consolidation or disposition or any related business of the Issuer or any Restricted Subsidiary with which such business is proposed to be or is being or has been integrated and that are probable in the reasonable judgment of the Issuer based upon specifically identifiable actions to be taken within 12 months of the date of the acquisition, merger, consolidation or disposition, in each case regardless of whether such reductions and related adjustments could then be reflected in *pro forma* financial statements in accordance with Regulation S-X under the Securities Act or any other regulation or policy related thereto, as if all such reductions and related adjustments had been effected as of the beginning of such period. Pro Forma Cost Savings described above shall be accompanied by an Officers’ Certificate delivered to the Trustee from a responsible financial or accounting officer of the Issuer that outlines the actions taken or to be taken, the net cost savings or operating improvements achieved or expected to be achieved from such actions and that, in the case of clause (iii) above, such savings have been determined by the Issuer to be reasonably probable.

“*Proceeds*” has the meaning assigned to such term in the Security Agreement.

“*Property*” means an interest of any kind in any property or asset, whether real, personal or mixed, and whether tangible or intangible.

“*Purchase Money Indebtedness*” means Indebtedness (including Capital Lease Obligations) incurred (within 365 days of such purchase) to finance or refinance the purchase (including in the case of Capital Lease Obligations the lease), construction, installation or improvement of any assets used or useful in a Permitted Business (whether through the direct purchase of assets or through the purchase of Capital Stock of any Person owning such assets); *provided* that the amount of Indebtedness thereunder does not exceed 100% of the purchase cost of such assets and costs incurred in such construction, installation or improvement.

“*QIB*” means a “qualified institutional buyer” as defined in Rule 144A.

“*Qualified Capital Stock*” means any Capital Stock of the Issuer that is not Disqualified Stock.

“*Rating Agencies*” means:

(a) S&P;

(b) Moody’s; or

(c) if S&P or Moody’s or both shall not make a rating of the Notes publicly available, a nationally recognized securities rating agency or agencies, as the case may be, selected by the Issuer, which shall be substituted for S&P or Moody’s or both, as the case may be.

“*Regulation S*” means Regulation S promulgated under the Securities Act.

“*Regulation S Global Note*” means a Global Note bearing the Private Placement Legend and deposited with or on behalf of the Depository and registered in the name of the Depository or its nominee, issued in an initial denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 903 of Regulation S.

“*Responsible Officer*,” when used with respect to the Trustee or Collateral Agent, means any officer within the Corporate Trust Office of the Trustee or Collateral Agent (or any successor group of the Trustee or Collateral Agent) or any other officer of the Trustee or Collateral Agent customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such officer’s knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

“*Restricted Definitive Note*” means a Definitive Note bearing the Private Placement Legend.

“*Restricted Global Note*” means a Global Note bearing the Private Placement Legend.

“*Restricted Investment*” means an Investment other than a Permitted Investment.

“*Restricted Period*” means the relevant 40-day distribution compliance period as defined in Regulation S.

“*Restricted Subsidiary*” or “*Restricted Subsidiaries*” means any Subsidiary, other than Unrestricted Subsidiaries.

“*Rule 144*” means Rule 144 promulgated under the Securities Act.

“*Rule 144A*” means Rule 144A promulgated under the Securities Act.

“*Rule 903*” means Rule 903 promulgated under the Securities Act.

“*Rule 904*” means Rule 904 promulgated under the Securities Act.

“*S&P*” means S&P Global Ratings, and its subsidiaries, or any successor to the rating agency business thereof.

“*Securities Act*” means the Securities Act of 1933, as amended.

“*Security Agreement*” means the Security Agreement, dated as of the Issue Date, by and among the Issuer and the Guarantors, as grantors, and the Collateral Agent, as amended, supplemented and otherwise modified from time to time.

“*Series*” means (a) with respect to the First Lien Secured Parties, each of the (i) Credit Agreement Secured Parties (in their capacities as such), (ii) Notes Secured Parties (in their capacities as such) and (iii) Future First Lien Secured Parties that become subject to the First Lien Intercreditor Agreement after the Issue Date that are represented by a common representative (in its capacity as such for such Future First Lien Secured Parties) and (b) with respect to any First Lien Obligations, each of the (i) Credit Agreement Obligations, (ii) the Notes Obligations and (iii) the Future First Lien Obligations incurred pursuant to any applicable agreement, which, pursuant to any joinder agreement, are to be represented under the First Lien Intercreditor Agreement by a common representative (in its capacity as such for such Future First Lien Obligations).

“*Significant Subsidiary*” means any Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

“*Subordinated Indebtedness*” means Indebtedness of the Issuer or any Restricted Subsidiary that is expressly subordinated in right of payment to the Notes or the Guarantees, as the case may be.

“*Subsidiary*” or “*Subsidiaries*” means, with respect to any Person, any corporation, limited liability company, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or

trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any Person that is a consolidated subsidiary of the Issuer under GAAP and designated as a “Subsidiary” in a certificate to the Trustee by a responsible financial or accounting officer of the Issuer.

“*substantially concurrent*” means any date within 45 days before or after the specified event.

“*Total First Lien Debt*” means, as of any date of determination, the aggregate principal amount of First Lien Indebtedness of the Issuer and the Guarantors (other than Hedging Obligations and cash management obligations to the extent permitted by this Indenture) outstanding on such date, determined on a consolidated basis.

“*Trademark*” has the meaning assigned to such term in the Security Agreement.

“*Transactions*” means the transactions described in the Offering Memorandum and the issuance of the Initial Notes on the Issue Date.

“*Treasury Rate*” means, at the time of computation, the weekly average for each business day during the most recent week that has ended at least two business days prior to the redemption date of the yield to maturity of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuer in good faith) most nearly equal to the period from the redemption date to January 15, 2024; provided, however, that if the period from the redemption date to January 15, 2024 is not equal to the constant maturity of a United States Treasury security for which a yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to January 15, 2024 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

“*Trustee*” means U.S. Bank National Association, in its capacity as trustee, until a successor replaces U.S. Bank National Association in accordance with the applicable provisions hereof and thereafter means the successor serving hereunder.

“*Uniform Commercial Code*” or “*UCC*” means the Uniform Commercial Code (or any similar or equivalent jurisdiction) as in effect in any applicable jurisdiction from time to time.

“*Unrestricted Definitive Note*” means one or more Definitive Notes that do not bear and are not required to bear the Private Placement Legend.

“*Unrestricted Global Note*” means a permanent Global Note substantially in the form of [Exhibit A](#) attached hereto that bears the Global Note Legend and that has the “Schedule of Exchanges of Interests in the Global Note” attached thereto, and that is deposited with or on behalf of and registered in the name of the Depository, representing Notes that do not bear the Private Placement Legend.

“*Unrestricted Subsidiary*” or “*Unrestricted Subsidiaries*” means (A) any Subsidiary designated as an Unrestricted Subsidiary in a resolution of the Issuer’s Board of Directors in accordance with the instructions set forth below; and (B) any Subsidiary of an Unrestricted Subsidiary.

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

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

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

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

If at any time after the Issue Date the Issuer designates an additional Subsidiary as an Unrestricted Subsidiary, the Issuer shall be deemed to have made a Restricted Investment in an amount equal to the Fair Market Value (as determined in good faith by the Issuer's Board of Directors evidenced by a resolution of the Issuer's Board of Directors and set forth in an Officers' Certificate delivered to the Trustee) of such Subsidiary. An Unrestricted Subsidiary may be designated as a Restricted Subsidiary if, at the time of such designation after giving *pro forma* effect thereto, no Default or Event of Default shall have occurred or be continuing.

"*U.S. Person*" means a U.S. Person as defined in Rule 902(k) under the Securities Act.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the total of the product obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (b) the then outstanding principal amount of such Indebtedness.

SECTION 1.02 **Other Definitions.**

<i>Term</i>	<i>Defined in Section</i>
"Affiliate Transaction"	4.11
"Change of Control Offer"	4.15
"Change of Control Payment"	4.15
"Change of Control Payment Date"	4.15
"Collateral Document Order"	12.07(r)
"Covenant Defeasance"	8.04
"Covenant Suspension Event"	4.16(a)
"DTC"	2.01(b)
"Equity Offering"	3.07(b)
"Event of Default"	6.01
"Excess Proceeds"	4.10
"Excess Proceeds Offer"	4.10(d)
"incur"	4.09(a)
"Issuer"	Preamble
"Legal Defeasance"	8.03
"Measurement Period"	"Consolidated Fixed Charge Coverage Ratio"
"Offer Amount"	3.08(b)
"Offer Period"	3.08(b)
"Paying Agent"	2.03
"Payment Default"	6.01(c)
"Private Placement Legend"	2.01(c)
"Purchase Date"	3.08(b)
"Refinancing Indebtedness"	4.09(b)
"Registrar"	2.03
"Regulation S Temporary Global Note Legend"	2.01(d)
"Related Person"	12.07(b)
"Restricted Payments"	4.07(a)(iv)
"Reversion Date"	4.16(c)
"Sub Entity"	"Change of Control"
"Suspended Covenants"	4.16(a)
"Suspension Period"	4.16(b)
"Transaction Date"	"Consolidated Fixed Charge Coverage Ratio"

SECTION 1.03 **Divisions.**

For all purposes under this Indenture, the Collateral Documents and the First Lien Intercreditor Agreement, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or

liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holder of its Equity Interests at such time.

SECTION 1.04 *Rules of Construction.*

Unless the context otherwise requires,

- (1) a term has the meaning assigned to it;
- (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
- (3) “or” is not exclusive and “including” means “including without limitation”;
- (4) words in the singular include the plural, and in the plural include the singular;
- (5) provisions apply to successive events and transactions; and
- (6) references to sections of or rules under the Securities Act shall be deemed to include substitute, replacement of successor sections or rules adopted by the Commission from time to time.

SECTION 1.05 *Acts of Holders; Record Dates.*

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders shall be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and the Collateral Agent (if applicable) and, where it is hereby expressly required, to the Issuer. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose hereof and conclusive in favor of the Trustee and the Issuer, if made in the manner provided in this Section 1.05.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to such Person the execution thereof. Where such execution is by a signer acting in a capacity other than such Person’s individual capacity, such certificate or affidavit shall also constitute sufficient proof of such Person’s authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee and the Collateral Agent (if applicable) deems sufficient.

(c) The Issuer may fix any date as the record date for the purpose of determining the Holders entitled to give or take any request, demand, authorization, direction, notice, consent, waiver or other action, or to vote on any action, authorized or permitted to be given or take by Holders. If not set by the Issuer prior to the first solicitation of a Holder made by any Person in respect of any such action, or, in the case of any such vote, prior to such vote, the record date for any such action or vote shall be the 30th day (or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 2.05 hereof) prior to such first solicitation or vote, as the case may be. With regard to any record date, only the Holders on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

ARTICLE 2

THE NOTES

SECTION 2.01 *Form and Dating.*

(a) The Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A hereto, the terms of which are incorporated in and made a part hereof. The Notes may have notations, legends or endorsements approved as to form by the Issuer, and required by law, stock exchange rule, agreements to which the Issuer is subject or usage. Each Note shall be dated the date of its authentication. The Notes shall be issuable only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

(b) The Notes shall initially be issued in the form of one or more Global Notes and The Depository Trust Company (*DTC*), its nominees, and their respective successors, shall act as the Depository with respect thereto. Each Global Note shall (i) be registered in the name of the Depository for such Global Note or the nominee of such Depository, (ii) shall be delivered by the Trustee to such Depository or pursuant to such Depository's instructions, and (iii) shall bear a legend (the "*Global Note Legend*") in substantially the following form:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("*DTC*"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

(c) Except as permitted by Section 2.06(g) hereof, any Note not registered under the Securities Act shall bear the following legend (the "*Private Placement Legend*") on the face thereof:

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE

SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (4) TO AN INSTITUTIONAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501 OF REGULATION D UNDER THE SECURITIES ACT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

(d) Any temporary Note that is a Global Note issued pursuant to Regulation S shall bear a legend (the *Regulation S Temporary Global Note Legend*) in substantially the following form:

THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR DEFINITIVE NOTES, ARE AS SPECIFIED IN THE INDENTURE. THE HOLDER OF THIS NOTE BY ACCEPTANCE HEREOF ALSO AGREES, REPRESENTS AND WARRANTS THAT IF IT IS A PURCHASER IN A SALE THAT OCCURS OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S OF THE SECURITIES ACT, IT ACKNOWLEDGES THAT, UNTIL EXPIRATION OF THE "40-DAY DISTRIBUTION COMPLIANCE PERIOD" WITHIN THE MEANING OF RULE 903 OF REGULATION S, ANY OFFER OR SALE OF THIS NOTE SHALL NOT BE MADE BY IT TO A U.S. PERSON TO OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON WITHIN THE MEANING OF RULE 902(k) UNDER THE SECURITIES ACT.

SECTION 2.02 *Form of Execution and Authentication.*

An Officer shall sign the Notes for the Issuer by manual, electronic or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time the Note is authenticated, the Note shall nevertheless be valid.

A Note shall not be valid until authenticated by the manual signature of the Trustee. The signature of the Trustee shall be conclusive evidence that the Note has been authenticated under this Indenture. All notes shall be dated the date of their authentication.

The Trustee shall authenticate (i) Initial Notes for original issue on the Issue Date in an aggregate principal amount of \$500.0 million and (ii) subject to compliance with Section 4.09 hereof, one or more series of Notes for original issue after the Issue Date (such Notes to be substantially in the form of Exhibit A) in an unlimited amount, in each case upon written order of the Issuer in the form of an Officers' Certificate, which Officers' Certificate shall, in the case of any issuance pursuant to clause (ii) above, certify that such issuance is in compliance with Section 4.09 hereof. In addition, each such Officers' Certificate shall specify the amount of Notes to be authenticated, the date on which the Notes are to be authenticated, whether the securities are to be Initial Notes or Notes issued under clause (ii) of the preceding sentence and the aggregate principal amount of Notes outstanding on the date of authentication, and shall further specify the amount of such Notes to be issued as Global Notes or Definitive Notes. Such Notes shall initially be in the form of one or more Global Notes, which (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, the Notes to be issued, (ii) shall be registered in the name of the Depositary or its nominee and (iii) shall be delivered by the Trustee to the Depositary or pursuant to the Depositary's instruction. All Notes issued under this Indenture shall vote and consent together on all matters as one class and no series of Notes will have the right to vote or consent as a separate class on any matter.

In authenticating Notes other than the Initial Notes, and accepting the additional responsibilities under this Indenture in relation to such Notes, the Trustee shall receive, and, subject to Section 7.01, shall be fully protected in relying upon:

(a) A copy of the resolution or resolutions of the Board of Directors in or pursuant to which the terms and form of the Notes were established, certified by the Secretary or an Assistant Secretary of the Issuer to have been duly adopted by the Board of Directors and to be in full force and effect as of the date of such certificate, and if the terms and form of such Notes are established by an Officers' Certificate pursuant to general authorization of the Board of Directors, such Officers' Certificate;

(b) an executed supplemental indenture, if any;

(c) an Officers' Certificate delivered in accordance with Section 12.04; and

(d) an Opinion of Counsel delivered in accordance with Section 12.04 and which shall state:

(1) that the form of such Notes has been established by a supplemental indenture or by or pursuant to a resolution of the Board of Directors in accordance with Sections 2.01 and 2.02 and in conformity with the provisions of this Indenture;

(2) that the terms of such Notes have been established in accordance with Section 2.01 and in conformity with the other provisions of this Indenture;

(3) that such Notes, when authenticated and delivered by the Trustee and issued by the Issuer in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Issuer, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles; and

(4) that all laws and requirements in respect of the execution and delivery by the Issuer of such Notes have been complied with.

The Trustee may appoint an authenticating agent acceptable to the Issuer to authenticate Notes. Unless limited by the terms of such appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with the Issuer or any Affiliate of the Issuer.

SECTION 2.03 ***Registrar and Paying Agent.***

The Issuer shall maintain (i) an office or agency where Notes may be presented for registration of transfer or for exchange (including any co-registrar, the *Registrar*) and (ii) an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar shall keep a register of the Notes and of their transfer and exchange. The Issuer may appoint one or more co-registrars and one or more additional paying agents. The term "*Paying Agent*" includes any additional paying agent. The Issuer may change any Paying Agent, Registrar or co-registrar without prior notice to any Holder of a Note. The Issuer shall notify the Trustee in writing and the Trustee shall notify the Holders of the Notes of the name and address of any Agent not a party to this Indenture. The Issuer may act as Paying Agent, Registrar or co-registrar. The Issuer shall enter into an appropriate agency agreement with any Agent not a party to this Indenture. The agreement shall implement the provisions hereof that relate to such Agent. The Issuer shall notify the Trustee in writing of the name and address of any such Agent. If the Issuer fails to maintain a Registrar or Paying Agent, or fails to give the foregoing notice, the Trustee shall act as such, and shall be entitled to appropriate compensation in accordance with Section 7.07 hereof.

The Issuer initially appoints the Trustee as Registrar, Paying Agent and agent for service of notices and demands in connection with the Notes.

SECTION 2.04 ***Paying Agent To Hold Money in Trust.***

The Issuer shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of the Holders of the Notes or the Trustee all money held by the Paying Agent for the payment of principal of, premium, if any, and interest on the Notes, and shall notify the Trustee in writing of any Default by the Issuer in making any such payment. While any such Default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer at any time may require a Paying Agent to pay all money held by such Paying Agent to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer) shall have no further liability for the money delivered to the Trustee. If the Issuer acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders of the Notes all money held by it as Paying Agent. Upon the occurrence of any event specified in Section 6.01(i) or Section 6.01(j), the Trustee shall automatically become the Paying Agent.

SECTION 2.05 ***Lists of Holders of the Notes.***

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders of the Notes. If the Trustee is not the Registrar, the Issuer shall furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders of the Notes, including the aggregate principal amount of the Notes held by each thereof.

SECTION 2.06 ***Transfer and Exchange.***

(a) ***Transfer and Exchange of Global Notes.*** A Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. Global Notes will be exchanged by the Issuer for Definitive Notes, subject to any applicable laws, if (i) the Issuer delivers to the Trustee notice from the Depositary that (A) the Depositary is unwilling or unable to continue to act as Depositary for the Global Notes or (B) the Depositary is no longer a clearing agency registered under the Exchange Act and, in either case, the Issuer fails to appoint a successor Depositary within 90 days after the date of such notice from the Depositary, (ii) the Issuer in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee or (iii) upon request of the Trustee or Holders of a majority of the aggregate principal amount of outstanding Notes if there shall have occurred and be continuing a Default or Event of Default with respect to the Notes; *provided* that in no event shall any temporary Note that is a Global Note issued pursuant to Regulation S be exchanged by the Issuer for Definitive Notes prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificate identified by the Issuer and its counsel to be required pursuant to Rule 903 or Rule 904 under the Securities Act. In any such case, the Issuer will notify the Trustee in writing that, upon surrender by the Participants and Indirect Participants of their interests in such Global Note, Certificated Notes will be issued to each Person that such Participants, Indirect Participants and the Depositary jointly identify as being the beneficial owner of the related Notes. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06. However, beneficial interests in a Global Note may be transferred and exchanged as provided in paragraph (b) or (c) below.

(b) ***Transfer and Exchange of Beneficial Interests in the Global Notes.*** The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depositary, in accordance with the provisions hereof and the Applicable Procedures. Beneficial interests in the Restricted Global Notes shall be subject to restrictions on transfer comparable to those set forth in this Indenture to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also shall require compliance with the applicable subparagraphs below.

(i) *Transfer of Beneficial Interests in the Same Global Note.* Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that prior to the expiration of the Restricted Period, no transfer of beneficial interests in a Regulation S Global Note may be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser) unless permitted by applicable law and made in compliance with subparagraphs (ii) and (iii) below. Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this subparagraph (i) unless specifically stated above.

(ii) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to subparagraph (i) above, the transferor of such beneficial interest must deliver to the Registrar either (A) (1) a written order from a Participant or an Indirect Participant given to the Depository in accordance with the Applicable Procedures directing the Depository to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or, (B) (1) if Definitive Notes are at such time permitted to be issued pursuant to this Indenture, a written order from a Participant or an Indirect Participant given to the Depository in accordance with the Applicable Procedures directing the Depository to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depository to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to paragraph (h) below.

(iii) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of subparagraph (ii) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in a 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in a Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (2) thereof.

(iv) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note.* A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of subparagraph (ii) above, and the Registrar receives the following:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit D hereto, including the certifications in item (1)(a) thereof, or

(B) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof;

and, in each such case set forth in subparagraphs (A) and (B), if the Issuer or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraphs (A) and (B) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an authentication order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraphs (A) and (B) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer and Exchange of Beneficial Interests for Definitive Notes.*

(i) *Transfer and Exchange of Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes.* If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit D hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in clauses (B) through (D) above, a certificate to the effect set forth in Exhibit C hereto, including the certifications, certificates and Opinion of Counsel required by item (3)(c) thereof, as applicable; or

(F) if such beneficial interest is being transferred to the Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (3)(b) thereof;

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to paragraph (h) below, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Person designated in the certificate a Restricted Definitive Note in the appropriate principal amount. Any Restricted Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this paragraph (c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depository and the Participant or Indirect Participant. The Trustee shall deliver such Restricted Definitive Notes to the Persons in whose names such Notes are so registered. Any Restricted Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this subparagraph (i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) *Transfer and Exchange of Beneficial Interests in Restricted Global Notes for Unrestricted Definitive Notes.* A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if the Registrar receives the following:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit D hereto, including the certifications in item (1)(b) thereof; or

(B) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof,

and, in each such case set forth in subparagraphs (A) and (B), if the Issuer or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraphs (A) or (B) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an authentication order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (A) or (B) above.

(iii) *Transfer and Exchange of Beneficial Interests in Unrestricted Global Notes for Unrestricted Definitive Notes.* If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in subparagraph (b)(ii) above, the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to paragraph (h) below, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Person designated in the certificate a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this subparagraph (c)(iii) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depository and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this subparagraph (c)(iii) shall not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests.*

(i) *Transfer and Exchange of Restricted Definitive Notes for Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit D hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (2) thereof; or

(D) if such Restricted Definitive Note is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in clauses (B) through (C) above, a certificate to the effect set forth in Exhibit C hereto, including the certifications, certificates and Opinion of Counsel required by item (3)(c) thereof, as applicable,

the Trustee shall cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note, and in the case of clause (C) above, the Regulation S Global Note.

(ii) *Transfer and Exchange of Restricted Definitive Notes for Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the Registrar receives the following:

(A) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit D hereto, including the certifications in item (1)(c) thereof; or

(B) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof;

and, in each such case set forth in subparagraphs (A) and (B), if the Issuer or the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this subparagraph (d)(ii), the Trustee shall cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(iii) *Transfer and Exchange of Unrestricted Definitive Notes for Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Unrestricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

(iv) If any such exchange or transfer from an Unrestricted Definitive Note or a Restricted Definitive Note, as the case may be, to a beneficial interest is effected pursuant to subparagraphs (ii)(A), (ii)(B) or (iii) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an authentication order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Unrestricted Definitive Notes or Restricted Definitive Notes, as the case may be, so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this paragraph (e), the Registrar shall register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or its attorney, duly authorized in writing. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this paragraph (e).

(i) *Transfer of Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A under the Securities Act, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit C hereto, including, if the Issuer or the Registrar so requests, a certification or Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such transfer is in compliance with the Securities Act.

(ii) *Transfer and Exchange of Restricted Definitive Notes for Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(A) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit D hereto, including the certifications in item (1)(d) thereof; or

(B) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof;

and, in each such case set forth in subparagraph (A) and (B), if the Issuer or the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iii) *Transfer of Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) [Intentionally Omitted].

(g) *Legends.* The following legends shall appear on the faces of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions hereof.

(i) *Private Placement Legend.*

(A) Except as permitted by subparagraph (B) below, each Global Note (other than an Unrestricted Global Note) and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the Private Placement Legend.

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(iv), (c)(ii), (c)(iii), (d)(ii), (d)(iii), (e)(ii) or (e)(iii) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend.

(ii) *Global Note Legend.* Each Global Note shall bear the Global Note Legend.

(iii) *Regulation S Temporary Global Note Legend.* Each temporary Note that is a Global Note issued pursuant to Regulation S shall bear the Regulation S Temporary Global Note Legend.

(h) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note shall be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note shall be increased accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(i) *General Provisions Relating to Transfers and Exchanges.*

(i) To permit registrations of transfers and exchanges, the Issuer shall execute and the Trustee shall authenticate Global Notes and Definitive Notes upon the Issuer's order or at the Registrar's request.

(ii) No service charge shall be made to a holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.02, 2.10, 3.08 and 9.05 hereof).

(iii) The Registrar shall not be required to register the transfer of or exchange any Note selected for redemption in whole or in part, except for the unredeemed portion of any Note being redeemed in part.

(iv) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits hereof, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(v) Neither the Issuer nor the Registrar shall be required (A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business on a Business Day 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection or (B) to register the transfer of or to exchange any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(vi) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Issuer may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Issuer shall be affected by notice to the contrary.

(vii) The Trustee shall authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(viii) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(ix) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Notes (including any transfers between or among Depositary Participants or beneficial owners of interests in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(x) Neither the Trustee nor any Agent shall have any responsibility for any actions taken or not taken by the Depositary.

SECTION 2.07 ***Replacement Notes.***

If any mutilated Note is surrendered to the Trustee, or the Issuer and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Note, the Issuer shall issue and the Trustee, upon the written order of the Issuer signed by two Officers of the Issuer, shall authenticate a replacement Note if the Trustee's requirements for replacements of Notes are met. If required by the Trustee or the Issuer, the Holder must supply an indemnity bond sufficient in the judgment of the Trustee and the Issuer to protect the Issuer, the Trustee, any Agent or any authenticating agent from any loss which any of them may suffer if a Note is replaced. The Issuer and the Trustee may charge for their expenses in replacing a Note.

Every replacement Note is a joint and several obligation of the Issuer.

SECTION 2.08 ***Outstanding Notes.***

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation and those described in this Section 2.08 as not outstanding.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it shall cease to be outstanding and interest on it shall cease to accrue.

Subject to Section 2.09 hereof, a Note does not cease to be outstanding because the Issuer, a Subsidiary of the Issuer or an Affiliate of the Issuer holds the Note.

SECTION 2.09 *Treasury Notes.*

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Issuer, any Subsidiary of the Issuer or any Affiliate of the Issuer shall be considered as though not outstanding, except that for purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes which a Responsible Officer knows to be so owned shall be so considered. Notwithstanding the foregoing, Notes that are to be acquired by the Issuer, any Subsidiary of the Issuer or an Affiliate of the Issuer pursuant to an exchange offer, tender offer or other agreement shall not be deemed to be owned by the Issuer, a Subsidiary of the Issuer or an Affiliate of the Issuer until legal title to such Notes passes to the Issuer, such Subsidiary or such Affiliate, as the case may be.

SECTION 2.10 *Temporary Notes.*

Until Definitive Notes are ready for delivery, the Issuer may prepare and the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of definitive Notes but may have variations that the Issuer and the Trustee consider appropriate for temporary Notes. Without unreasonable delay, the Issuer shall prepare and the Trustee, upon receipt of the written order of the Issuer signed by two Officers of the Issuer, shall authenticate definitive Notes in exchange for temporary Notes. Until such exchange, temporary Notes shall be entitled to the same rights, benefits and privileges as Definitive Notes.

SECTION 2.11 *Cancellation.*

The Issuer at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall dispose of all canceled Notes in its customary manner (subject to the record retention requirements of the Exchange Act), unless the Issuer directs canceled Notes to be returned to it. The Issuer may not issue new Notes to replace Notes that it has redeemed or paid or that have been delivered to the Trustee for cancellation. All canceled Notes held by the Trustee shall be disposed of and certification of their disposal delivered to the Issuer upon its request therefor, unless by a written order, signed by two Officers of the Issuer, the Issuer shall direct that canceled Notes be returned to it.

SECTION 2.12 *Defaulted Interest.*

If the Issuer defaults in a payment of interest on the Notes, it shall pay the defaulted interest in any lawful manner *plus*, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders of the Notes on a subsequent special record date, which date shall be at the earliest practicable date but in all events at least five Business Days prior to the payment date, in each case at the rate provided in the Notes. The Issuer shall, with the consent of the Trustee, fix or cause to be fixed each such special record date and payment date. At least 15 days before the special record date, the Issuer (or the Trustee, in the name of and at the expense of the Issuer) shall send to Holders of the Notes a notice that states the special record date, the related payment date and the amount of such interest to be paid.

SECTION 2.13 *[Reserved].*

SECTION 2.14 *CUSIP Number.*

The Issuer in issuing the Notes may use a "CUSIP" number and, if it does so, the Trustee shall use the CUSIP number in notices of redemption or exchange as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness or accuracy of the CUSIP number printed in the notice or on the Notes and that reliance may be placed only on the other identification numbers printed on the Notes and any such redemption shall not be affected by any defect in or omission of such numbers. The Issuer shall promptly notify the Trustee in writing of any change in the CUSIP number.

ARTICLE 3

REDEMPTION

SECTION 3.01 *Notices to Trustee.*

If the Issuer elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it shall furnish to the Trustee, at least 5, but no more than 10, Business Days (unless a shorter period is acceptable to the Trustee) before the notice of redemption is delivered to Holders, an Officers' Certificate of the Issuer setting forth (i) the redemption date, (ii) the principal amount of Notes to be redeemed and (iii) the redemption price. If the Issuer is required to make the redemption pursuant to Section 3.08 hereof, it shall furnish the Trustee, at least five but not more than ten Business Days before the applicable purchase date, an Officers' Certificate of the Issuer setting forth (i) the purchase date, (ii) the principal amount of Notes offered to be purchased and (iii) the purchase price.

SECTION 3.02 *Selection of Notes To Be Redeemed.*

(a) If less than all of the Notes are to be redeemed at any time in accordance with Section 3.07(b) hereof, the selection of Notes for redemption shall be made on a pro rata basis, except that Global Notes shall be selected, subject to the applicable rules of the Depository; *provided* that no Notes with a principal amount of \$2,000 or less shall be redeemed in part. If less than all the Notes are to be redeemed at any time in accordance with Section 3.07(a), (c) and (d) hereof, then the Notes shall be selected by lot, except that Global Notes shall be selected subject to the applicable rules of the Depository. In the event of partial redemption by lot, the particular Notes to be redeemed shall be selected, unless otherwise provided herein, not less than 15 nor more than 60 days prior to the redemption date from the outstanding Notes not previously called for redemption.

(b) The Trustee shall promptly notify the Issuer in writing of the Notes selected for redemption and, in the case of any Note selected for partial redemption, the principal amount thereof to be redeemed. Notes and portions of them selected shall be in amounts of \$2,000 or whole multiples of \$1,000; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder, even if not a multiple of \$1,000, shall be redeemed. Except as provided in the preceding sentence, provisions hereof that apply to Notes called for redemption also apply to portions of Notes called for redemption.

SECTION 3.03 *Notice of Redemption.*

Subject to the provisions of Section 3.08 hereof, at least 15 days but not more than 60 days before a redemption date, the Issuer shall transmit a notice of redemption to each Holder (with a copy to the Trustee) whose Notes are to be redeemed to such Holder's registered address.

The notice shall identify the Notes to be redeemed and shall state

- (i) the redemption date;
- (ii) the redemption price;

- (iii) if any Note is being redeemed in part only, the portion of the principal amount of such Note to be redeemed;
- (iv) the name and address of the Paying Agent;
- (v) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;
- (vi) that, unless the Issuer defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;
- (vii) the paragraph of the Notes and/or section hereof pursuant to which the Notes called for redemption are being redeemed; and
- (viii) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Issuer's written request, the Trustee shall give the notice of redemption in the Issuer's name and at the Issuer's expense *provided* that the Issuer shall have delivered to the Trustee, at least 10 days (unless a shorter period is acceptable to the Trustee) prior to the date the Issuer wishes to have the notice given, an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

SECTION 3.04 *Effect of Notice of Redemption.*

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become due and payable on the redemption date at the redemption price.

SECTION 3.05 *Deposit of Redemption Price.*

On or prior to 1:00 p.m. Eastern Time on any redemption date, the Issuer shall deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of and accrued interest on all Notes to be redeemed on that date. The Trustee or the Paying Agent shall promptly return to the Issuer any money deposited with the Trustee or the Paying Agent by the Issuer in excess of the amounts necessary to pay the redemption price of, and accrued interest on, all Notes to be redeemed.

On and after the redemption date, if the Issuer does not default in the payment of the redemption price, interest shall cease to accrue on the Notes or the portions of Notes called for redemption. If a Note is redeemed on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption shall not be so paid upon surrender for redemption because of the failure of the Issuer to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes.

SECTION 3.06 *[Reserved].*

Except as provided in paragraphs (a) and (b) below and Section 4.15 hereof, the Notes shall not be redeemable at the Issuer's option prior to January 15, 2024. Thereafter, the Notes shall be subject to redemption at the option of the Issuer, in whole or in part, upon not less than 15 days' or more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, together with accrued and unpaid interest thereon to the applicable redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), if redeemed during the 12-month period beginning on January 15 of the years indicated below:

Year	Percentage
2024	102.813%
2025	101.275%
2026	100.938%
2027 and thereafter	100.0000%

(a) Notwithstanding the foregoing, at any time and from time to time prior to January 15, 2024, the Issuer may redeem up to 35% of the original aggregate principal amount of the Notes outstanding at a redemption price equal to 103.750% of the principal amount thereof on the repurchase date, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), with the net cash proceeds of one or more public or private sales of Qualified Capital Stock (each, an “*Equity Offering*”), other than proceeds from a sale to the Issuer or any of its Subsidiaries or any employee benefit plan in which the Issuer or any of its Subsidiaries participates; *provided that* (i) at least 65% in aggregate principal amount of the Notes originally issued remains outstanding immediately after the occurrence of such redemption and (ii) such redemption occurs no later than the 120th day following such sale of Qualified Capital Stock.

(b) In addition, at any time and from time to time prior to January 15, 2024, the Issuer may redeem all or any portion of the Notes outstanding at a redemption price equal to (i) 100% of the aggregate principal amount of the Notes to be redeemed, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), *plus* (ii) the Make Whole Amount.

(c) In connection with any redemption of Notes described in clauses (a) and (b) above, such redemption may, at the Issuer’s discretion, be subject to one or more conditions precedent, including any related Equity Offering, issuance of Indebtedness or other transaction. If such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the Issuer’s discretion, such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date.

SECTION 3.08 *Excess Proceeds Offer.*

(a) In the event that, pursuant to Section 4.10, the Issuer shall be required to commence an Excess Proceeds Offer, it shall follow the procedures specified below.

(b) The Excess Proceeds Offer shall remain open for a period of 20 Business Days following its commencement and no longer, except to the extent that a longer period is required by applicable law (the “*Offer Period*”). No later than five Business Days after the termination of the Offer Period (the “*Purchase Date*”), the Issuer shall purchase the maximum principal amount of Notes and First Lien Obligations that may be purchased with such Excess Proceeds (which maximum principal amount of Notes and First Lien Obligations shall be the “*Offer Amount*”) or, if less than the Offer Amount has been tendered, all Notes tendered in response to the Excess Proceeds Offer.

(c) To the extent the Issuer or a Restricted Subsidiary is required under the terms of any First Lien Obligations, the Issuer shall make an offer to the holders of such First Lien Obligations on a *pro rata* basis with the holders of the Notes, with such proceeds. If the aggregate principal amount of Notes and other First Lien Obligations surrendered by holders thereof exceeds the amount of such Excess Proceeds, the Trustee shall select the Notes to be purchased on a *pro rata* basis by lot, and, in the case of Global Notes, in accordance with the procedures of the Depository. To the extent that the principal amount of Notes tendered pursuant to an Excess Proceeds Offer is less than the amount of such Excess Proceeds and such other First Lien Obligations, the Issuer may use any remaining Excess Proceeds in any manner not prohibited by this Indenture.

(d) If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest shall be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest shall be payable to Holders who tender Notes pursuant to the Excess Proceeds Offer.

(e) Upon the commencement of any Excess Proceeds Offer, the Issuer shall send, by first class mail or electronically, a notice to each of the Holders of the Notes, with a copy to the Trustee. The notice shall contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Excess Proceeds Offer. The notice, which shall govern the terms of the Excess Proceeds Offer, shall state:

(i) that the Excess Proceeds Offer is being made pursuant to this Section 3.08 and the length of time the Excess Proceeds Offer shall remain open;

(ii) the Offer Amount, the purchase price and the Purchase Date;

(iii) that any Note not tendered or accepted for payment shall continue to accrue interest;

(iv) that, unless the Issuer defaults in making such payment, any Note accepted for payment pursuant to the Excess Proceeds Offer shall cease to accrue interest after the Purchase Date;

(v) that Holders electing to have a Note purchased pursuant to any Excess Proceeds Offer shall be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, to the Issuer, a Depository, if appointed by the Issuer, or a Paying Agent at the address specified in the notice at least three Business Days before the Purchase Date;

(vi) that Holders shall be entitled to withdraw their election if the Issuer, Depository or Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is unconditionally withdrawing his election to have the Note purchased; and

(vii) that, if the aggregate principal amount of Notes surrendered by Holders and other First Lien Obligations tendered by the holders thereof exceeds the Offer Amount, the Trustee shall select the Notes to be purchased on a *pro rata* basis, by lot, and, in the case of Global Notes, in accordance with the procedures of the Depository (with such adjustments as may be deemed appropriate by the Issuer so that only Notes in minimum denominations of \$2,000, or integral multiples of \$1,000 in excess thereof, shall be purchased).

(f) On or before the Purchase Date, the Issuer shall, to the extent lawful, accept for payment, on *pro rata* basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Excess Proceeds Offer, or if less than the Offer Amount has been tendered, all Notes or portion thereof tendered, and deliver to the Trustee an Officers' Certificate stating that such Notes or portions thereof were accepted for payment by the Issuer in accordance with the terms of this Section 3.08. The Issuer, Depository or Paying Agent, as the case may be, shall promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Note tendered by such Holder and accepted by the Issuer for purchase, and the Issuer shall promptly issue a new Note, and the Trustee shall authenticate and mail or deliver such new Note, to such Holder equal in principal amount to any unpurchased portion of the Note surrendered. In addition, the Issuer shall take any and all other actions required by the agreements governing any other First Lien Obligations. Any Note not so accepted shall be promptly mailed or delivered by the Issuer to the Holder thereof. The Issuer shall publicly announce the results of the Excess Proceeds Offer on the Purchase Date.

(g) The Issuer shall comply with the requirements of Rule 14e-1 under the Exchange Act (or any successor rules) and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes pursuant to an Excess Proceeds Offer. To the extent that

the provisions of any securities laws or regulations conflict with the provisions of this Indenture, the Issuer's compliance with such laws and regulations shall not in and of itself be deemed to have caused a breach of its obligations under this Indenture.

(h) Other than as specifically provided in this Section 3.08 or Section 4.10, any purchase pursuant to this Section 3.08 shall be made pursuant to the provisions of Sections 3.02 and 3.05 hereof.

ARTICLE 4

COVENANTS

SECTION 4.01 *Payment of Notes.*

(a) The Issuer shall pay or cause to be paid the principal of, premium, if any, and interest on the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest shall be considered paid on the date due if the Paying Agent, if other than the Issuer, holds as of 1:00 p.m. Eastern Time on the due date money deposited by or on behalf of the Issuer in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

(b) The Issuer shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to the then applicable interest rate on the Notes to the extent lawful; the Issuer shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace period) at the same rate to the extent lawful.

SECTION 4.02 *Maintenance of Office or Agency.*

(a) The Issuer shall maintain an office or agency (which may be an office of the Trustee or an Affiliate of the Trustee, Registrar or co-registrar) where notices and demands to or upon the Issuer in respect of the Notes and this Indenture may be served. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee; *provided* that the Corporate Trust Office shall not be a place for service of legal process on the Issuer.

(b) The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Issuer of its obligation to maintain an office or agency for such purposes. The Issuer shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

(c) The Issuer hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Issuer in accordance with Section 2.03 hereof.

SECTION 4.03 *Reports.*

(a) Whether or not required by the rules and regulations of the Commission, so long as any Notes are outstanding, the Issuer shall furnish to the Holders of Notes all quarterly and annual financial information, and on dates allowed by the Commission, that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Issuer was required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report thereon by

the independent registered public accounting firm of the Issuer; *provided, however*, that, to the extent such reports are filed with the Commission and publicly available, no additional copies need be provided to Holders of the Notes.

(b) The Issuer shall file the information described in Section 4.03(a) with the Commission to the extent that the Commission is accepting such filings. In addition, for so long as any Notes remain outstanding during any period when the Issuer is not subject to Section 13 or 15(d) of the Exchange Act, the Issuer shall furnish to the Holders of the Notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

(c) In addition, following the first full fiscal quarter after the date hereof, so long as any Notes are outstanding the Issuer shall use commercially reasonable efforts to (A) within 15 Business Days after furnishing the reports required by Section 4.03(a), hold a conference call to discuss such reports, and (B) issue a press release prior to the date of such conference call, announcing the time and date and either including information necessary to access the call or directing noteholders, prospective investors, Broker-Dealers and securities analysts to contact the appropriate person at the Issuer to obtain such information; *provided* that the Issuer may satisfy the requirements of this paragraph by issuing its regular quarterly earnings releases and conducting its regular investor conference calls.

(d) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive or actual notice or knowledge of any information contained therein or determinable from information contained therein, including the Issuer's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

SECTION 4.04 *Compliance Certificate.*

The Issuer shall deliver to the Trustee, within 120 days after the end of each fiscal year, commencing after the fiscal year ended December 31, 2020, an Officers' Certificate of the Issuer stating that a review of the activities of the Issuer and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Issuer and Guarantors have kept, observed, performed and fulfilled their obligations under this Indenture and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge each such entity has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions hereof, including, without limitation, a default in the performance or breach of Section 4.07, Section 4.09, Section 4.10 or Section 4.15 hereof (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action each is taking or proposes to take with respect thereto).

SECTION 4.05 *Taxes.*

The Issuer shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except as contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

SECTION 4.06 *Stay, Extension and Usury Laws.*

The Issuer covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance hereof; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

SECTION 4.07 *Limitation on Restricted Payments.*

- (a) Neither the Issuer nor any of its Restricted Subsidiaries may, directly or indirectly:
- (i) pay any dividend or make any distribution on account of any Equity Interests of the Issuer other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Issuer;
 - (ii) purchase, redeem or otherwise acquire or retire for value any of the Issuer's Equity Interests or any Subordinated Indebtedness, other than (i) Subordinated Indebtedness within one year of the stated maturity date thereof and (ii) any such Equity Interests or Subordinated Indebtedness owned by the Issuer or by any Restricted Subsidiary;
 - (iii) pay any dividend or make any distribution on account of any Equity Interests of any Restricted Subsidiary, other than:
 - (A) to the Issuer or any Restricted Subsidiary; or
 - (B) to all holders of any class or series of Equity Interests of such Restricted Subsidiary on *pro rata* basis; or
 - (iv) make any Restricted Investment

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

- (1) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;
- (2) after giving effect to the incurrence of any Indebtedness the net proceeds of which are used to finance such Restricted Payment, the Issuer is able to incur at least \$1.00 of additional Indebtedness in compliance with Section 4.09(a); and
- (3) such Restricted Payment, together with the aggregate of all other Restricted Payments made after May 6, 2010, is less than the sum of:
 - (A) 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from July 1, 2010 to the end of the Issuer's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income shall be a deficit, *minus* 100% of such aggregate deficit); *plus*
 - (B) an amount equal to the sum of (x) 100% of the aggregate net cash proceeds and the Fair Market Value of any property or assets received by the Issuer from the issue or sale of Equity Interests (other than Disqualified Stock) of the Issuer (other than Equity Interests sold to any of the Issuer's Subsidiaries), following May 6, 2010 and (y) the aggregate amount by which Indebtedness (other than any Indebtedness owed to the Issuer or a Subsidiary) incurred by the Issuer or any Restricted Subsidiary on or subsequent to the Issue Date is reduced on the Issuer's balance sheet upon the conversion or exchange into Qualified Capital Stock (less the amount of any cash, or the Fair Market Value of assets, distributed by the Issuer or any Restricted Subsidiary upon such conversion or exchange or expended pursuant to clause (b)(11) below); *plus*
 - (C) if any Unrestricted Subsidiary is designated by the Issuer as a Restricted Subsidiary, an amount equal to the Fair Market Value of the net Investment by the Issuer or a Restricted Subsidiary in such Subsidiary at the time of such designation; *provided, however*, that

the foregoing amount shall not exceed the amount of Restricted Investments made by the Issuer or any Restricted Subsidiary in any such Unrestricted Subsidiary following May 6, 2010 which reduced the amount available for Restricted Payments pursuant to this clause (3) *less* amounts received by the Issuer or any Restricted Subsidiary from such Unrestricted Subsidiary that increased the amount available for Restricted Payments pursuant to clause (D) below; *plus*

(D) 100% of any cash dividends and other cash distributions and the Fair Market Value of property or assets other than cash received by the Issuer and the Issuer's Restricted Subsidiaries from an Unrestricted Subsidiary since May 6, 2010 to the extent not included in Consolidated Cash Flow and 100% of the net proceeds received by the Issuer or any of its Restricted Subsidiaries from the sale of any Unrestricted Subsidiary; *provided, however*, that the foregoing amount shall not exceed the amount of Restricted Investments made by the Issuer or any Restricted Subsidiary in any such Unrestricted Subsidiary following the Issue Date which reduced the amount available for Restricted Payments pursuant to this clause (3); *plus*

(E) to the extent not included in clauses (A) through (D) above, an amount equal to the net reduction in Restricted Investments of the Issuer and its Restricted Subsidiaries following May 6, 2010 resulting from payments in cash of interest on Indebtedness, dividends or repayment of loans or advances, or other transfers of property, in each case, to the Issuer or to a Restricted Subsidiary or from the net cash proceeds from the sale, conveyance, liquidation or other disposition of any such Restricted Investment; *plus*

(F) \$150.0 million.

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

- (1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of a redemption notice related thereto, if at the date of declaration or notice such payment would have complied with the provisions of this Indenture;
- (2) the redemption, repurchase, retirement or other acquisition of (x) any Equity Interests of the Issuer in exchange for, or out of the net proceeds of the issue or sale within 60 days of, Equity Interests (other than Disqualified Stock) of the Issuer (other than Equity Interests (other than Disqualified Stock) issued or sold to any Subsidiary) or (y) Subordinated Indebtedness of the Issuer or any Restricted Subsidiary (a) in exchange for, or out of the proceeds of the issuance and sale within 60 days of, Qualified Capital Stock, (b) in exchange for, or out of the proceeds of the incurrence within 60 days of, Refinancing Indebtedness permitted to be incurred under clause (10) of Section 4.09(b) or other Indebtedness permitted to be incurred under Section 4.09 or (c) with the Net Proceeds from an Asset Sale or upon a Change of Control, in each case, to the extent required by the agreement governing such Subordinated Indebtedness but only if the Issuer shall have previously applied such Net Proceeds to make an Excess Proceeds Offer or made a Change of Control Offer, as the case may be, in accordance with Sections 4.10 and 4.15 and purchased all Notes validly tendered pursuant to the relevant offer prior to redeeming or repurchasing such Subordinated Indebtedness;
- (3) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Issuer or any of its Restricted Subsidiaries or shares of Preferred Equity Interests of any Restricted Subsidiary issued in accordance with Section 4.09;
- (4) repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants or upon the vesting of restricted stock units if such Equity Interests represent the exercise price of such options or warrants or represent withholding taxes due upon such exercise or vesting;

(5) [reserved];

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

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

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

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

(10) any Restricted Payment if after giving effect to such Restricted Payment, the Consolidated Leverage Ratio of the Issuer on a pro forma basis is equal to or less than 3.75 to 1.00;

(11) to the extent constituting Restricted Payments, payments to counterparties under Hedging Obligations or other hedge, swap or option agreements entered into in connection with the issuance of convertible debt or upon the exercise thereof; and

(12) other Restricted Payments in an amount not to exceed the greater of (x) \$500.0 million and (y) 7.5% of Consolidated Tangible Assets at the time of such Restricted Payment.

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

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

For purposes of determining compliance with this Section 4.07, in the event that a Restricted Payment meets the criteria of more than one of the categories described in clauses (b)(1) through (b)(12) above, or is permitted pursuant to Section 4.07(a), the Issuer shall be entitled to classify such Restricted Payment (or portion thereof) on the date of its payment or later reclassify such Restricted Payment (or portion thereof) in any manner that complies with this Section 4.07.

SECTION 4.08 *Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.*

The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

- (a) pay dividends or make any other distribution to the Issuer or any of the Restricted Subsidiaries on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Issuer or any of its Restricted Subsidiaries;
- (b) make loans or advances to the Issuer or any of its Restricted Subsidiaries; or
- (c) transfer any of the Issuer's properties or assets to the Issuer or any of its Restricted Subsidiaries,

except for such encumbrances or restrictions existing under or by reason of:

- (i) Existing Indebtedness and existing agreements as in effect on the Issue Date;
- (ii) applicable law or regulation;
- (iii) any instrument governing Acquired Debt and any other agreement or instrument of an acquired Person or any of its Subsidiaries as in effect at the time of acquisition (except to the extent such Indebtedness or other agreement or instrument was incurred in connection with, or in contemplation of, such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired or any of its Subsidiaries;
- (iv) by reason of customary nonassignment provisions in leases entered into in the ordinary course of business;
- (v) Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Refinancing Indebtedness are no more restrictive than those contained in the agreements governing the Indebtedness being refinanced;
- (vi) this Indenture, the Notes and the Collateral Documents or the Issuer's other Indebtedness ranking *pari passu* with the Notes; *provided* that except as set forth in clause (vii) below such restrictions are no more restrictive taken as a whole than those imposed by this Indenture, the Notes and the Collateral Documents;
- (vii) any Credit Facility; *provided* that the restrictions therein (i) are not materially more restrictive than the agreements governing such Indebtedness as in effect on the Issue Date or (ii) will not affect the Issuer's ability to make principal or interest payments on the Notes (as determined by the Issuer in good faith);
- (viii) customary non-assignment provisions in contracts, leases, sub-leases and licenses entered into in the ordinary course of business;
- (ix) any agreement for the sale or other disposition of a Restricted Subsidiary or any of its assets in compliance with the terms of this Indenture that restricts distributions by that Restricted Subsidiary pending such sale or other disposition;
- (x) provisions limiting the disposition or distribution of assets or property (including cash) in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other

similar agreements (including agreements entered into in connection with a Restricted Investment), and customary provisions in joint venture agreements and other similar agreements applicable to the Equity Interests or Indebtedness of such joint venture, which limitation is applicable only to the assets that are the subject of such agreements;

(xi) Permitted Liens;

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

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

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

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

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

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

SECTION 4.09 ***Limitation on Incurrence of Indebtedness.***

(a) The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt) or permit any of its Restricted Subsidiaries to issue any Preferred Equity Interests; *provided, however*, that, notwithstanding the foregoing, the Issuer and any Restricted Subsidiary may incur Indebtedness (including Acquired Debt) and any Guarantor may issue Preferred Equity Interests, if, after giving effect to the incurrence of such Indebtedness or the issuance of such Preferred Equity Interests and the application of the net proceeds thereof on a *pro forma* basis, the Issuer's Consolidated Fixed Charge Coverage Ratio would have been at least 2.0 to 1.0; *provided* that Restricted Subsidiaries of the Issuer that are not Guarantors may not incur Indebtedness or issue any Preferred Equity Interests pursuant to this paragraph if, after giving *pro forma* effect to such incurrence or issuance (including *pro forma* application of the net proceeds therefrom), the aggregate amount of outstanding Indebtedness or Preferred Equity Interests of Restricted Subsidiaries of the Issuer that are not Guarantors at any one time outstanding incurred pursuant to the foregoing proviso exceeds the greater of (x) \$200.0 million or (y) 2.5% of Consolidated Total Assets at the time of incurrence.

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

(1) Indebtedness represented by the Notes and the Guarantees issued on the Issue Date;

(2) Indebtedness of the Issuer or any Restricted Subsidiary under any Credit Facility in an aggregate principal amount at any one time outstanding not to exceed \$2,835.0 million;

(3) (x) unsecured Indebtedness among the Issuer and the Restricted Subsidiaries and (y) Preferred Equity Interests of a Restricted Subsidiary held by the Issuer or a Restricted Subsidiary; *provided* that if such Preferred Equity Interests are issued by a Guarantor, such Preferred Equity Interests are held by the Issuer or a Guarantor;

(4) Acquired Debt of a Person incurred prior to the date upon which such Person was acquired by the Issuer or any Restricted Subsidiary (and not created in contemplation of such acquisition); *provided* that (x) the aggregate principal amount of Acquired Debt pursuant to this clause (4)(x) (when aggregated with the amount of Refinancing Indebtedness outstanding under clause (10) below in respect of Indebtedness incurred pursuant to this clause (4)(x)) shall not exceed \$250.0 million at any one time outstanding or (y) after giving effect to the incurrence of such Acquired Debt on a *pro forma* basis, the Issuer's Consolidated Fixed Charge Coverage Ratio either (A) would have been at least 2.0 to 1.0 or (B) would have been greater than immediately prior to such acquisition;

(5) Existing Indebtedness (other than Indebtedness incurred under clause (2) above);

(6) Indebtedness consisting of Purchase Money Indebtedness in an aggregate amount (when aggregated with the amount of Refinancing Indebtedness outstanding under clause (10) below in respect of Indebtedness incurred pursuant to this clause (6)) not to exceed an amount at any one time outstanding equal to the greater of (x) \$300.0 million or (y) 2.5% of Consolidated Total Assets at the time of incurrence;

(7) Hedging Obligations of the Issuer or any of the Restricted Subsidiaries covering Indebtedness of the Issuer or such Restricted Subsidiary; *provided, however,* that such Hedging Obligations are entered into for bona fide hedging activities, including the issuance of convertible debt, and not for speculative purposes;

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

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

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

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

(B) the Refinancing Indebtedness shall have a final maturity equal to or later than, and a Weighted Average Life to Maturity equal to or greater than, the earlier of (i) 91 days after the final maturity date of the Notes and (ii) the final maturity and Weighted Average Life to

Maturity, respectively, of the Indebtedness being exchanged, extended, refinanced, renewed, replaced, substituted or refunded;

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

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

(11) additional Indebtedness of the Issuer and any of its Restricted Subsidiaries in an aggregate principal amount not to exceed at any one time outstanding an amount equal to the greater of (x) \$500.0 million or (y) 7.5% of Consolidated Total Assets at the time of incurrence;

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

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

(14) the incurrence by the Issuer or its Subsidiaries of guarantees in respect of obligations of joint ventures; *provided* that the aggregate principal amount of Indebtedness incurred pursuant to this clause (14) shall not exceed at any one time outstanding an amount equal to the greater of (x) \$200.0 million and (y) 2.5% of Consolidated Total Assets at the time of incurrence;

(15) Indebtedness of Foreign Subsidiaries in an aggregate principal amount at any one time outstanding not to exceed the greater of (x) \$500.0 million and (y) 7.5% of Consolidated Total Assets at the time of incurrence that are attributable to Restricted Subsidiaries that are Foreign Subsidiaries;

(16) overdrafts paid within 10 Business Days;

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

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

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

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

(21) Indebtedness the proceeds of which are applied to defease or discharge the Notes pursuant to Article 8;

(22) Preferred Equity Interests of the Issuer or any of its Restricted Subsidiaries issued to the Issuer or another Restricted Subsidiary; *provided* that any subsequent issuance or transfer of any Capital

Stock or any other event that results in any Restricted Subsidiary that holds such Preferred Equity Interests of another Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Preferred Equity Interests (except to the Issuer or another Restricted Subsidiary) shall be deemed, in each case, to be an issuance of Preferred Equity Interests not permitted by this clause (22);

(23) Indebtedness of Foreign Subsidiaries arising under Euro-denominated and Sterling-denominated cash pooling arrangements; *provided* that the net obligations (after notional offsets for pooling participants, cash and Cash Equivalents) for such shall not exceed €10,000,000 for Euro-denominated arrangements and £10,000,000 for Sterling-denominated, and such Indebtedness may benefit from cross-guarantees from pooling participants and a guarantee from the Issuer; and

(24) Indebtedness incurred by any Subsidiary of the Issuer organized under the laws of a jurisdiction of Australia (which is not guaranteed by any Subsidiary that is not organized under the laws of a jurisdiction of Australia) in an aggregate principal amount at any time outstanding not to exceed the U.S. dollar equivalent of AU\$75.0 million.

(c) For purposes of determining compliance with this Section 4.09, (1) the outstanding principal amount of any item of Indebtedness shall be counted only once, and any obligation arising under any guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness incurred in compliance with this Section 4.09 shall be disregarded, and (2) if an item of Indebtedness meets the criteria of more than one of the categories described in clauses (b)(1) through (23) above or is permitted to be incurred pursuant to Section 4.09(a) and also meets the criteria of one or more of the categories described in clauses (1) through (23) of Section 4.09(b), the Issuer shall, in its sole discretion, classify such item of Indebtedness in any manner that complies with this Section 4.09 and may from time to time reclassify such item of Indebtedness in any manner in which such item could be incurred at the time of such reclassification; *provided* that Indebtedness outstanding under the Credit Agreement on the Issue Date (and any Indebtedness secured by a Lien that refinances such Indebtedness) shall be deemed to be outstanding under clause (b)(2) above and may not be reclassified.

(d) Accrual of interest or dividends on Preferred Equity Interests, the accretion of original issue discount and the payment of interest or dividends on Preferred Equity Interests in the form of additional Indebtedness or Preferred Equity Interests of the same class shall not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09. Any increase in the amount of Indebtedness solely by reason of currency fluctuations shall not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09. A change in GAAP that results in an obligation existing at the time of such change, not previously classified as Indebtedness, becoming Indebtedness shall not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09.

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

(f) For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollarequivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated by the Issuer based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollardominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollardominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced.

Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Issuer may incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness incurred to refinance other Indebtedness, (1) if incurred in a different currency from the Indebtedness being refinanced, shall be calculated by the Issuer based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such refinancing and (2) shall be deemed to be outstanding only when the proceeds thereof are not applied to effect such refinancing (and to pay any fees, expenses, commissions and costs in connection therewith) substantially concurrently.

SECTION 4.10 *Limitation on Asset Sales.*

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

(1) the Issuer or such Restricted Subsidiary receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (determined as of the time of contractually agreeing to such Asset Sale) of the assets included in such Asset Sale (such Fair Market Value to be determined by (i) an executive officer of the Issuer or such Subsidiary if the value is less than \$75.0 million or (ii) in all other cases by a resolution of the Issuer's Board of Directors (or of a committee appointed thereby for such purposes)); and

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

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

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

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

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

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

(1) at the Issuer's election, either (x) repay First Lien Obligations (and in the case of any such repayment under any revolving credit facility, effect a permanent reduction in the availability under such revolving credit facility) or (y) repay, redeem or purchase the Notes; *provided* that if the Issuer or such Restricted Subsidiary repays First Lien Obligations (other than the Notes) pursuant to clause (b)(i)(x) of this Section 4.10, the Issuer shall equally and ratably reduce the Notes Obligations in accordance with the procedures set forth under Section 3.07, by making an Excess Proceeds Offer;

(2) to the extent the Property disposed of in the Asset Sale does not constitute Collateral, repay (and in the case of any such repayment under any revolving credit facility, effect a permanent reduction in the availability under such revolving credit facility) Obligations under other Indebtedness of any Restricted Subsidiary that is not a Guarantor; or

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

(c) Any Net Proceeds from any Asset Sale that are not applied or invested (or committed pursuant to a written agreement to be applied) as provided in the preceding paragraph within 365 days after the receipt thereof and, in the case of any amount committed to a reinvestment, which are not actually so applied within 180 days following such 365 day period shall constitute "Excess Proceeds" and shall be applied pursuant to Section 4.10(d) hereof. Pending the final application of any such Net Proceeds, the Issuer or such Restricted Subsidiary may temporarily reduce revolving indebtedness under a Credit Facility, if any, or otherwise invest such Net Proceeds in any manner not prohibited by this Indenture.

(d) When the cumulative amount of Excess Proceeds that have not been applied in accordance with this Section 4.10 exceeds \$100.0 million, the Issuer shall make an offer to all Holders of the Notes (an "Excess Proceeds Offer") to purchase the maximum principal amount of Notes that may be purchased out of such Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for the closing of such offer in accordance with the procedures set forth in Section 3.08 hereof. Upon completion of an Excess Proceeds Offer, the amount of Excess Proceeds shall be reset at zero.

SECTION 4.11 *Limitation on Transactions with Affiliates.*

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

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

(b) if such Affiliate Transaction involves aggregate payments in excess of \$75.0 million, such Affiliate Transaction has either (i) been approved by a resolution of the members of (x) the Board of Directors of the Issuer or (y) any duly constituted committee thereof, in each case including a majority of the disinterested members thereof who meet the independence requirements of the New York Stock Exchange or NASDAQ or (ii) if there are no disinterested directors on the Board of Directors of the Issuer, the Issuer or such Restricted Subsidiary has obtained the favorable opinion of an Independent Financial Advisor as to the fairness of such Affiliate Transaction to the Issuer or the relevant Restricted Subsidiary, as the case may be, from a financial point of view;

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

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

- (ii) indemnification or similar arrangements for officers, directors, employees or agents of the Issuer or any of the Restricted Subsidiaries pursuant to charter, bylaw, statutory or contractual provisions;
- (iii) transactions between or among the Issuer and the Restricted Subsidiaries;
- (iv) Restricted Payments not prohibited by Section 4.07 and Permitted Investments;
- (v) any transactions between the Issuer or any of the Restricted Subsidiaries and any Affiliate of the Issuer the Equity Interests of which Affiliate are owned solely by the Issuer or one of the Restricted Subsidiaries, on the one hand, and by Persons who are not Affiliates of the Issuer or Restricted Subsidiaries, on the other hand;
- (vi) any agreements or arrangements in effect on the Issue Date and described or incorporated by reference in the Offering Memorandum and any modifications, extensions or renewals thereof that are no less favorable to the Issuer or the applicable Restricted Subsidiary in any material respect than such agreement as in effect on the Issue Date;
- (vii) so long as they comply with clause (a) above, transactions with customers, clients, lessors, landlords, suppliers, contractors or purchasers or sellers of goods or services that are Affiliates, in each case in the ordinary course of business and otherwise in compliance with the terms of this Indenture;
- (viii) [reserved];
- (ix) transactions with Persons who are Affiliates of the Issuer solely as a result of the Issuer's or a Restricted Subsidiary's Investment in such Person;
- (x) sales of Equity Interests to Affiliates of the Issuer or its Restricted Subsidiaries not otherwise prohibited by this Indenture and the granting of registration and other customary rights in connection therewith;
- (xi) transactions with an Affiliate where the only consideration paid is Equity Interests of the Issuer other than Disqualified Stock;
- (xii) transactions in which the Issuer or any of its Restricted Subsidiaries, as the case may be, deliver to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of this covenant;
- (xiii) transactions with joint ventures or Unrestricted Subsidiaries entered into in the ordinary course of business; and
- (xiv) transactions between the Issuer or any of its Restricted Subsidiaries and any Person, a director of which is also a director of the Issuer; *provided, however,* that such director abstains from voting as a director on any matter involving such other Person.

SECTION 4.12 ***Limitation on Liens.***

The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create, incur or assume any Lien on any asset now owned or hereafter acquired, or on any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens.

SECTION 4.13 *Additional Subsidiary Guarantees.*

If any of the Issuer's Domestic Restricted Subsidiaries that is not a Guarantor guarantees or becomes otherwise obligated under a Credit Facility incurred under Section 4.09(b)(2) or Indebtedness incurred in reliance on Section 4.09(a) (other than under the second proviso thereto), then in each case such guarantor or obligor shall (i) execute and deliver to the Trustee and Collateral Agent a supplemental indenture in form reasonably satisfactory to the Trustee and the Collateral Agent pursuant to which such Restricted Subsidiary shall unconditionally guarantee all of the Issuer's obligations under the Notes and this Indenture on the terms set forth in this Indenture, (ii) execute and deliver to the Trustee and Collateral Agent joinders or supplements, as applicable, to the Collateral Documents and the First Lien Intercreditor Agreement (and, if applicable, any Junior Lien Intercreditor Agreement), together with any other filings and agreements (subject to customary extension periods) required by the Collateral Documents to create or perfect the security interests of the Collateral Agent for the benefit of the Notes Secured Parties in the Collateral of such Restricted Subsidiary and (iii) deliver to the Trustee and the Collateral Agent an Officers' Certificate and an Opinion of Counsel that such supplemental indenture and joinders or supplements to the Collateral Documents and First Lien Intercreditor Agreement (and, if applicable, any Junior Lien Intercreditor Agreement) have been duly authorized, executed and delivered by such Restricted Subsidiary and constitute legal, valid, binding and enforceable obligations of such Restricted Subsidiary. Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes of this Indenture, the Collateral Documents and the First Lien Intercreditor Agreement (and, if applicable, any Junior Lien Intercreditor Agreement).

SECTION 4.14 *Organizational Existence.*

Subject to Article 5 hereof and the proviso to this Section 4.14, the Issuer shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its existence as a corporation and, subject to Section 4.10 hereof, the corporate, limited liability company, partnership or other existence of any Significant Subsidiary, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Issuer or any Significant Subsidiary and (ii) subject to Section 4.10 hereof, the rights (charter and statutory), licenses and franchises of the Issuer and its Significant Subsidiaries; *provided, however*, that the Issuer shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any Significant Subsidiary if the Board of Directors of the Issuer shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuer and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes.

SECTION 4.15 *Change of Control.*

Upon the occurrence of a Change of Control, the Issuer shall make an offer (a "*Change of Control Offer*") to each Holder of Notes to repurchase all or any part (equal to \$1,000 or an integral multiple thereof) of such Holder's Notes at a purchase price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest thereon to the date of repurchase (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date) (in either case, the "*Change of Control Payment*"). Within 30 days following any Change of Control, the Issuer shall send or otherwise deliver a notice to each Holder with a copy to the Trustee stating:

- (1) that the Change of Control Offer is being made pursuant to this Section 4.15;
- (2) the purchase price and the purchase date, which shall be no earlier than 30 days and not later than 60 days after the date such notice is sent (the "*Change of Control Payment Date*");
- (3) that any Notes not tendered shall continue to accrue interest in accordance with the terms of this Indenture;
- (4) that, unless the Issuer defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest on the Change of Control Payment Date;

(5) that Holders shall be entitled to withdraw their election if the paying agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is unconditionally withdrawing its election to have such Notes purchased;

(6) that Holders whose Notes are being purchased only in part shall be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to \$2,000 in principal amount or an integral multiple of \$1,000 in excess thereof; and

(7) any other information material to such Holder's decision to tender Notes.

The Issuer shall comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes required in the event of a Change of Control. The Issuer shall not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to Change of Control Offer made by the Issuer. The Issuer's obligations in respect of a Change of Control Offer can be modified with the consent of Holders of a majority of the aggregate principal amount of Notes then outstanding at any time prior to the occurrence of a Change of Control. Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in a Change of Control Offer and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer, as described above, purchases all of the Notes validly tendered and not withdrawn by such Holders, the Issuer or such third party shall have the right, upon not less than 15 nor more than 60 days' prior notice, given not more than 15 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase at a price in cash equal to 101% of the principal amount thereof *plus* accrued and unpaid interest to, but not including, the date of redemption.

SECTION 4.16 *Suspension of Covenants.*

(a) During any period of time after the Issue Date that (i) the Notes are rated Investment Grade by both Rating Agencies and (ii) no Default has occurred and is continuing under this Indenture (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "*Covenant Suspension Event*"), the Issuer and its Restricted Subsidiaries shall not be subject to the following Sections of this Indenture (the "*Suspended Covenants*"):

- (1) Section 4.07;
- (2) Section 4.08;
- (3) Section 4.09;
- (4) Section 4.10;
- (5) Section 4.11; and
- (6) clause (d) of the first paragraph of Section 5.01.

(b) At such time as Sections 4.07, 4.08, 4.09, 4.10, 4.11 and clause (d) of the first paragraph of Section 5.01 are suspended (a "*Suspension Period*"), the Issuer shall no longer be permitted to designate any Restricted Subsidiary as an Unrestricted Subsidiary.

(c) In the event that the Issuer and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the “*Reversion Date*”) one or both of the Rating Agencies withdraw their Investment Grade rating or downgrade the rating assigned to the Notes below Investment Grade, then the Issuer and its Restricted Subsidiaries shall thereafter again be subject to the Suspended Covenant with respect to future events.

(d) On each Reversion Date, all Indebtedness incurred during the Suspension Period prior to such Reversion Date shall be deemed to be Existing Indebtedness. For purposes of calculating the amount available to be made as Restricted Payments under clause (3) of Section 4.07(a), calculations under such section shall be made as though such section had been in effect during the entire period of time after the Issue Date (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (2) through (10) under Section 4.07(b) shall reduce the amount available to be made as Restricted Payments under clause (3) of such Section 4.07(a); *provided* that the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. For purposes of Section 4.10(d), on the Reversion Date, the unutilized amount of Net Proceeds shall be reset to zero. Notwithstanding the foregoing, neither (a) the continued existence, after the Reversion Date, of facts and circumstances or obligations that were incurred or otherwise came into existence during a Suspension Period nor (b) the performance of any such obligations, shall constitute a breach of any covenant set forth herein or cause a Default or Event of Default thereunder; *provided* that (1) the Issuer and its Restricted Subsidiaries did not incur or otherwise cause such facts and circumstances or obligations to exist in anticipation of a withdrawal or downgrade by the applicable Rating Agency below an Investment Grade rating and (2) the Issuer reasonably believed that such incurrence or actions would not result in such withdrawal or downgrade.

The Issuer shall provide an Officers’ Certificate to the Trustee indicating the occurrence of any Covenant Suspension Event, Suspension Period or Reversion Date. The Trustee shall have no obligation to monitor the ratings of the Notes, independently determine or verify if such events have occurred or notify the holders of Notes of any Covenant Suspension Event, Suspension Period or Reversion Date. The Trustee may provide a copy of such Officers’ Certificate to any Holder of Notes upon request.

SECTION 4.17 *After-acquired Collateral.*

From and after the Issue Date, the Issuer and the Guarantors shall grant to the Collateral Agent, for the benefit of the Notes Secured Parties, a Lien on any Property that would constitute Collateral, as provided in the Collateral Documents to secure the Notes Obligations, subject to the limitations and exceptions set forth in the Collateral Documents.

SECTION 4.18 *Further Assurances.*

As set forth in the Collateral Documents and this Indenture, the Issuer and the Guarantors shall, at their expense, duly execute and deliver, or cause to be duly executed and delivered, such further agreements, documents, instruments, financing and continuation statements and amendments thereto and do or cause to be done such further acts as may be necessary or proper or reasonably requested by the Collateral Agent to evidence, perfect, maintain and enforce the security interests and the priority thereof in the Collateral in favor of the Collateral Agent for the benefit of the Notes Secured Parties, and to otherwise effectuate the provisions or purposes of this Indenture and the Collateral Documents.

ARTICLE 5

SUCCESSORS

SECTION 5.01 ***Merger, Consolidation or Sale of Assets.***

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

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

(b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the Issuer's obligations under the Notes, this Indenture, the Collateral Documents and the First Lien Intercreditor Agreement (and, if applicable, any Junior Lien Intercreditor Agreement) pursuant to a supplemental indenture and joinders or supplements, as applicable, to the Collateral Documents and the First Lien Intercreditor Agreement (and, if applicable, any Junior Lien Intercreditor Agreement), in each case, in form reasonably acceptable to the Trustee and Collateral Agent;

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

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

Notwithstanding the foregoing, but subject to Sections 10.03 and 10.04, any Restricted Subsidiary may consolidate with or merge into or transfer all or part of its properties and assets to the Issuer or another Restricted Subsidiary.

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

SECTION 5.02 ***Successor Corporation Substituted.***

Upon any consolidation or merger, or any sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer in accordance with Section 5.01 hereof, the successor Person formed by such consolidation or into or with which the Issuer is merged or to which such sale, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, lease, conveyance or other disposition, the provisions hereof referring to the Issuer shall refer instead to the successor corporation and not to the Issuer), and may exercise every right and power of, the Issuer under this Indenture with the same effect as if such successor Person has been named as the Issuer herein. When a successor Person assumes all the obligations of the Issuer under the Notes and this Indenture pursuant to this Article 5, the applicable predecessor shall be released from the obligations so assumed.

ARTICLE 6

DEFAULTS AND REMEDIES

SECTION 6.01 *Events of Default.*

Each of the following constitutes an “*Event of Default*”:

- (a) default for 30 days in the payment when due of interest or additional interest, if any, on the Notes;
- (b) default in payment when due of principal of or premium, if any, on the Notes at maturity, upon repurchase, redemption or otherwise;
- (c) failure to comply for 30 days after notice with any obligations under the provisions described under Sections 3.08 (other than a failure to purchase Notes duly tendered to the Issuer for repurchase pursuant to a Change of Control Offer or an Excess Proceeds Offer), 4.10, 4.15 and 5.01;
- (d) subject to the second paragraph of Section 6.02, default under any other provision of this Indenture, the Notes or the Collateral Documents, which default remains uncured for 60 days after notice from the Trustee or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes;
- (e) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer and any of the Restricted Subsidiaries), which default is caused by a failure to pay the principal of such Indebtedness at the final stated maturity thereof within the grace period provided in such Indebtedness (a “*Payment Default*”), and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default, aggregates \$75.0 million or more;
- (f) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of the Restricted Subsidiaries), which default results in the acceleration of such Indebtedness prior to its express maturity not rescinded or cured within 30 days after such acceleration, and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated and remains undischarged after such 30 day period, aggregates \$75.0 million or more;
- (g) failure by the Issuer and any of the Restricted Subsidiaries to pay final judgments (other than any judgment as to which a reputable insurance company has accepted full liability) aggregating \$75.0 million or more, which judgments are not stayed within 60 days after their entry;
- (h) any Guarantee of a Significant Subsidiary shall be held in a judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect, or any Guarantor that qualifies as a Significant Subsidiary, or any Person acting on behalf of any Guarantor that qualifies as a Significant Subsidiary, shall deny or disaffirm its obligations under its Guarantee;
- (i) the Issuer or any Significant Subsidiary of the Issuer pursuant to or within the meaning of Bankruptcy Law (i) commences a voluntary case; (ii) consents to the entry of an order for relief against it in an involuntary case; (iii) consents to the appointment of a custodian of it or for all or substantially all of its property; or (iv) makes a general assignment for the benefit of its creditors;

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

(k) any Collateral Document after delivery thereof shall for any reason cease (or shall be asserted in writing by the Issuer or any Guarantor to cease) to create a valid and perfected first-priority Lien to the extent required by the Collateral Documents (subject to no other Liens other than Permitted Liens) on Collateral that is (i) purported to be covered thereby and (ii) comprises Property which, when taken together with all Property as to which such a Lien has so ceased to be effective, has a fair market value in excess of \$50.0 million (other than (x) in accordance with the terms of this Indenture or the terms of the Credit Facilities or the Security Documents or (y) except to the extent that any such cessation of the Liens results from the failure of the administrative agent under the Credit Facilities or the Applicable Authorized Representative, as the case may be, to maintain possession of certificates actually delivered to it representing securities pledged under the Security Documents); *provided* that if a failure of the sort described in this clause (k) is susceptible of cure without loss of priority (other than with respect to Permitted Liens (except Permitted Liens pursuant to clauses (b), (w) and (bb) of the definition of “Permitted Liens”), no Event of Default shall arise under this clause (k) with respect thereto until 30 days after notice of such failure shall have been given to the Issuer by the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes issued under this Indenture.

SECTION 6.02 *Acceleration.*

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

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

SECTION 6.03 *Other Remedies.*

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, and interest on the Notes or to enforce the performance of any provision of the Notes and this Indenture and, subject to the First Lien Intercreditor Agreement, the Collateral Agent may pursue any available remedy under the Collateral Documents.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee, the Collateral Agent or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

SECTION 6.04 ***Waiver of Past Defaults.***

Holders of not less than a majority in aggregate principal amount of Notes then outstanding, by written notice to the Trustee, may on behalf of the Holders of all of the Notes waive an existing Default or Event of Default and its consequences under this Indenture, except a continuing Default or Event of Default in the payment of the principal of, premium, if any, or interest on, the Notes. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose hereof; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

SECTION 6.05 ***Control by Majority.***

Holders of a majority in principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or the Collateral Agent or exercising any trust or power conferred on it. However, either the Trustee or the Collateral Agent may refuse to follow any direction that conflicts with the law or this Indenture that the Trustee or the Collateral Agent, as applicable, determines may be unduly prejudicial to the rights of other Holders of Notes or that may involve the Trustee or the Collateral Agent in personal liability.

SECTION 6.06 ***Limitation on Suits.***

A Holder of a Note may pursue a remedy with respect to this Indenture or the Notes only if:

- (a) the Holder of a Note gives to the Trustee written notice of a continuing Event of Default;
- (b) the Holders of at least 25% in principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;
- (c) such Holder of a Note or Holders of Notes offer and, if requested, provide to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense;
- (d) the Trustee does not comply with the request within 60 days after receipt of the request and the offer and, if requested, the provision of indemnity; and
- (e) during such 60-day period the Holders of a majority in principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with the request.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

SECTION 6.07 ***Rights of Holders of Notes To Receive Payment.***

Notwithstanding any other provision hereof, the right of any Holder of a Note to receive payment of principal, premium, if any, and interest on the Note, on or after the respective due dates expressed in the Note, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of the Holder of the Note.

SECTION 6.08 ***Collection Suit by Trustee.***

If an Event of Default specified in Section 6.01(a) or (b) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal of, premium, if any, and interest remaining unpaid on the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

SECTION 6.09 ***Trustee May File Proofs of Claim.***

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Issuer (or any other obligor upon the Notes), the Issuer's creditors or the Issuer's property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder of a Note to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders of the Notes, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties which the Holders of the Notes may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Note any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder of a Note thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Note in any such proceeding.

SECTION 6.10 ***Priorities.***

Subject to the First Lien Intercreditor Agreement, if the Trustee or the Collateral Agent collects any money or property pursuant to this Article 6, it shall pay out the money or property in the following order:

First: to the Trustee and the Collateral Agent, their respective agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expense and liabilities incurred, and all advances made, by the Trustee and the Collateral Agent and the costs and expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any and interest, respectively; and

Third: to the Issuer or to such party as a court of competent jurisdiction shall direct in writing.

The Trustee may fix a record date and payment date for any payment to Holders of Notes.

SECTION 6.11 ***Undertaking for Costs.***

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder of a Note pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in principal amount of the then outstanding Notes pursuant to this Article 6.

ARTICLE 7

TRUSTEE

SECTION 7.01 *Duties of Trustee.*

- (a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.
- (b) Except during the continuance of an Event of Default,
- (i) the duties of the Trustee shall be determined solely by the express provisions hereof and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and
- (ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements hereof. However, in the case of certificates or opinions specifically required by any provision hereof to be furnished to it, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements hereof but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein.
- (c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:
- (i) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;
- (ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and
- (iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.
- (d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to this Section 7.01.
- (e) No provision hereof shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee shall be under no obligation to exercise any of its rights or powers under this Indenture at the request of any Holders of Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to the Trustee against any loss, liability or expense.
- (f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

SECTION 7.02 ***Rights of Trustee.***

- (a) The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any document (whether in original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document;
- (b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;
- (c) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care;
- (d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers conferred upon it by this Indenture;
- (e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuer shall be sufficient if signed by an Officer of the Issuer;
- (f) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction;
- (g) The Trustee shall not be deemed to have notice of any Default or Event of Default unless written notice of any event which is in fact such a default is received by a Responsible Officer of the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture;
- (h) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder;
- (i) The Trustee may request that the Issuer deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture; and
- (j) In no event shall the Trustee be responsible or liable for special, indirect, punitive, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.
- (k) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate (including any Officers' Certificate), statement, instrument, opinion (including any Opinion of Counsel), notice, request, direction, consent, order, bond, debenture, or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit.

SECTION 7.03 ***Individual Rights of Trustee.***

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights it would have if it were not the Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee (if any of the Notes are registered pursuant to the Securities Act), or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

SECTION 7.04 *Trustee's Disclaimer.*

(a) The Trustee shall not be responsible for and makes no representation as to the validity or adequacy hereof or the Notes, it shall not be accountable for the Issuer's use of the proceeds from the Notes or any money paid to the Issuer or upon the Issuer's direction under any provision hereof, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

(b) The Trustee shall not be bound to make any investigation into facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer, personally or by agent or attorney at the sole cost of the Issuer.

SECTION 7.05 *Notice of Defaults.*

If a Default or Event of Default occurs and is continuing and if it is known to a Responsible Officer of the Trustee, the Trustee shall mail or otherwise deliver to Holders of Notes a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

SECTION 7.06 *Limitation on Duty in Respect of Collateral.*

Beyond the exercise of reasonable care in the custody thereof, neither the Collateral Agent nor the Trustee shall have any duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or as to preservation of rights against prior parties or any other rights pertaining thereto. Neither the Collateral Agent nor the Trustee shall be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any security interest in the Collateral. Each of the Trustee and the Collateral Agent shall be deemed to have exercised reasonable care with respect to the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Trustee or the Collateral Agent, as applicable, accords its own property and neither the Trustee nor the Collateral Agent shall be liable or responsible for any loss or diminution in the value of any of the Collateral, by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Trustee or the Collateral Agent in accordance with Section 7.02(c) or Section 11.07(b), as applicable.

The Trustee and the Collateral Agent shall not be responsible (i) for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence or willful misconduct on the part of the Trustee and the Collateral Agent, (ii) for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, (iii) for the validity of the title of the Issuer to the Collateral, or (iv) for insuring the Collateral or for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral, in each case, except with respect to stock certificates, stock powers or other possessory collateral delivered to the Collateral Agent to the extent required under the Collateral Documents. The Trustee and the Collateral Agent shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement (if any) or the Collateral Documents by the Issuer, any Guarantor, or the Credit Agreement Collateral Agent.

SECTION 7.07 ***Compensation and Indemnity.***

The Issuer shall pay to the Trustee and Collateral Agent from time to time reasonable compensation for its acceptance hereof and services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Issuer shall reimburse the Trustee and Collateral Agent promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's and Collateral Agent's agents and counsel.

The Issuer shall indemnify each of the Trustee and Collateral Agent and their respective agents, employees, officers, stockholders and directors for, and hold them harmless against any and all losses, liabilities, claims, damages or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture (including any other Note Document), except any such loss, liability, claim, damage or expense as shall be determined to have been caused by the negligence or willful misconduct of the Trustee or the Collateral Agent. Each of the Trustee and Collateral Agent shall notify the Issuer promptly of any claim of which a Responsible Officer has received written notice for which it may seek indemnity. Failure by the Trustee and Collateral Agent to so notify the Issuer shall not relieve the Issuer of its obligations hereunder. The Issuer shall defend the claim and the Trustee and Collateral Agent shall cooperate in the defense. The Trustee and Collateral Agent may have separate counsel and the Issuer shall pay the reasonable fees and expenses of such counsel. The Issuer need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld.

The obligations of the Issuer under this Section 7.07 shall survive the satisfaction and discharge hereof or the earlier resignation or removal of the Trustee.

To secure the Issuer's payment obligations in this Section 7.07, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien shall survive the satisfaction and discharge hereof.

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

SECTION 7.08 ***Replacement of Trustee.***

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

The Trustee may resign in writing at any time upon 30 days written notice and be discharged from the trust hereby created by so notifying the Issuer. The Holders of at least a majority in principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuer with 30 days prior notice. The Issuer may remove the Trustee if upon 30 days written notice:

- (a) the Trustee fails to comply with Section 7.10 hereof;
- (b) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;
- (c) a custodian or public officer takes charge of the Trustee or its property; or
- (d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuer shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of

a majority in principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer or the Holders of Notes of at least 10% in principal amount of the then outstanding Notes may petition at the expense of the Issuer any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee after written request by any Holder of a Note who has been a Holder of a Note for at least six months fails to comply with Section 7.10 hereof, such Holder of a Note may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders of the Notes. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Issuer's obligations under Section 7.07 hereof shall continue for the benefit of the retiring Trustee.

If a Trustee resigns or is removed all fees and expenses of the Trustee incurred in the administration of the trust or in the performance of the duties hereunder shall be paid to the Trustee.

SECTION 7.09 *Successor Trustee by Merger, Etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor Trustee.

SECTION 7.10 *Eligibility; Disqualification.*

There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of any state thereof authorized under such laws to exercise corporate trustee power, shall be subject to supervision or examination by federal or state authority and shall have a combined capital and surplus of at least \$25 million as set forth in its most recent published annual report of condition.

SECTION 7.11 *Collateral Documents; Intercreditor Agreements.*

By their acceptance of the Notes, the Holders hereby authorize and direct the Trustee and the Collateral Agent, as the case may be, to execute and deliver the Joinder to the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement in respect of permitted Junior Lien Obligations and any other Collateral Documents in which the Trustee or the Collateral Agent, as applicable, is named as a party, including any Collateral Documents executed after the Issue Date. It is hereby expressly acknowledged and agreed that, in doing so, the Trustee and the Collateral Agent are (a) expressly authorized to make the representations attributed to Holders in any such agreements and (b) not responsible for the terms or contents of such agreements, or for the validity or enforceability thereof, or the sufficiency thereof for any purpose. Whether or not so expressly stated therein, in entering into, or taking (or forbearing from) any action under, the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement or any other Collateral Documents, the Trustee and the Collateral Agent each shall have all of the rights, immunities, indemnities, privileges and other protections granted to it under this Indenture and the Collateral Documents (in addition to those that may be granted to it under the terms of such other agreement or agreements).

ARTICLE 8

DISCHARGE OF INDENTURE; DEFEASANCE

SECTION 8.01 *Termination of the Issuer's Obligations.*

(a) The Issuer may terminate its Obligations as to all outstanding Notes and the Liens on Collateral securing the Notes shall be released, except those obligations referred to in paragraph (b) of this Section 8.01, when

(1) either:

(a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Trustee for cancellation; or

(b) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable or, within one year will become due and payable or subject to redemption as set forth in Section 3.07 and the Issuer has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the Notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit together with irrevocable instructions from the Issuer directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Issuer has paid all other sums payable under this Indenture by the Issuer; and

(3) the Issuer has delivered to the Trustee and the Collateral Agent an Officers' Certificate and an Opinion of Counsel stating that all conditions precedent under this Indenture relating to the satisfaction and discharge hereof have been complied with; *provided, however*, that such counsel may rely, as to matters of fact, on a certificate or certificates of Officers of the Issuer.

(b) Notwithstanding paragraph (a) of this Section 8.01, the Issuer's obligations in Sections 2.03, 2.04, 2.05, 2.06, 7.07, 7.08, 8.07 and 8.08 hereof, and the rights, powers, trust, duties and immunities of the Trustee and the Collateral Agent, and the Issuer's obligations in connection therewith, shall survive until the Notes are no longer outstanding pursuant to Section 2.08 hereof. After the Notes are no longer outstanding, the Issuer's obligations in Sections 7.07, 7.08, 8.07 and 8.08 hereof shall survive such satisfaction and discharge.

SECTION 8.02 *Option To Effect Legal Defeasance or Covenant Defeasance.*

The Issuer may, at the option of its Board of Directors evidenced by a resolution set forth in an Officers' Certificate, at any time, with respect to the Notes, elect to have either Section 8.03 or 8.04 hereof applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

SECTION 8.03 *Legal Defeasance and Covenant Discharge.*

Upon the Issuer's exercise under Section 8.02 hereof of the option applicable to this Section 8.03, the Issuer shall be deemed to have been discharged from their obligations with respect to all outstanding Notes, each Guarantor's obligation shall be discharged with respect to its Guarantee and the Liens on the Collateral securing the outstanding Notes shall be automatically terminated and released on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, such Legal Defeasance means that the Issuer shall be

deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes, which shall thereafter be deemed to be “outstanding” only for the purposes of Section 8.06 hereof and the other Sections hereof referred to in clauses (a) and (b) below, and to have satisfied all its other obligations under such Notes and this Indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following, which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, and interest on the Notes when such payments are due, or on the redemption date, as the case may be; (b) the Issuer’s obligations with respect to such Notes under Sections 2.05, 2.07, 2.08, 2.10, 2.11 and 4.02 hereof; (c) the rights, powers, trust, duties and immunities of the Trustee and the Collateral Agent hereunder, and the Issuer’s obligations in connection therewith; and (d) this Section 8.03. Subject to compliance with this Article 8, the Issuer may exercise its option under this Section 8.03 notwithstanding the prior exercise of its option under Section 8.04 hereof with respect to the Notes.

SECTION 8.04 *Covenant Defeasance.*

Upon the Issuer’s exercise under Section 8.02 hereof of the option applicable to this Section 8.04, the Issuer shall be released from its obligations under the covenants contained in Sections 3.08, 4.03, 4.04, 4.05, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.14 (other than existence of the Issuer (subject to Section 5.01), 4.15, 4.17, 4.18, 5.01 (except clauses (a) and (b)) and 10.03 hereof with respect to the outstanding Notes and the Liens on Collateral securing the outstanding Notes shall be automatically terminated and released on and after the date the conditions set forth below are satisfied (hereinafter, “*Covenant Defeasance*”), and the Notes shall thereafter be deemed not “outstanding” for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed “outstanding” for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for GAAP). For this purpose, such Covenant Defeasance means that, with respect to the outstanding Notes, the Issuer may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01(c) hereof, but, except as specified above, the remainder hereof and such Notes shall be unaffected thereby. In addition, upon the Issuer’s exercise under Section 8.02 hereof of the option applicable to this Section 8.04, Sections 6.01(c) through 6.01(g) shall not constitute Events of Default.

SECTION 8.05 *Conditions to Legal or Covenant Defeasance.*

The following shall be the conditions to the application of either Section 8.03 or Section 8.04 hereof to the outstanding Notes:

- (a) the Issuer shall have irrevocably deposited with the Trustee, in trust, for the benefit of the Holders of the Notes, cash in U.S. dollars, non-callable U.S. government obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest on the outstanding Notes on the stated maturity or on the applicable optional redemption date, as the case may be;
- (b) in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States confirming that (A) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable federal income tax law, in each case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance, and will be subject to federal income tax in the same amount, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel confirming that the holders of the Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default shall have occurred and be continuing on the date of such deposit;

(e) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

(f) the Issuer shall have delivered to the Trustee an Officers' Certificate stating that the deposit made by the Issuer pursuant to its election under Section 8.03 and 8.04 hereof was not made by the Issuer with the intent of preferring the Holders of the Notes over any of its other creditors or with the intent of defeating, hindering, delaying or defrauding any of its other creditors or others; and

(g) the Issuer shall have delivered to the Trustee an Officers' Certificate and Opinion of Counsel stating that all conditions precedent provided for or relating to the Legal Defeasance under Section 8.03 hereof or the Covenant Defeasance under Section 8.04 hereof (as the case may be) have been complied with as contemplated by this Section 8.05.

SECTION 8.06 *Deposited Money and Government Securities To Be Held in Trust; Other Miscellaneous Provisions.*

Subject to Section 8.07 hereof, all money and Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.06, the "Trustee") pursuant to Section 8.05 hereof in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or Government Securities deposited pursuant to Section 8.05 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuer from time to time upon the request of the Issuer any money or Government Securities held by it as provided in Section 8.05 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.05(a) hereof), are in excess of the amount thereof which would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

SECTION 8.07 *Repayment to Issuer.*

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of the principal of, premium, if any, or interest on any Note and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to the Issuer on their request or (if then held by the Issuer) shall be discharged from such trust; and the Holder of such Note shall thereafter, as a general creditor, look only to the Issuer for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustees thereof, shall thereupon

cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuer cause to be published once, in The New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Issuer.

SECTION 8.08 ***Reinstatement.***

If the Trustee or Paying Agent is unable to apply any United States Dollars or Government Securities in accordance with Section 8.03 or 8.04 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.03 or 8.04 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.03 or 8.04 hereof, as the case may be; *provided, however*, that, if the Issuer makes any payment of principal of, premium, if any, or interest on any Note following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9

AMENDMENT, SUPPLEMENT AND WAIVER

SECTION 9.01 ***Without Consent of Holders of Notes.***

Notwithstanding Section 9.02 hereof, the Issuer, any Guarantor that is a party thereto and the Trustee and the Collateral Agent (as applicable) may amend or supplement this Indenture, the Notes or the Guarantees or amend or supplement any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement or any amended or supplemental indenture or any amendment or supplement to the Notes, the Guarantees, any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement without the consent of any Holder of a Note:

- (a) to cure any ambiguity, defect or inconsistency (as determined by the Issuer in good faith);
- (b) to provide for uncertificated Notes or Guarantees in addition to or in place of certificated Notes or Guarantees *provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);
- (c) to provide for the assumption of the obligations of the Issuer or any Guarantor to the Holders of the Notes in the case of a merger, consolidation or sale of all or substantially all of the assets of the Issuer or such Guarantor, pursuant to Article 5 or Article 10 hereof;
- (d) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the rights under this Indenture, any Note, any Guarantee, any Collateral Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement of any Holder of the Notes in any material respect;
- (e) to provide for the issuance of additional Notes in accordance with the provisions set forth in this Indenture;
- (f) to evidence and provide for the acceptance of an appointment of a successor trustee or a successor collateral agent;
- (g) to comply with the rules of any applicable securities depository;

- (h) to add a Guarantor under this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement;
- (i) to add Collateral with respect to the Notes, any Guarantee or any Collateral Document;
- (j) to conform this Indenture, the Notes, the Guarantees, the Collateral Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor to the “Description of notes” section in the Offering Memorandum;
- (k) to release Collateral from, or subordinate, the Lien of this Indenture and the Collateral Documents when permitted or required by the Collateral Documents, this Indenture, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement;
- (l) to enter into any intercreditor agreement having substantially similar terms with respect to the Holders of Notes as those set forth in the First Lien Intercreditor Agreement, or any joinder thereto or to enter into any Junior Lien Intercreditor Agreement in connection with the incurrence of any Future First Lien Obligations or Junior Lien Obligations not otherwise prohibited by this Indenture;
- (m) to add covenants for the benefit of the Holders of the Notes or to surrender any right or power conferred upon the Issuer or any Guarantor;
- (n) to mortgage, pledge, hypothecate or grant any other Lien in favor of the Collateral Agent for the benefit of the Notes Secured Parties, as additional security for the payment and performance of all or any portion of the Notes Obligations, on any property or assets, including any which are required to be mortgaged, pledged or hypothecated, or on which a Lien is required to be granted to, in favor of the Collateral Agent pursuant to this Indenture, any of the Collateral Documents or otherwise;
- (o) to add Additional First Lien Secured Parties or Junior Lien Secured Parties to the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement, as applicable; or
- (p) with respect to the Collateral Documents, the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement as provided in the relevant Collateral Document, First Lien Intercreditor Agreement or Junior Lien Intercreditor Agreement.

Notwithstanding anything to the contrary, the Guarantors that are Guarantors at the time of the execution and delivery of any supplemental indenture, the sole purpose of which is to add one or more Guarantors, need not be a party to such supplemental indenture.

Upon the request of the Issuer accompanied by a resolution of the Board of Directors of the Issuer and a resolution of the Board of Directors of all applicable Guarantors and upon receipt by the Trustee and Collateral Agent of the documents described in Sections 7.02, 9.06 and 12.04 hereof, the Trustee and Collateral Agent shall join with the Issuer and the applicable Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and shall make any further appropriate agreements and stipulations which may be therein contained, but neither the Trustee nor the Collateral Agent shall be obligated to enter into such amended or supplemental indenture or any amendment or supplement to the Notes, the Guarantees, any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement which affects its own rights, duties or immunities under this Indenture or otherwise.

SECTION 9.02 *With Consent of Holders of Notes.*

The Issuer, any Guarantor that is a party thereto and the Trustee and/or Collateral Agent (as applicable) may amend or supplement this Indenture, the Notes, the Guarantees, the Collateral Documents, the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement or any amended or supplemental indenture or any amendment or supplement to the Notes, the Guarantees, any Collateral Document, the First Lien Intercreditor

Agreement or any Junior Lien Intercreditor Agreement with the written consent of the Holders of at least a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes), and any existing Default and its consequences or compliance with any provision of this Indenture, the Notes, any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement may be waived with the consent of the Holders of a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes). Notwithstanding the foregoing, without the consent of each Holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder):

- (a) reduce the aggregate principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;
- (b) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than as provided in clause (h) below);
- (c) reduce the rate of or change the time for payment of interest on any Note;
- (d) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);
- (e) make any Note payable in money other than that stated in the Notes;
- (f) make any change in the provisions hereof relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of or interest on the Notes;
- (g) waive a redemption payment or mandatory redemption with respect to any Note (other than as provided in clause (h) below);
- (h) amend, change or modify in any material respect the obligation of the Issuer to make and consummate a Change of Control Offer in the event of a Change of Control after such Change of Control has occurred;
- (i) release all or substantially all of the Guarantees of the Guarantors other than in accordance with Article 10; or
- (j) make any change in the foregoing amendment and waiver provisions.

Upon the request of the Issuer accompanied by a resolution of the Board of Directors of the Issuer and a resolution of the Board of Directors of all applicable Guarantors, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Sections 7.02, 9.06 and 12.04 hereof, the Trustee shall join with the Issuer and the applicable Guarantors in the execution of such amended or supplemental indenture or amended or supplemental indenture or any amendment or supplement to the Notes, the Guarantees, any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement unless such amended or supplemental indenture or amendment or supplement to the Notes, the Guarantees, any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such amended or supplemental indenture or such amendment or supplement to the Notes, the Guarantees, any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement.

It shall not be necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuer shall mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Issuer to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment, supplement or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding may waive compliance in a particular instance by the Issuer with any provision of this Indenture or of the Notes.

Notwithstanding the foregoing, without the consent of holders of at least 66 2/3% in aggregate principal amount of the Notes then outstanding, no amendment or waiver may (i) release all or substantially all of the Collateral from the Liens securing the Notes Obligations created by the Collateral Documents or (ii) change or alter the priority of the Liens securing the Notes Obligations created by the Collateral Documents in any material portion of the Collateral in any manner adverse to the holders of the Notes, other than, in each case, as provided under the terms of this Indenture, the Collateral Documents or the First Lien Intercreditor Agreement.

SECTION 9.03 *[Reserved].*

SECTION 9.04 *Revocation and Effect of Consents.*

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder of a Note.

The Issuer may fix a record date for determining which Holders of the Notes must consent to such amendment, supplement or waiver. If the Issuer fixes a record date, the record date shall be fixed at (i) the later of 30 days prior to the first solicitation of such consent or the date of the most recent list of Holders of Notes furnished to the Trustee prior to such solicitation pursuant to Section 2.05 hereof or (ii) such other date as the Issuer shall designate.

SECTION 9.05 *Notation on or Exchange of Notes.*

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuer in exchange for all Notes may issue and the Trustee shall authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

SECTION 9.06 *Trustee, Collateral Agent To Sign Amendments, Etc.*

In executing, or accepting the additional trusts created by, any amendment, supplement or waiver permitted by this Article or the modification thereby of the trusts created by this Indenture, each of the Trustee and Collateral Agent, as applicable, shall receive, and shall be fully protected in relying upon, an Opinion of Counsel and an Officers' Certificate stating that the execution of such amendment, supplement or waiver is authorized or permitted by this Indenture. The Trustee and Collateral Agent may, but shall not be obligated to, enter into any such amendment, supplement or waiver which affects, as the case may be, the Trustee's or Collateral Agent's own rights,

duties or immunities under this Indenture, the Collateral Documents or the First Lien Intercreditor Agreement or otherwise.

ARTICLE 10

GUARANTEES

SECTION 10.01 *Guarantee.*

Subject to this Article 10, each of the Guarantors, jointly and severally, hereby unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and the Collateral Agent and their respective successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the Obligations of the Issuer hereunder or thereunder, that:

(a) the principal of, premium, if any, and interest on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other Obligations of the Issuer to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(b) in case of any extension of time of payment or renewal of any Notes or any of such other Obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, each of the Guarantors, jointly and severally, will be obligated to pay the same immediately.

Each of the Guarantors, jointly and severally, hereby agrees that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of a Note with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor.

Each of the Guarantors, jointly and severally, hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenants that this Guarantee will not be discharged except by complete performance of the Obligations guaranteed hereby. If any Holder or the Trustee is required by any court or otherwise, or any custodian, Trustee, liquidator or other similar official acting in relation to either the Issuer or any Guarantor, to return to the Issuer or any Guarantor any amount paid by either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each of the Guarantors, jointly and severally, agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any Obligations guaranteed hereby until payment in full of all Obligations guaranteed hereby. Each of the Guarantors, jointly and severally, further agrees that, as between such Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the Obligations guaranteed hereby may be accelerated as provided in Article 6 for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such Obligations as provided in Article 6, such Obligations (whether or not due and payable) shall forthwith become due and payable by each Guarantor for the purpose of this Guarantee. Notwithstanding the foregoing, in the event that any Guarantee would constitute or result in a violation of any applicable fraudulent conveyance or similar law of any relevant jurisdiction, the liability of the applicable Guarantor under its Guarantee shall be reduced to the maximum amount permissible under such fraudulent conveyance or similar law.

The Guarantors hereby agree as among themselves that each Guarantor that makes a payment or distribution under a Guarantee shall be entitled upon payment in full of all guaranteed obligations under this Indenture to a contribution from each other Guarantor in an amount equal to such other Guarantor's *pro rata* portion of such payment hereunder based on the respective net worth of all the Guarantors at the time of such payment determined in accordance with GAAP. The preceding sentence shall in no way affect the rights of the Holders of Notes, the Trustee or the Collateral Agent to the benefits hereof, the Notes, the Guarantees or the Collateral Documents.

Nothing contained in this Section 10.01 or elsewhere in this Indenture, the Notes or the Guarantees shall impair, as between any Guarantor and the Holder of any Note, the obligation of such Guarantor, which is unconditional and absolute, to pay to the Holder thereof the principal of, premium, if any, and interest on such Notes in accordance with their terms and the terms of the Guarantee and this Indenture, nor shall anything herein or therein prevent the Trustee, the Collateral Agent or the Holder of any Note from exercising all remedies otherwise permitted by applicable law or hereunder or thereunder upon the occurrence of an Event of Default.

SECTION 10.02 *Execution and Delivery of Guarantees.*

To evidence its Guarantee set forth in Section 10.01 hereof, each Guarantor hereby agrees that a notation of such Guarantee substantially in the form of Exhibit B hereto shall be endorsed by an officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture shall be executed on behalf of such Guarantor by any of its Officers. Each of the Guarantors, jointly and severally, hereby agrees that its Guarantee set forth in Section 10.01 hereof shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee. If an officer or Officer whose signature is on this Indenture or on the Guarantee of a Guarantor no longer holds that office at the time the Trustee authenticates the Note on which the Guarantee of such Guarantor is endorsed, the Guarantee of such Guarantor shall be valid nevertheless. The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantees set forth in this Indenture on behalf of the Guarantors.

SECTION 10.03 *Merger, Consolidation or Sale of Assets of Guarantors.*

Subject to Section 10.05 hereof, a Guarantor may not, and the Issuer shall not cause or permit any Guarantor to, consolidate or merge with or into (whether or not such Guarantor is the surviving entity), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, another Person other than the Issuer or another Guarantor (in each case other than in accordance with Section 4.10) unless:

- (a) such Guarantor is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation, limited partnership or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia;
- (b) the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Guarantor under this Indenture, the Notes, the Collateral Documents and the First Lien Intercreditor Agreement (and, if applicable, any Junior Lien Intercreditor Agreement) pursuant to a supplemental indenture and joinders or supplements, as applicable, to the Collateral Documents and the First Lien Intercreditor Agreement (and, if applicable, any Junior Lien Intercreditor Agreement), in each case, in form reasonably satisfactory to the Trustee and the Collateral Agent; and
- (c) immediately after such transaction, no Event of Default exists.

Nothing contained in this Indenture shall prevent any consolidation or merger of a Guarantor with or into the Issuer or another Guarantor that is a wholly owned Restricted Subsidiary of the Issuer or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Issuer or another Guarantor that is a wholly owned Restricted Subsidiary of the Issuer. Except as set forth in Articles 4 and 5 hereof, nothing contained in this Indenture shall prevent any consolidation or merger of a Guarantor with or into the Issuer or another Guarantor that is a Restricted Subsidiary of the Issuer or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Issuer or another Guarantor that is a Restricted Subsidiary of the Issuer.

SECTION 10.04 *Successor Corporation Substituted.*

Upon any consolidation, merger, sale or conveyance described in paragraphs (a) through (c) of Section 10.03 hereof, and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of any Guarantee previously signed by the Guarantor and the due and punctual performance of all of the covenants and conditions hereof to be performed by the Guarantor, such successor Person shall succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Guarantees to be issuable hereunder by such Guarantor and delivered to the Trustee. All the Guarantees so issued shall in all respects have the same legal rank and benefit under this Indenture as the Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Guarantees had been issued at the date of the execution of such Guarantee by such Guarantor. When a successor Person assumes all the obligations of the Issuer under the Notes and this Indenture pursuant to Article 5 hereof, the applicable predecessor shall be released from the obligations so assumed.

SECTION 10.05 *Releases from Guarantees.*

A Guarantor shall be released and relieved of its obligations under its Guarantee upon:

(1) any direct or indirect sale, conveyance or other disposition of (a) the Capital Stock of such Guarantor (including any sale, conveyance or other disposition after which such Guarantor is no long a Restricted Subsidiary) or (b) all or substantially all of the assets and property of such Guarantor, in each case, if such sale, conveyance or disposition is made in compliance with Section 4.10;

(2) the liquidation of such Guarantor in accordance with the provisions hereof;

(3) the designation of any Guarantor as an Unrestricted Subsidiary in compliance with the terms of this Indenture;

(4) the release or discharge of the guarantees by a Guarantor of Indebtedness under any Credit Facility incurred under Section 4.09(b)(2), except a release or discharge by or as a result of payment under such guarantee or payment in full of such Credit Facility without being replaced with another Credit Facility; or

(5) upon the satisfaction and discharge of this Indenture in accordance with Section 8.01 or upon any Legal Defeasance or Covenant Defeasance.

Upon delivery by the Issuer to the Trustee and the Collateral Agent of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Issuer in accordance with the provisions hereof, including without limitation Section 4.10 hereof, if applicable, or that such Guarantor has been released from its obligations under its Guarantee in accordance with any other provision of this Section 10.05, the Trustee and the Collateral Agent shall execute any documents pursuant to written direction of the Issuer in order to evidence the release of any such Guarantor from its obligations under its Guarantee. Any such Guarantor not released from its obligations under its Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of such Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11

COLLATERAL

SECTION 11.01 *Collateral Documents.*

The due and punctual payment of the principal of, premium on, if any, and interest on the Notes when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of, premium on, if any, and interest on the Notes and performance of all other Notes Obligations of the Issuer and the Guarantors to the Notes Secured Parties (as applicable), according to the terms of this Indenture, the Notes and the Guarantees, shall be secured as provided in the Collateral Documents, which the Issuer and the Guarantors entered into on the Issue Date and which define the terms of the Liens that secure the Notes Obligations, subject to the terms of the First Lien Intercreditor Agreement.

The Trustee, the Issuer and the Guarantors hereby acknowledge and agree that the Collateral Agent holds the Collateral for the benefit of the Holders, the Trustee and the Collateral Agent and pursuant to the terms of the Collateral Documents and the First Lien Intercreditor Agreement. Each Holder, by accepting a Note, consents and agrees to the terms of the Collateral Documents (including the provisions providing for the possession, use, release and foreclosure of Collateral) and the First Lien Intercreditor Agreement, each as may be in effect or may be amended from time to time in accordance with their terms and the terms of this Indenture, and authorizes and directs the Collateral Agent and/or the Trustee, as applicable, to enter into the Collateral Documents and the First Lien Intercreditor Agreement on the Issue Date, and, at any time after the Issue Date, if applicable, any Junior Lien Intercreditor Agreement in respect of permitted Junior Lien Obligations, and any amendments, supplements, and/or joinders to the foregoing to which it is a party, at any time after the Issue Date, if applicable, and to perform its obligations and exercise its rights thereunder in accordance therewith.

The Issuer shall deliver to the Collateral Agent copies of all documents required to be filed pursuant to the Collateral Documents, and shall do or cause to be done all such acts and things as may be necessary, proper, or as may be required by the Collateral Documents, to assure and confirm to the Collateral Agent the security interest in the Collateral contemplated hereby, by the Collateral Documents or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Indenture and of the Notes secured hereby, according to the intent and purposes herein expressed. On or following the Issue Date and subject to the First Lien Intercreditor Agreement, the Issuer and the Guarantors shall execute any and all further documents, financing statements (including continuation statements and amendments to financing statements), agreements and instruments, make all filings (including filings of financing statements under the UCC and continuation statements and amendments to such financing statements that may be necessary to continue the effectiveness of such financing statements), and take all further action that may be required under applicable law in order to grant, preserve, maintain, protect and perfect (or continue the perfection of) the validity and priority of the Liens and security interests created or intended to be created by the Collateral Documents in the Collateral, subject to Permitted Liens.

SECTION 11.02 *Release of Collateral.*

The Liens on the Collateral owned by any Guarantor shall be automatically released when such Guarantor's Guarantee is released in accordance with the terms of this Indenture. In addition, the Liens securing the Notes and the Guarantees shall be released automatically:

- (i) in whole, upon payment in full of all principal, interest and the other Notes Obligations or upon the satisfaction and discharge of this Indenture in accordance with Section 8.01 or upon any Legal Defeasance or Covenant Defeasance;
- (ii) in whole or in part, with the consent of the requisite holders of Notes in accordance with Section 9.02;

(iii) in part, as to any Property constituting Collateral that is disposed of to a Person other than the Issuer or a Restricted Subsidiary in a transaction permitted pursuant to Section 4.10 and not otherwise prohibited by this Indenture;

(iv) with respect to any Collateral that becomes Excluded Property, upon such Collateral becoming Excluded Property pursuant to a transaction or circumstance not prohibited by the terms of this Indenture;

(v) with respect to Collateral that is Capital Stock, upon the dissolution or liquidation of the issuer of such Capital Stock in a transaction that is not prohibited by the terms of this Indenture;

(vi) upon the release of all Liens on such Collateral securing each other then outstanding Series of First Lien Obligations (other than in connection with the repayment in full of such Series of First Lien Obligations); and

(vii) in accordance with the First Lien Intercreditor Agreement.

The Collateral Agent shall, without recourse, representation or warranty, execute documents reasonably requested by the Issuer or the Guarantors to evidence the release of the Collateral as set forth above in accordance with the provisions of this Indenture, at the expense of the Issuer and the Guarantors, upon receipt of an Officers' Certificate of the Issuer certifying that such release of Collateral is in accordance with the terms of this Indenture and that all conditions precedent relating to the release of Collateral have been satisfied. The Collateral Agent shall not be liable for any such release undertaken in reliance upon any such Officers' Certificate, and notwithstanding any term hereof or in any Collateral Document or any other Notes Document to the contrary, the Collateral Agent shall not be under any obligation to release any such Lien and security interest, or execute and deliver any such instrument of release, satisfaction, discharge or termination, unless and until it receives such Officers' Certificate.

SECTION 11.03 *Suits to Protect the Collateral.*

Subject to the provisions of Article 7, the Collateral Documents and the First Lien Intercreditor Agreement, the Trustee may or may direct the Collateral Agent, in each case on behalf of the Holders of the Notes, to take all actions it determines necessary or appropriate in order to:

- (a) enforce any of the terms of the Collateral Documents; and
- (b) collect and receive any and all amounts payable in respect of the Obligations of the Issuer and the Guarantors hereunder.

Subject to the provisions of the Collateral Documents and the First Lien Intercreditor Agreement, the Trustee and the Collateral Agent shall have the power to institute and to maintain such suits and proceedings as the Trustee or the Collateral Agent may deem expedient to prevent any impairment of the Collateral by any acts which may be unlawful or in violation of any of the Collateral Documents or this Indenture, and such suits and proceedings as the Trustee or the Collateral Agent may deem expedient to preserve or protect its interests and the interests of the Holders in the Collateral. Nothing in this Section 11.03 shall be considered to impose any such duty or obligation to act on the part of the Trustee or the Collateral Agent.

SECTION 11.04 *Authorization of Receipt of Funds by the Trustee Under the Collateral Documents.*

Subject to the provisions of the First Lien Intercreditor Agreement, the Trustee is authorized to receive any funds for the benefit of the Holders distributed under the Collateral Documents, and to make further distributions of such funds to the Holders according to the provisions of this Indenture.

Upon the full and final payment and performance of all Notes Obligations of the Issuer and the Guarantors under this Indenture and the Notes or upon Legal Defeasance, Covenant Defeasance or satisfaction and discharge of

this Indenture in accordance with Section 8.01 hereof, the Trustee will, at the request of the Issuer, deliver a certificate to the Collateral Agent stating that such Notes Obligations have been paid in full, and instruct the Collateral Agent to release the Liens pursuant to this Indenture and the Collateral Documents.

SECTION 11.05 *Purchaser Protected.*

In no event shall any purchaser in good faith of any property purported to be released hereunder or under any Collateral Document be bound to ascertain the authority of the Collateral Agent or the Trustee to execute the applicable release or to inquire as to the satisfaction of any conditions required by the provisions hereof for the exercise of such authority or to see to the application of any consideration given by such purchaser or other transferee; nor shall any purchaser or other transferee of any property or rights permitted by this Article 11 to be sold be under any obligation to ascertain or inquire into the authority of the Issuer or the applicable Guarantor to make any such sale or other transfer.

SECTION 11.06 *Powers Exercisable by Receiver or Trustee.*

In case the Collateral shall be in the possession of a receiver or trustee, lawfully appointed, the powers conferred in this Article 11 upon the Issuer or a Guarantor with respect to the release, sale or other disposition of such property may be exercised by such receiver or trustee, and an instrument signed by such receiver or trustee shall be deemed the equivalent of any similar instrument of the Issuer or a Guarantor or of any Officer or Officers thereof required by the provisions of this Article 11; and if the Trustee or the Collateral Agent shall be in the possession of the Collateral under any provision of this Indenture, then such powers may be exercised by the Trustee or the Collateral Agent.

SECTION 11.07 *Collateral Agent.*

(a) Each of the Holders by acceptance of the Notes hereby designates and appoints the Collateral Agent as its agent under this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any, and each of the Holders by acceptance of the Notes and the Trustee hereby irrevocably authorizes the Collateral Agent to take such action on their behalf under the provisions of this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any, and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any, and consents and agrees to the terms of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and each Collateral Document, as the same may be in effect or may be amended, restated, supplemented or otherwise modified from time to time in accordance with their respective terms. The Collateral Agent accepts such appointment and agrees to act as such on the express conditions contained in this Section 11.07. Each Holder agrees that any action taken by the Collateral Agent in accordance with the provisions of this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and the Collateral Documents, and the exercise by the Collateral Agent of any rights or remedies set forth herein and therein shall be authorized and binding upon all Holders. Notwithstanding any provision to the contrary contained elsewhere in this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any, the duties of the Collateral Agent shall be ministerial and administrative in nature, and the Collateral Agent shall not have any duties or responsibilities, except those expressly set forth herein and in the other Notes Documents to which the Collateral Agent is a party, nor shall the Collateral Agent have or be deemed to have any trust or other fiduciary relationship with the Trustee, any Holder, the Issuer or any Guarantor, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any, or otherwise exist, against the Collateral Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" in this Indenture with reference to the Collateral Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(b) The Collateral Agent may perform any of its duties under this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, by or through receivers, agents, employees or attorneys-in-fact and shall be entitled to advice of counsel of its selection concerning all matters pertaining to such duties, and shall be entitled to act upon, and shall be fully protected in taking action in reliance upon any advice or opinion given by such counsel. The Collateral Agent shall not be responsible for the negligence or misconduct of any receiver, agent, employee or attorney-in-fact that it selects as long as such selection was made in good faith and with due care.

(c) The Collateral Agent shall not (i) be liable for any action taken or omitted to be taken by it under or in connection with this Indenture or the transactions contemplated hereby (except for its own gross negligence or willful misconduct) or under or in connection with any Collateral Document, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, or the transactions contemplated thereby (except for its own gross negligence or willful misconduct), or (ii) be responsible in any manner to any of the Trustee or any Holder for any recital, statement, representation, warranty, covenant or agreement made by the Issuer or any other Guarantor or Affiliate of any Guarantor, or any Officer thereof, contained in this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement, or the Junior Lien Intercreditor Agreement, if any, or in any certificate, report, statement or other document referred to or provided for in, or received by the Collateral Agent under or in connection with, this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, or for any failure of the Issuer, any Guarantor or any other party to this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, to perform its obligations hereunder or thereunder. The Collateral Agent shall not be under any obligation to the Trustee or any Holder to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, or to inspect the properties, books, or records of the Issuer, any Guarantor or any of their Affiliates.

(d) The Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telegram, facsimile, certification, telephone message, statement, or other communication, document or conversation (including those by telephone or e-mail) believed by it to be genuine and correct and to have been signed, sent, or made by the proper Person or Persons, and upon advice and statements of legal counsel (including, without limitation, counsel to the Issuer or any Guarantor), independent accountants and other experts and advisors selected by the Collateral Agent. The Collateral Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document. The Collateral Agent shall be fully justified in failing or refusing to take any action under this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, unless it shall first receive such advice or concurrence of the Holders of a majority in aggregate principal amount of the Notes and, if it so requests, it shall first be indemnified to its satisfaction by the Holders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, in accordance with a request, direction, instruction or consent of the Trustee or the Holders of a majority in aggregate principal amount of the then outstanding Notes and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Holders.

(e) The Collateral Agent shall not be deemed to have knowledge or notice of the occurrence of any Event of Default, unless a Responsible Officer of the Collateral Agent shall have received written notice from the Trustee or the Issuer referring to this Indenture, describing such Event of Default and stating that such notice is a "notice of default." The Collateral Agent shall take such action with respect to such Event of Default as may be requested in accordance with, and subject to the provisions of, Article 6 by the Trustee or the Holders of a majority in aggregate principal amount of the Notes (subject to this Section 11.07 and the terms of the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement).

(f) The Collateral Agent may resign at any time upon 30 days' advance written notice to the Trustee and the Issuer, such resignation to be effective upon the acceptance of a successor agent to its appointment as Collateral Agent. If the Collateral Agent resigns under this Indenture, the Issuer shall appoint a successor collateral agent. If no successor collateral agent is appointed prior to the intended effective date of the resignation of the Collateral Agent (as stated in the notice of resignation), the Collateral Agent may appoint, at the direction of the Holders of a majority of the aggregate principal amount of the Notes then outstanding, a successor collateral agent, subject to the consent of the Issuer (which consent shall not be unreasonably withheld and which shall not be required during a continuing Event of Default). If no successor collateral agent is appointed and consented to by the Issuer pursuant to the preceding sentence within thirty (30) days after the intended effective date of resignation (as stated in the notice of resignation) the Collateral Agent shall be entitled to petition a court of competent jurisdiction to appoint a successor. Upon the acceptance of its appointment as successor collateral agent hereunder, such successor collateral agent shall succeed to all the rights, powers and duties of the retiring Collateral Agent, and the term "Collateral Agent" shall mean such successor collateral agent, and the retiring Collateral Agent's appointment, powers and duties as the Collateral Agent shall be terminated. After the retiring Collateral Agent's resignation hereunder, the provisions of this Section 11.07 (and Section 7.07 hereof) shall continue to inure to its benefit and the retiring Collateral Agent shall not by reason of such resignation be deemed to be released from liability as to any actions taken or omitted to be taken by it while it was the Collateral Agent under this Indenture, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement.

(g) U.S. Bank National Association shall initially act as Collateral Agent and shall be authorized to appoint co-Collateral Agents as necessary in its sole discretion. Except as otherwise explicitly provided herein or in the Collateral Documents or the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, neither the Collateral Agent nor any of its respective officers, directors, employees or agents shall be liable to Issuer, any Guarantor or any Notes Secured Party for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The Collateral Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither the Collateral Agent nor any of its officers, directors, employees or agents shall be responsible for any act or failure to act hereunder, except for its own gross negligence or willful misconduct.

(h) By their acceptance of a Note hereunder, the Collateral Agent is authorized and directed by the Holders to (i) enter into the Collateral Documents to which it is party, whether executed on or after the Issue Date, (ii) enter into the First Lien Intercreditor Agreement on the Issue Date, (iii) enter into the Junior Lien Intercreditor Agreement, if any, after the Issue Date, (iv) make the representations of the Holders set forth in the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, (v) bind the Holders on the terms as set forth in the Collateral Documents, the First Lien Intercreditor Agreement or Junior Lien Intercreditor Agreement, if any, (vi) perform and observe its obligations under the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any; and (vii) release any Collateral in accordance with Section 11.02.

(i) If at any time or times the Trustee shall receive (i) by payment, foreclosure, set-off or otherwise, any proceeds of Collateral or any payments with respect to the Obligations arising under, or relating to, this Indenture, except for any such proceeds or payments received by the Trustee from the Collateral Agent pursuant to the terms of this Indenture, or (ii) payments from the Collateral Agent in excess of the amount required to be paid to the Trustee pursuant to Article 6, the Trustee shall promptly turn the same over to the Collateral Agent, in kind, and with such endorsements as may be required to negotiate the same to the Collateral Agent such proceeds to be applied by the Collateral Agent pursuant to the terms of this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement (if any).

(j) The Collateral Agent is each Holder's agent for the purpose of perfecting the Holders' security interest in assets which, in accordance with Article 9 of the UCC can be perfected only by possession. Should the Trustee obtain possession of any such Collateral, upon request from the Issuer, the Trustee shall notify the Collateral Agent thereof and promptly shall deliver such Collateral to the Collateral Agent or otherwise deal with such Collateral in accordance with the Collateral Agent's instructions.

(k) The Collateral Agent shall have no obligation whatsoever to the Trustee or any of the Holders to assure that the Collateral exists or is owned by the Issuer, any Guarantor or is cared for, protected, or insured or has been encumbered, or that the Collateral Agent's Liens have been properly or sufficiently or lawfully created, perfected, protected, maintained or enforced or are entitled to any particular priority, or to determine whether all or the Issuer's or any Guarantor's property constituting Collateral intended to be subject to the Lien and security interest of the Collateral Documents has been properly and completely listed or delivered, as the case may be, or the genuineness, validity, marketability or sufficiency thereof or title thereto, or to exercise at all or in any particular manner or under any duty of care, disclosure, or fidelity, or to continue exercising, any of the rights, authorities, and powers granted or available to the Collateral Agent pursuant to this Indenture, any Collateral Document, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, other than pursuant to the instructions of the Trustee or the Holders of a majority in aggregate principal amount of the Notes or as otherwise provided in the Collateral Documents. Neither the Trustee nor the Collateral Agent shall have a duty or obligation to monitor the condition, financial or otherwise, of the Issuer or any Guarantor.

(l) If the Issuer or any Guarantor (i) incurs any obligations in respect of First Lien Obligations or Junior Lien Obligations at any time when no applicable intercreditor agreement is in effect or at any time when Indebtedness constituting First Lien Obligations or Junior Lien Obligations entitled to the benefit of an existing First Lien Intercreditor Agreement or Junior Lien Intercreditor Agreement is concurrently retired, and (ii) delivers to the Collateral Agent an Officers' Certificate so stating and requesting the Collateral Agent to enter into an intercreditor agreement (on substantially the same terms as the First Lien Intercreditor Agreement or, in the case of the Junior Lien Intercreditor Agreement, in customary market form (as reasonably determined by the Issuer as set forth in an Officers' Certificate delivered to the Trustee and the Collateral Agent)) in favor of a designated agent or representative for the holders of the First Lien Obligations or Junior Lien Obligations so incurred, the Collateral Agent shall (and is hereby authorized and directed to) enter into such intercreditor agreement (at the sole expense and cost of the Issuer, including reasonable legal fees and expenses of the Collateral Agent), bind the Holders on the terms set forth therein and perform and observe its obligations thereunder.

(m) No provision of this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, or any Collateral Document shall require the Collateral Agent or the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or thereunder or to take or omit to take any action hereunder or thereunder or take any action at the request or direction of Holders unless it shall have received indemnity satisfactory to the Collateral Agent against potential costs and liabilities incurred by the Collateral Agent relating thereto.

Notwithstanding anything to the contrary contained in this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, or the Collateral Documents, in the event the Collateral Agent is entitled or required to commence an action to foreclose or otherwise exercise its remedies to acquire control or possession of the Collateral, the Collateral Agent shall not be required to commence any such action or exercise any remedy or to inspect or conduct any studies of any property under the mortgages or take any such other action if the Collateral Agent has determined that the Collateral Agent may incur personal liability as a result of the presence at, or release on or from, the Collateral or such property, of any hazardous substances in an amount and in a form all satisfactory to the Collateral Agent in its sole discretion, protecting the Collateral Agent from all such liability. The Collateral Agent shall at any time be entitled to cease taking any action described in this clause (m) if it no longer reasonably deems any indemnity, security or undertaking from the Issuer or the Holders to be sufficient.

(n) The Collateral Agent (i) shall not be liable for any action taken or omitted to be taken by it in connection with this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and the Collateral Documents or instrument referred to herein or therein, except to the extent that any of the foregoing are found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from its own gross negligence or willful misconduct, (ii) shall not be liable for interest on any money received by it except as the Collateral Agent may agree in writing with the Issuer (and money held in trust by the Collateral Agent need not be segregated from other funds except to the extent required by law) and (iii) may consult with counsel of its selection and the advice or opinion of such counsel shall be full and complete authorization and protection from liability in respect of any action taken, omitted or suffered by it in good faith and in accordance with the advice or

opinion of such counsel. The grant of permissive rights or powers to the Collateral Agent shall not be construed to impose duties to act.

(o) The Collateral Agent does not assume any responsibility for any failure or delay in performance or any breach by the Issuer or any other Guarantor under this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and the Collateral Documents. The Collateral Agent shall not be responsible to the Holders or any other Person for any recitals, statements, information, representations or warranties contained in this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, or in any certificate, report, statement, or other document referred to or provided for in, or received by the Collateral Agent under or in connection with, this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, or any Collateral Document; the execution, validity, genuineness, effectiveness or enforceability of the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and any Collateral Documents of any other party thereto. The Collateral Agent shall have no obligation to any Holder or any other Person to ascertain or inquire into the existence of any Default or Event of Default, the observance or performance by any obligor of any terms of this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and the Collateral Documents, or the satisfaction of any conditions precedent contained in this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and any Collateral Documents. The Collateral Agent shall not be required to initiate or conduct any litigation or collection or other proceeding under this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and the Collateral Documents unless expressly set forth hereunder or thereunder or as directed by Holders of a majority in aggregate principal amount of the Notes. The Collateral Agent shall have the right at any time to seek instructions from the Holders with respect to the administration of this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any.

(p) The parties hereto and the Holders hereby agree and acknowledge that neither the Collateral Agent shall not assume, be responsible for or otherwise be obligated for any liabilities, claims, causes of action, suits, losses, allegations, requests, demands, penalties, fines, settlements, damages (including foreseeable and unforeseeable), judgments, expenses and costs (including but not limited to, any remediation, corrective action, response, removal or remedial action, or investigation, operations and maintenance or monitoring costs, for personal injury or property damages, real or personal) of any kind whatsoever, pursuant to any environmental law as a result of this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, the Collateral Documents or any actions taken pursuant hereto or thereto. Further, the parties hereto and the Holders hereby agree and acknowledge that in the exercise of its rights under this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and the Collateral Documents, the Collateral Agent may hold or obtain indicia of ownership primarily to protect the security interest of the Collateral Agent in the Collateral and that any such actions taken by the Collateral Agent shall not be construed as or otherwise constitute any participation in the management of such Collateral, as those terms are defined in Section 101(20)(E) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq., as amended.

(q) Upon the receipt by the Collateral Agent of a written request of the Issuer signed by an Officer (a "Collateral Document Order"), the Collateral Agent is hereby authorized to execute and enter into, and if satisfactory in form to the Collateral Agent, shall execute and enter into, without the further consent of any Holder or the Trustee, any Collateral Document or amendment or supplement thereto to be executed after the Issue Date to the extent entry into such Collateral Documents is otherwise permitted by the terms of this Indenture. Such Collateral Document Order shall (i) state that it is being delivered to the Collateral Agent pursuant to, and is a Collateral Document Order referred to in, this Section 11.07(r), and (ii) instruct the Collateral Agent to execute and enter into such Collateral Document. Any such execution of a Collateral Document shall be at the direction and expense of the Issuer, upon delivery to the Collateral Agent of an Officers' Certificate and Opinion of Counsel stating that all conditions precedent to the execution and delivery of the Collateral Document have been satisfied. The Holders, by their acceptance of the Notes, hereby authorize and direct the Collateral Agent to execute such Collateral Documents.

(r) Subject to the provisions of the applicable Collateral Documents, the First Lien Intercreditor Agreement and the Junior Lien Intercreditor Agreement, if any, each Holder, by acceptance of the Notes, agrees that the Collateral Agent shall execute and deliver the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, and the Collateral Documents to which it is a party and all agreements, documents and instruments incidental thereto, and act in accordance with the terms thereof. For the avoidance of doubt, except as expressly set forth herein, in the Collateral Documents, in the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement, the Collateral Agent shall have no discretion under this Indenture, the First Lien Intercreditor Agreement, the Junior Lien Intercreditor Agreement, if any, or the Collateral Documents and shall not be required to make or give any determination, consent, approval, request or direction without the written direction of the Holders of a majority in aggregate principal amount of the then outstanding Notes.

(s) After the occurrence and continuance of an Event of Default, the Trustee may direct the Collateral Agent in connection with any action required or permitted by this Indenture, the Collateral Documents or the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any.

(t) The Collateral Agent is authorized to receive any funds for the benefit of itself, the Trustee and the Holders distributed under the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, and to the extent not prohibited under the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, for turnover to the Trustee to make further distributions of such funds to itself, the Trustee and the Holders in accordance with the provisions of Section 6.10 and the other provisions of this Indenture, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement.

(u) In each case that the Collateral Agent may or is required hereunder or under any Collateral Document, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, to take any action (an "Action"), including without limitation to make any determination, to give consents, to exercise rights, powers or remedies, to release or sell Collateral or otherwise to act hereunder or under any Collateral Document, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, the Collateral Agent may seek direction from the Holders of a majority in aggregate principal amount of the then outstanding Notes. The Collateral Agent shall not be liable with respect to any Action taken or omitted to be taken by it in accordance with the direction from the Holders of a majority in aggregate principal amount of the then outstanding Notes. If the Collateral Agent shall request direction from the Holders of a majority in aggregate principal amount of the then outstanding Notes with respect to any Action, the Collateral Agent shall be entitled to refrain from such Action unless and until the Collateral Agent shall have received direction from the Holders of a majority in aggregate principal amount of the then outstanding Notes, and the Collateral Agent shall not incur liability to any Person by reason of so refraining.

(v) Notwithstanding anything to the contrary in this Indenture, in any Collateral Document, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any, in no event shall the Collateral Agent or the Trustee be responsible for, or have any duty or obligation with respect to, the recording, filing, registering, perfection, protection or maintenance of the security interests or Liens intended to be created by this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or the Junior Lien Intercreditor Agreement, if any (including without limitation the filing or continuation of any UCC financing or continuation statements or similar documents or instruments), nor shall the Collateral Agent or the Trustee be responsible for, and neither the Collateral Agent nor the Trustee makes any representation regarding, the validity, effectiveness or priority of any of the Collateral Documents or the security interests or Liens intended to be created thereby.

(w) Before the Collateral Agent acts or refrains from acting in each case at the request or direction of the Issuer or the Guarantors, or in connection with any Collateral Document, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement, it may require an Officers' Certificate and an Opinion of Counsel, which shall conform to the provisions of this Section 11.07 and Section 12.04 hereof. The Collateral Agent shall not be liable for any action it takes or omits to take in good faith in reliance on such certificate or opinion.

(x) Notwithstanding anything to the contrary contained herein but subject to the terms of the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement, the Collateral Agent shall act pursuant to

the instructions of the Note Secured Parties as provided in this Indenture solely with respect to the Collateral Documents.

(y) If any Collateral Agent consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business (including this transaction) to, another corporation, the successor corporation without any further act shall be the successor of such Collateral Agent.

ARTICLE 12

MISCELLANEOUS

SECTION 12.01 *[Reserved].*

SECTION 12.02 *Notices.*

Any notice or communication by the Issuer, any Guarantor, the Trustee or Collateral Agent to the others is duly given if in writing and delivered by hand-delivery, registered first-class mail, next-day air courier or facsimile:

If to the Issuer or any Guarantor, to its care of:

Live Nation Entertainment, Inc.
9348 Civic Center Drive
Beverly Hills, CA 90210
Facsimile No.: (310) 867-7158
Attention: General Counsel

If to the Trustee or Collateral Agent:

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Facsimile No.: (213) 615-6197
Attention: B. Scarbrough (Live Nation Entertainment)

The Issuer, any Guarantor, the Trustee or Collateral Agent, by notice to the other, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders of Notes) shall be deemed to have been duly given: when delivered by hand, if personally delivered; five Business Days after being deposited in the mail, certified or registered, return receipt requested, postage prepaid, if mailed; one Business Day after being timely delivered to a next-day air courier; and when transmission is confirmed, if sent by facsimile.

Any notice or communication to a Holder of a Note shall be mailed by first class mail to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder of a Note or any defect in it shall not affect its sufficiency with respect to other Holders of Notes.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Issuer mails a notice or communication to Holders of Notes, it shall mail a copy to the Trustee and each Agent at the same time.

Any notice or communication delivered or to be delivered to a Holder of Global Notes shall be delivered in accordance with the Applicable Procedures and shall be sufficiently given to it if so delivered within the time prescribed.

Each of the Trustee and Collateral Agent agree to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, pdf, facsimile transmission or other similar unsecured electronic methods, *provided, however*, that the Trustee and Collateral Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee and Collateral Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee and Collateral Agent in their discretion elects to act upon such instructions, the Trustee's and Collateral Agent's understanding of such instructions shall be deemed controlling. Neither the Trustee nor the Collateral Agent shall be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's or Collateral Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee and Collateral Agent, including without limitation the risk of the Trustee or Collateral Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

SECTION 12.03 *[Reserved].*

SECTION 12.04 *Certificate and Opinion as to Conditions Precedent.*

Upon any request or application by the Issuer to the Trustee or the Collateral Agent to take any action under this Indenture (other than the application for authentication of the Initial Notes), the Issuer shall furnish to the Trustee:

- (a) an Officers' Certificate in form reasonably satisfactory to the Trustee and the Collateral Agent stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and
- (b) an Opinion of Counsel in form reasonably satisfactory to the Trustee and the Collateral Agent stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

SECTION 12.05 *Statements Required in Certificate or Opinion.*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture, if applicable; shall include:

- (a) a statement that the Person making such certificate or opinion has read such covenant or condition;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (c) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been satisfied; and
- (d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

SECTION 12.06 **Rules by Trustee and Agents.**

The Trustee may make reasonable rules for action by or at a meeting of Holders of Notes. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

SECTION 12.07 **No Personal Liability of Directors, Owners, Employees, Incorporators and Stockholders.**

No director, owner, officer, employee, incorporator or stockholder of the Issuer, the Guarantors or any of their Affiliates, as such, shall have any liability for any obligations of the Issuer, the Guarantors or any of their Affiliates under the Notes, the Guarantees, this Indenture, the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement, if applicable, or any Collateral Document or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

SECTION 12.08 **Governing Law.**

THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

SECTION 12.09 **No Adverse Interpretation of Other Agreements.**

This Indenture may not be used to interpret another indenture, loan or debt agreement of the Issuer or any of its respective Subsidiaries. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

SECTION 12.10 **Successors.**

All agreements of the Issuer and the Guarantors in this Indenture and the Notes and the Guarantees shall bind the successors of the Issuer and the Guarantors, respectively. All agreements of the Trustee and the Collateral Agent in this Indenture shall bind its respective successor.

SECTION 12.11 **Severability.**

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 12.12 **Counterpart Originals.**

This Indenture may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart (including a counterpart executed by electronic signature) of a signature page of this Indenture by telecopy or other electronic imaging means shall be as effective as delivery of a manually executed counterpart of this Indenture. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Indenture or any document to be signed in connection with this Indenture shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means. All notices, approvals, consents, requests and any communications hereunder must be in writing (provided that any such communication sent to the Trustee hereunder must be in the form of a document that is signed manually or by way of a digital signature provided by DocuSign, AdobeSign or such other digital signature provider as specified in writing to the Trustee by the authorized representative of the Company. The use of electronic signatures and electronic records (including, without limitation, any contract or

other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based recordkeeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act and any other applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the Uniform Commercial Code. The Company agrees to assume all risks arising out of the use of using digital signatures and electronic methods to submit communications to Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

SECTION 12.13 *Table of Contents, Headings, Etc.*

The Table of Contents, Cross-Reference Table and headings of the Articles and Sections hereof have been inserted for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

SECTION 12.14 *Force Majeure.*

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, epidemics or pandemics, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

SECTION 12.15 *Waiver of Jury Trial.*

EACH OF THE ISSUER, THE GUARANTORS, THE HOLDERS BY THEIR ACCEPTANCE OF THE NOTES, AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 12.16 *Certain Tax Matters Related to the Trustee.*

In order to comply with applicable tax laws, rules and regulations (inclusive of directives, guidelines and interpretations promulgated by competent authorities) in effect from time to time ("*Applicable Law*"), the Issuer agrees (i) to provide to U.S. Bank National Association sufficient information about holders or other applicable parties and/or transactions (including any modification to the terms of such transactions) so U.S. Bank National Association can determine whether it has tax related obligations under Applicable Law, (ii) that U.S. Bank National Association shall be entitled to make any withholding or deduction from payments under this Indenture to the extent necessary to comply with Applicable Law for which U.S. Bank National Association shall not have any liability, and (iii) to hold harmless U.S. Bank National Association for any losses it may suffer due to the actions it takes to comply with such Applicable Law. The terms of this section shall survive the termination of this Indenture.

SECTION 12.17 *Submission to Jurisdiction.*

The Issuer and each Guarantor hereby irrevocably submits to the jurisdiction of any New York State court sitting in the Borough of Manhattan in the City of New York or any federal court sitting in the Borough of Manhattan in the City of New York in respect of any suit, action or proceeding arising out of or relating to this Indenture, the Guarantees and the Notes, and irrevocably accepts for itself and in respect of its property, generally and unconditionally, jurisdiction of the aforesaid courts.

SECTION 12.18 *Intercreditor Agreements.*

Reference is made to the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement (if applicable). Each Holder, by its acceptance of a Note, (a) consents to the priority of Liens and payments provided for in the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement, (b) agrees that it will be bound by and will take no actions contrary to the provisions of the First Lien Intercreditor Agreement or any such Junior Lien Intercreditor Agreement and (c) authorizes and instructs the Collateral Agent and the Trustee to enter into the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement as the Collateral Agent and as representative on behalf of such Holder, including without limitation, making the representations of the Holders contained therein, and including any amendments, restatements or supplements thereto providing for, inter alia, substantially the same rights, priorities and obligations referred to in the applicable intercreditor agreement and covering any other matters incidental thereto.

[Signatures on following pages]

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

LIVE NATION ENTERTAINMENT, INC.,
as Issuer

By: /s/ Michael Rowles
Name: Michael Rowles
 Executive Vice
Title: President
 General
 Counsel and Secretary

[Signature Page to Indenture]

CONNECTICUT PERFORMING ARTS PARTNERS

By: NOC, INC.,
a partner

By: /s/ Kathy Willard

Name: Kathy Willard
Title: President, Chief Financial Officer and
Assistant Secretary

By: CONNECTICUT AMPHITHEATER
DEVELOPMENT CORPORATION,
a partner

By: /s/ Kathy Willard

Name: Kathy Willard
Title: President, Chief Financial Officer and
Assistant Secretary

[Signature Page to Indenture]

**BILL GRAHAM ENTERPRISES, INC.
CELLAR DOOR VENUES, INC.
CONNECTICUT AMPHITHEATER DEVELOPMENT CORPORATION
CONNECTICUT PERFORMING ARTS, INC.
FILLMORE THEATRICAL SERVICES
HOB MARINA CITY, INC.
LIVE NATION MARKETING, INC.
LIVE NATION PRODUCTIONS, LLC
LIVE NATION WORLDWIDE, INC.
NOC, INC.
TICKETMASTER NEW VENTURES HOLDINGS, INC.
TICKETSNOW.COM, INC.
TM VISTA INC.
TNOW ENTERTAINMENT GROUP, INC.**

By: /s/ Kathy Willard
Name: Kathy Willard
Title: President, Chief Financial Officer and
Assistant Secretary

**COBB'S COMEDY INC.
HOB ACE OF SPADES CORP.
HOB BOARDWALK, INC.
HOB CAFE CORP.
HOB CHICAGO, INC.
HOB ENTERTAINMENT, LLC
HOB GRAND RAPIDS, LLC
HOB HIFI DALLAS CORP.
HOB PUNCH LINE PENN CORP.
HOB PUNCH LINE S.F. CORP.
HOUSE OF BLUES ANAHEIM RESTAURANT CORP.
HOUSE OF BLUES CLEVELAND, LLC
HOUSE OF BLUES CONCERTS, INC.
HOUSE OF BLUES DALLAS RESTAURANT CORP.
HOUSE OF BLUES HOUSTON RESTAURANT CORP.
HOUSE OF BLUES LAS VEGAS RESTAURANT CORP.
HOUSE OF BLUES MYRTLE BEACH RESTAURANT CORP.
HOUSE OF BLUES NEW ORLEANS RESTAURANT CORP.
HOUSE OF BLUES ORLANDO RESTAURANT CORP.
HOUSE OF BLUES RESTAURANT HOLDING CORP.
HOUSE OF BLUES SAN DIEGO RESTAURANT CORP.
LIVE NATION BOGART, LLC
LIVE NATION CHICAGO, INC.
NO LIMIT ENTERTAINMENT LLC
SPACELAND PRODUCTIONS, LLC
THE ECHO, LLC**

By: /s/ Michael Rowles
Name: Michael Rowles
Title: President

[Signature Page to Indenture]

LIVE NATION STUDIOS HOLDINGS, LLC

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

By: /s/ Kathy Willard

Name: Kathy Willard
Title: President, Chief Financial Officer and
Assistant Secretary

[Signature Page to Indenture]

**ARTIST NATION MANAGEMENT GROUP, INC.
BARON GLOBAL, INC.
SPALDING ENTERTAINMENT, LLC
VECTOR MANAGEMENT LLC**

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Executive Vice President
Chief Financial Officer, Treasurer, and
Assistant Secretary

[Signature Page to Indenture]

**ACSH-JV, LLC
ASSEMBLY ROOM STUDIOS, LLC
F AND F CONCESSIONS, INC.
FRONT GATE TICKETING SOLUTIONS, LLC
HARD EVENTS LLC
HOFESH, LLC
MICROFLEX 2001 LLC
NEW YORK THEATER, LLC
REIGNDEER ENTERTAINMENT CORP.
TICKETMASTER ADVANCE TICKETS, L.L.C.
TICKETMASTER L.L.C.
TICKETWEB, LLC
FESTIVAL HOLDINGS, L.L.C.
NEW ERA FARMS, LLC
RIVAL LABS, INC.
SHORELINE AMPHITHEATER, LTD.**

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Executive Vice President,
Chief
Financial Officer and Assistant
Secretary

[Signature Page to Indenture]

HOUSE OF BLUES SAN DIEGO, LLC

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Executive Vice President and Chief
Accounting Officer

[Signature Page to Indenture]

LIVE NATION TICKETING, LLC

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Chief Financial Officer, Chief Accounting
Officer and Assistant Secretary

[Signature Page to Indenture]

**LIVE NATION LGTOURS (USA), LLC
LIVE NATION MTOURS (USA), INC.
LIVE NATION TOURING (USA), INC.
LIVE NATION USHTOURS (USA), LLC
LIVE NATION UTOURS (USA), INC.
MBA ARTIST MANAGEMENT COMPANY, LLC
TNA TOUR II (USA) INC.**

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Chief Executive Officer, Chief Financial
Officer and Assistant Secretary

[Signature Page to Indenture]

**MICHIGAN LICENSES, LLC
TICKETSTODAY, LLC
WILTERN RENAISSANCE LLC**

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

By: /s/ Kathy Willard
Name: Kathy Willard
Title: President, Chief
Financial Officer and
Assistant Secretary

[Signature Page to Indenture]

**BLUES AT THE DEPOT,LLC
HOB DEPOT CORP.
HOB MARQUIS CORP.
HOB QUEEN THEATER CORP.
HOB ROSE CITY MH CORP.
HOB SUMMIT MH CORP.
HOB VARSITY CORP.**

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Treasurer and Secretary

[Signature Page to Indenture]

**FACULTY MANAGEMENT, LLC
FACULTY PRODUCTIONS, LLC
FILLMORE MINNEAPOLIS CORP.
FILLMORE NEW ORLEANS CORP.
LMG MANAGEMENT LLC
EIGHT BALL PRICING SOLUTIONS, LLC**

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Executive Vice President,
Chief Financial Officer and Assistant
Secretary

[Signature Page to Indenture]

**IO MEDIA, INC.
IOMEDIA TECHNOLOGIES, LLC**

By: /s/ Kathy Willard
Name: Kathy Willard
Title: Executive Vice President,
Chief Financial Officer, Treasurer and
Assistant Secretary

[Signature Page to Indenture]

**C3 BOOKING, LLC
C3 PRESENTS, L.L.C.
C3P EMO'S LLC**

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

[Signature Page to Indenture]

AXIS NATION, LLC

By: member Festival Holdings, L.L.C., its sole

By: /s/ Kathy Willard
Name: Kathy Willard
Executive Vice President,
Title: Chief
Financial Officer and
Assistant Secretary

[Signature Page to Indenture]

WOLFSON ENTERTAINMENT, INC.

By: /s/ Kathy Willard
Name: Kathy Willard
 Chief Financial
Title: Officer and Assistant
 Secretary

[Signature Page to Indenture]

NEW ERA FARMS II, LLC

By: New Era Farms, LLC, its sole member

By: /s/ Kathy Willard

Name: Kathy Willard
Executive Vice President,
Title: Chief
Financial Officer and
Assistant Secretary

[Signature Page to Indenture]

BOTTLEROCK MARKETING GROUP, LLC

By: member Live Nation Worldwide, Inc., its sole

By: /s/ Kathy Willard
Name: Kathy Willard
President, Chief Financial
Title: Officer and
Assistant Secretary

[Signature Page to Indenture]

U.S. BANK NATIONAL ASSOCIATION, as Trustee and Collateral Agent

By: /s/ Bradley E. Scarbrough
Name: Bradley E. Scarbrough
Title: Vice President

[Signature Page to Indenture]

[Face of Note]

3.750% Senior Secured Note due 2028

Cert. No. []
CUSIP No. []

Live Nation Entertainment, Inc.

promises to pay to []

or its registered assigns

the principal sum of _____

Dollars on January 15, 2028

Interest Payment Dates: January 15 and July 15, commencing July 15, 2021.

Record Dates: January 1 and July 1 (whether or not a Business Day).

(Back of Note)

Capitalized terms used herein have the meanings assigned to them in the Indenture (as defined below) unless otherwise indicated.

(1) *Interest.* Live Nation Entertainment, Inc., a Delaware Corporation (the “*Issuer*”) promises to pay interest on the principal amount of this Note at the rate and in the manner specified below. Interest will accrue at 3.750% per annum and will be payable semi-annually in cash on each January 15 and July 15, commencing July 15, 2021, or if any such day is not a Business Day on the next succeeding Business Day (each, an “*Interest Payment Date*”) to Holders of record of the Notes at the close of business on the immediately preceding January 1 and July 1, whether or not a Business Day. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance. To the extent lawful, the Issuer shall pay interest on overdue principal at the rate of the then applicable interest rate on the Notes; it shall pay interest on overdue installments of interest (without regard to any applicable grace periods) at the same rate to the extent lawful.

(2) *Method of Payment.* The Issuer shall pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the record date next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date. The Issuer will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. The Notes will be payable both as to principal and interest at the office or agency of the Issuer maintained for such purpose or, at the option of the Issuer, payment of interest may be made by check mailed to the Holders of Notes at their respective addresses set forth in the register of Holders of Notes. Unless otherwise designated by the Issuer, the Issuer’s office or agency will be the office of the Trustee maintained for such purpose.

(3) *Paying Agent and Registrar.* Initially, the Trustee will act as Paying Agent and Registrar. The Issuer may change any Paying Agent, Registrar or co-registrar without prior notice to any Holder of a Note. The Issuer may act in any such capacity.

(4) *Indenture.* The Issuer issued the Notes under an Indenture, dated as of January 4, 2021 (the “*Indenture*”), among the Issuer, the Guarantors, and U.S. Bank National Association, as trustee (in such capacity, the “*Trustee*”) and as notes collateral agent (in such capacity, the “*Collateral Agent*”). This is one of an issue of Notes of the Issuer issued, or to be issued, under the Indenture. The Issuer shall be entitled to issue additional Notes pursuant to Section 2.02 of the Indenture. All Notes issued under the Indenture shall be treated as a single class of Notes under the Indenture. The terms of the Indenture shall govern any inconsistencies between the Indenture and the Notes. The Notes are senior secured obligations of the Issuer and the Guarantors, secured by a first-priority security interest in the Collateral.

(5) *Optional Redemption.*

(a) Except as provided in paragraphs (b) and (c) below and clause (6) below, the Notes will not be redeemable at the Issuer’s option prior to January 15, 2024. Thereafter, the Notes will be subject to redemption at the option of the Issuer, in whole or in part, upon not less than 15 days’ or more than 60 days’ notice, at the redemption prices (expressed as percentages of principal amount) set forth below, together with accrued and unpaid interest thereon to the applicable redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), if redeemed during the 12-month period beginning on January 15 of the years indicated below:

Year	Percentage
2024	102.813%
2025	101.875%
2026	100.938%
2027 and thereafter	100.0000%

(b) Notwithstanding the foregoing, at any time and from time to time prior to January 15, 2024, the Issuer may redeem up to 35% of the original aggregate principal amount of the Notes outstanding at a redemption price equal to 103.750% of the principal amount thereof on the repurchase date, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), with the net cash proceeds of one or more public or private sales of Qualified Capital Stock (each, an “*Equity Offering*”), other than proceeds from a sale to the Issuer or any of its Subsidiaries or any employee benefit plan in which the Issuer or any of its Subsidiaries participates; *provided* that (i) at least 65% in aggregate principal amount of the Notes originally issued remains outstanding immediately after the occurrence of such redemption and (ii) such redemption occurs no later than the 120th day following such sale of Qualified Capital Stock.

(c) In addition, at any time and from time to time prior to January 15, 2024, the Issuer may redeem all or any portion of the Notes outstanding at a redemption price equal to (i) 100% of the aggregate principal amount of the Notes to be redeemed, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), *plus* (ii) the Make Whole Amount.

“*Make Whole Amount*” means, with respect to any Note at any redemption date, as determined by the Issuer, the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess, if any, of (A) an amount equal to the present value of (1) the redemption price of such Note at January 15, 2024 *plus* (2) the remaining scheduled interest payments on the Notes to be redeemed (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date) to January 15, 2024 (other than interest accrued to the redemption date), computed using a discount rate equal to the Treasury Rate *plus* 50 basis points, *over* (B) the principal amount of the Notes to be redeemed. The Trustee shall have no obligation to calculate or verify the calculation of the Make Whole Amount.

“*Treasury Rate*” means, at the time of computation, the weekly average for each business day during the most recent week that has ended at least two business days prior to the redemption date of the yield to maturity of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuer in good faith) most nearly equal to the period from the redemption date to January 15, 2024; *provided*, however, that if the period from the redemption date to January 15, 2024 is not equal to the constant maturity of a United States Treasury security for which a yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to January 15, 2024 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

(d) In connection with any redemption of Notes described in clauses (a), (b) and (c) above, such redemption may, at the Issuer’s discretion, be subject to one or more conditions precedent, including any related Equity Offering, issuance of Indebtedness or other transaction. If such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the Issuer’s discretion, such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date.

(6) *Repurchase at Option of Holder.* Upon the occurrence of a Change of Control, the Issuer shall make an offer to each Holder of Notes to repurchase on the Change of Control Payment Date all or any part of such Holder's Notes (equal to \$1,000 or an integral multiple thereof) at a purchase price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest thereon to the date of repurchase (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date). Holders of Notes that are subject to an offer to purchase will receive a Change of Control Offer from the Issuer prior to any related Change of Control Payment Date and may elect to have such Notes purchased by completing the form entitled "Option of Holder To Elect Purchase" appearing below.

When the cumulative amount of Excess Proceeds that have not been applied in accordance with Section 4.10 of the Indenture exceeds \$100.0 million, the Issuer shall make an offer to all Holders of the Notes (an "Excess Proceeds Offer") to purchase the maximum principal amount of Notes that may be purchased out of such Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for the closing of such offer in accordance with the procedures set forth in the Indenture. To the extent the Issuer or a Restricted Subsidiary is required under the terms of other First Lien Obligations of the Issuer or such Restricted Subsidiary (other than Subordinated Indebtedness), the Issuer shall also make a *pro rata* offer to the holders of such First Lien Obligations (including the Notes) with such proceeds. If the aggregate principal amount of Notes and other First Lien Obligations surrendered by holders thereof exceeds the amount of such Excess Proceeds, the Trustee shall select the Notes to be purchased on a *pro rata* basis by lot, and, in the case of global notes, in accordance with the procedures of the Depository. To the extent that the principal amount of Notes tendered pursuant to an Excess Proceeds Offer is less than the amount of such Excess Proceeds, the Issuer may use any remaining Excess Proceeds in any manner not prohibited by the Indenture. Upon completion of an Excess Proceeds Offer, the amount of Excess Proceeds shall be reset at zero. Holders of Notes that are subject to an offer to purchase will receive an Excess Proceeds Offer from the Issuer prior to any related Purchase Date and may elect to have such Notes purchased by completing the form entitled "Option of Holder To Elect Purchase" appearing below.

(7) *Notice of Redemption.* Notice of redemption shall be transmitted at least 15 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address (with a copy to the Trustee). Notes may be redeemed in part but only in amounts of \$2,000 or whole multiples of \$1,000 that are equal to or in excess of \$2,000, unless all of the Notes held by a Holder of Notes are to be redeemed. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption unless the Issuer fails to redeem such Notes or such portions thereof.

(8) *Suspension of Covenants.* During any period of time after the Issue Date that (i) the Notes are rated Investment Grade by both Rating Agencies and (ii) no Default has occurred and is continuing under the Indenture, the Issuer and its Restricted Subsidiaries will not be subject to Sections 4.07 (Limitation on Restricted Payments), 4.08 (Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries), 4.09 (Limitation on Incurrence of Indebtedness), 4.10 (Limitation on Asset Sales), 4.11 (Limitation on Transactions with Affiliates) and clause (d) of the first paragraph of Section 5.01 (Merger, Consolidation or Sale of Assets).

(9) *Denominations, Transfer, Exchange.* The Notes are in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder of a Note, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. Neither the Issuer nor the Registrar is required to exchange or register the transfer of any Note or portion of a Note selected for redemption. Also, it need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed.

(10) *Persons Deemed Owners.* Prior to due presentment to the Trustee for registration of the transfer of this Note, the Trustee, any Agent and the Issuer may deem and treat the Person in whose name this Note is registered as its absolute owner for the purpose of receiving payment of principal of, premium, if any, and interest on this Note and for all other purposes whatsoever, whether or not this Note is overdue, and neither the Trustee, any

Agent nor the Issuer shall be affected by notice to the contrary. The registered Holder of a Note shall be treated as its owner for all purposes.

(11) *Amendments, Supplement and Waivers.* Subject to certain exceptions, the Indenture, the Notes, the Collateral Documents, the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement and the Guarantees or any amended or supplemental indenture may be amended or supplemented with the written consent of the Holders of at least a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes), and any existing Default and its consequences or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes). Notwithstanding the foregoing, without the consent of each Holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder of Notes) (a) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver; (b) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than as provided in clause (h) below); (c) reduce the rate of or change the time for payment of interest on any Note; (d) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration); (e) make any Note payable in money other than that stated in the Notes; (f) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of or interest on the Notes; (g) waive a redemption payment or mandatory redemption with respect to any Note (other than as provided in clause (h) below); (h) amend, change or modify in any material respect the obligation of the Issuer to make and consummate a Change of Control Offer in the event of a Change of Control after such Change of Control has occurred; (i) release all or substantially all of the Guarantees of the Guarantors other than in accordance with Article 10 of the Indenture; or (j) make any change in the foregoing amendment and waiver provisions. Notwithstanding the foregoing, without the consent of any Holder of a Note, the Indenture, the Notes, the Guarantees, the Collateral Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement or any amended or supplemental indenture may be amended or supplemented: (i) to cure any ambiguity, defect or inconsistency (as determined by the Issuer in good faith); (ii) to provide for uncertificated Notes or Guarantees in addition to or in place of certificated Notes or Guarantees (*provided* that the uncertificated notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated notes are described in Section 163(f)(2)(B) of the Code); (iii) to provide for the assumption of the obligations of the Issuer or any Guarantor to the Holders of the Notes in the case of a merger, consolidated or sale of all or substantially all of the Issuer's assets or such Guarantor's assets; (iv) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the rights under the Indenture, any Note, any Guarantee, any Collateral Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement of any Holder of the Notes in any material respect; (v) to provide for the issuance of additional Notes in accordance with the provisions set forth in the Indenture; (vi) to evidence and provide for the acceptance of an appointment of a successor Trustee; (vii) to comply with the rules of any applicable securities depository; (viii) to add a Guarantor under this Indenture, the Collateral Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement; (ix) to add Collateral with respect to the Notes, any Guarantee or any Collateral Document; (x) to conform the Indenture, the Notes, the Guarantees, the Collateral Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement to the "Description of notes" section in the Offering Memorandum; (xi) to release Collateral from, or subordinate, the Lien of the Indenture and the Collateral Documents when permitted or required by the Collateral Documents, the Indenture, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement; (xii) to enter into any intercreditor agreement having substantially similar terms with respect to the Holders of the Notes as those set forth in the First Lien Intercreditor Agreement, or any joinder thereto, or to enter into any Junior Lien Intercreditor Agreement in connection with the incurrence of any Future First Lien Obligations or Junior Lien Obligations not otherwise prohibited by the Indenture; (xiii) to add covenants for the benefit of the Holders of the Notes or to surrender any right or power conferred upon the Issuer or any Guarantor; (xiv) to mortgage, pledge, hypothecate or grant any other Lien in favor of the Collateral Agent for the benefit of the Notes Secured Parties, as additional security for the payment and performance of all or any portion of the Notes Obligations, on any property or assets, including any which are required to be mortgaged, pledged or hypothecated, or on which a Lien is required

to be granted to, in favor of the Collateral Agent pursuant to the Indenture, any of the Collateral Documents or otherwise; (xv) to add Additional First Lien Secured Parties or Junior Lien Secured Parties to the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement, as applicable or (xvi) with respect to the Collateral Documents, the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement, as provided in the relevant Collateral Document, First Lien Intercreditor Agreement or Junior Lien Intercreditor Agreement.

Notwithstanding the foregoing, without the consent of holders of at least 66 2/3% in aggregate principal amount of the Notes then outstanding, no amendment or waiver may (i) release all or substantially all of the Collateral from the Liens securing the Notes Obligations created by the Collateral Documents, (ii) change or alter the priority of the Liens securing the Notes Obligations created by the Collateral Documents in any material portion of the Collateral in any manner adverse to the holders of the Notes, other than, in each case, as provided under the terms of this Indenture, the Collateral Documents or the First Lien Intercreditor Agreement.

(12) *Defaults and Remedies.* Each of the following constitutes an Event of Default:

- (a) default for 30 days in the payment when due of interest or additional interest, if any, on the Notes;
- (b) default in payment when due of principal or of premium, if any, on the Notes at maturity, upon repurchase, redemption or otherwise;
- (c) failure to comply for 30 days after notice with any obligations under the provisions described under Sections 3.08 (other than a failure to purchase Notes duly tendered to the Issuer for repurchase pursuant to a Change of Control Offer or an Excess Proceeds Offer), 4.10, 4.15 and 5.01 of the Indenture;
- (d) subject to Section 6.04 of the Indenture, default under any other provision of the Indenture or the Notes, which default remains uncured for 60 days after notice from the Trustee or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes;
- (e) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer and any of the Restricted Subsidiaries), which default is caused by a failure to pay the principal of such Indebtedness at the final stated maturity thereof within the grace period provided in such Indebtedness (a "Payment Default"), and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default, aggregates \$75.0 million or more;
- (f) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of its Restricted Subsidiaries), which default results in the acceleration of such Indebtedness prior to its express maturity not rescinded or cured within 30 days after such acceleration, and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated and remains undischarged after such 30 day period, aggregates \$75.0 million or more;
- (g) failure by the Issuer and any of the Restricted Subsidiaries to pay final judgments (other than any judgment as to which a reputable insurance company has accepted full liability) aggregating \$75.0 million or more, which judgments are not stayed within 60 days after their entry;
- (h) any Guarantee of a Significant Subsidiary shall be held in a judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect, or any Guarantor that

qualifies as a Significant Subsidiary, or any person acting on behalf of any Guarantor that qualifies as a Significant Subsidiary, shall deny or disaffirm its obligations under its Guarantee;

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

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

(k) any Collateral Document after delivery thereof shall for any reason cease (or shall be asserted in writing by the Issuer or any Guarantor to cease) to create a valid and perfected first-priority Lien to the extent required by the Collateral Documents (subject to no other Liens other than Permitted Liens) on Collateral that is (i) purported to be covered thereby and (ii) comprises Property which, when taken together with all Property as to which such a Lien has so ceased to be effective, has a fair market value in excess of \$50.0 million (other than (x) in accordance with the terms of the Indenture or the terms of the Credit Facilities or the Security Documents or (y) except to the extent that any such cessation of the Liens results from the failure of the administrative agent under the Credit Facilities or the Applicable Authorized Representative, as the case may be, to maintain possession of certificates actually delivered to it representing securities pledged under the Security Documents); provided that if a failure of the sort described in this clause (k) is susceptible of cure without loss of priority (other than with respect to Permitted Liens (except Permitted Liens pursuant to clauses (b), (w) and (bb) of the definition of "Permitted Liens"), no Event of Default shall arise under this clause (k) with respect thereto until 30 days after notice of such failure shall have been given to the Issuer by the Trustee or the holders of at least 25% in principal amount of the then outstanding Notes issued under the Indenture.

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

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

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may on behalf of all the Holders rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium that has become due solely because of the acceleration) have been cured or waived. The Holders of a majority in aggregate principal amount of the then outstanding Notes, by written notice to the Trustee, may on

behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture, except a continuing Default or Event of Default in the payment of interest or premium on, or principal of, the Notes.

The Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Indenture.

(13) *Trustee Dealings with Issuer.* The Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledges of the Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights it would have had if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee (if any of the Notes are registered pursuant to the Securities Act), or resign.

(14) *No Personal Liability of Directors, Owners, Employees, Incorporators and Stockholders.* No director, owner, officer, employee, incorporator or stockholder of the Issuer, the Guarantors or any of their Affiliates, as such, shall have any liability for any obligations of the Issuer, the Guarantors or any of their Affiliates under this Note, the Guarantees or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

(15) *Guarantees.* Payment of principal and interest (including interest on overdue principal and overdue interest, if lawful) is unconditionally guaranteed, jointly and severally, by each of the Guarantors.

(16) *Authentication.* This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(17) *Abbreviations.* Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(18) *CUSIP Numbers.* Pursuant to a recommendation promulgated by the Committee on Uniform Note Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Holders of Notes. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed herein.

The Issuer will furnish to any Holder of a Note upon written request and without charge a copy of the Indenture. Requests may be made to:

Live Nation Entertainment, Inc.
9348 Civic Center Drive
Beverly Hills, CA 90210
Facsimile No.: (310) 867-7158
Attention: General Counsel

ASSIGNMENT FORM

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

(Insert assignee's Soc. Sec. or tax I.D. no.)

(Print or type assignee's name, address and Zip code)

and irrevocably appoint _____ as agent to transfer this Note on the books of the Issuer. The agent may substitute another to act for him or her.

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the
face of this Note)

Signature Guarantee.

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have all or any part of this Note purchased by the Issuer pursuant to Section 4.10 (Excess Proceeds Offer) or Section 4.15 (Change of Control) of the Indenture, check the appropriate box:

Section 4.10

Section 4.15

If you want to have only part of the Note purchased by the Issuer pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

\$

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee.

[ATTACHMENT FOR GLOBAL NOTES]

SCHEDULE OF EXCHANGES OF INTERESTS IN GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of Decrease in Principal Amount of this Global Note	Amount of Increase Principal Amount of this Global Note	Principal Amount of this Global Note following such Decrease (or Increase)	Signature of Authorized Officer of Trustee or Note Custodian
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FORM OF GUARANTEE

[Name of Guarantor] and its successors under the Indenture, jointly and severally with any other Guarantors, hereby irrevocably and unconditionally (i) guarantee the due and punctual payment of the principal of, premium, if any, and interest on the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on the overdue principal of and interest, if any, on the Notes, to the extent lawful, and the due and punctual performance of all other obligations of Live Nation Entertainment, Inc. to the Holders or the Trustee all in accordance with the terms set forth in Article 10 of the Indenture and (ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, guarantee that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Capitalized terms used herein have the meanings assigned to them in the Indenture unless otherwise indicated.

No director, owner, officer, employee, incorporator or stockholder of any Guarantor or any of its Affiliates, as such, shall have any liability for any obligations of such Guarantor or any of its Affiliates under this guarantee by reason of his, her or its status as such. This Guarantee shall be binding upon each Guarantor and its successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges herein conferred upon that party shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions hereof.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note upon which this Guarantee is noted shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized officers.

THE TERMS OF ARTICLE 10 OF THE INDENTURE ARE INCORPORATED HEREIN BY REFERENCE.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York.

[_____]
Name of Guarantor

By: _____
Name:
Title:

[FORM OF CERTIFICATE OF TRANSFER]

Live Nation Entertainment, Inc.
9348 Civic Center Drive
Beverly Hills, CA 90210
Facsimile No.: (310) 867-7158
Attention: General Counsel

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attn: B. Scarbrough (Live Nation Entertainment)

Re: 3.750% Senior Secured Notes due 2028

Reference is hereby made to the Indenture, dated as of January 4, 2021 (the "*Indenture*"), among Live Nation Entertainment, Inc., as Issuer (the "*Issuer*"), the Guarantors named therein and U.S. Bank National Association, as trustee and notes collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____ (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of \$ ____ in such Note[s] or interests (the "*Transfer*"), to _____ (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Definitive Note Pursuant to Rule 144A** The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the “*Securities Act*”), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a “qualified institutional buyer” within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Definitive Note and in the Indenture and the Securities Act.
2. **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Definitive Note pursuant to Regulation S** The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Definitive Note and in the Indenture and the Securities Act.
3. **Check and complete if Transferee will take delivery of a beneficial interest in a Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):
- (a) such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;
- or
- (b) such Transfer is being effected to the Issuer or a subsidiary thereof.
- (c) such Transfer is being effected to an Institutional Accredited Investor and pursuant to an exemption from the registration requirements of the Securities Act other than Rule 144A, Rule 144, Rule 903 or Rule 904, and the Transferor hereby further certifies that it has not engaged in any general solicitation or general advertising within the meaning of Regulation D under the Securities Act and the Transfer complies with the transfer restrictions applicable to beneficial interests in a Restricted Global Note or Restricted Definitive Notes and the requirements of the exemption claimed, which certification is supported by (1) a certificate executed by the

Transferee in the form of Exhibit E to the Indenture and (2) an Opinion of Counsel provided by the Transferor or the Transferee (a copy of which the Transferor has attached to this certification), to the effect that such Transfer is in compliance with the Securities Act. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

4. **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**

(a) **Check if Transfer is Pursuant to Rule 144.** (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) **Check if Transfer is Pursuant to Regulation S.** (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) **Check if Transfer is Pursuant to Other Exemption.** (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

- (a) a beneficial interest in the:
 - (i) 144A Global Note (CUSIP []), or
 - (ii) Regulation S Global Note (CUSIP []), or
- (b) a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

- (c) a beneficial interest in the:
 - (i) 144A Global Note (CUSIP []), or
 - (ii) Regulation S Global Note (CUSIP []), or
 - (iii) Unrestricted Global Note CUSIP [], or
 - (d) a Restricted Definitive Note; or
 - (e) an Unrestricted Definitive Note,
- in accordance with the terms of the Indenture.

[FORM OF CERTIFICATE OF EXCHANGE]

Live Nation Entertainment, Inc.
9348 Civic Center Drive
Beverly Hills, CA 90210
Facsimile No.: (310) 867-7158
Attention: General Counsel

U.S. Bank National Association

633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attn: B. Scarbrough (Live Nation Entertainment)

Re: 3.750% Senior Secured Notes due 2028
(CUSIP [])

Reference is hereby made to the Indenture, dated as of January 4, 2021 (the "Indenture"), among Live Nation Entertainment, Inc., as Issuer (the "Issuer"), the Guarantors named therein and U.S. Bank National Association, as trustee and notes collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____ (the "Owner") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of \$_____ in such Note[s] or interests (the "Exchange"). In connection with the Exchange, the Owner hereby certifies that:

1. Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note.

(a) **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the United States Securities Act of 1933, as amended (the "Securities Act"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note.** In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities

Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note.** In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes.

(a) **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note** In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] _ 144A Global Note, _ Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

[FORM OF CERTIFICATE FROM
ACQUIRING INSTITUTIONAL ACCREDITED INVESTOR]

Live Nation Entertainment, Inc.

9348 Civic Center Drive
Beverly Hills, CA 90210
Facsimile No.: (310) 867-7158
Attention: General Counsel

U.S. Bank National Association

[]

[]

Attn: []

Re: 3.750% Senior Secured Notes due 2028

Reference is hereby made to the Indenture, dated as of January 4, 2021 (the "*Indenture*"), among Live Nation Entertainment, Inc., as Issuer (the "*Issuer*"), the Guarantors named therein and U.S. Bank National Association, as trustee and notes collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

In connection with our proposed purchase of \$_____ aggregate principal amount of:

- (a) a beneficial interest in a Global Note, or
- (b) a Definitive Note,

we confirm that:

1. We understand that any subsequent transfer of the Notes or any interest therein is subject to certain restrictions and conditions set forth in the Indenture and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes or any interest therein except in compliance with, such restrictions and conditions and the United States Securities Act of 1933, as amended (the "*Securities Act*").
2. We understand that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes and any interest therein may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell the Notes or any interest therein, prior to the expiration of the holding period applicable to sales of the Notes under Rule 144 of the Securities Act, we will do so only (A) to the Issuer or any subsidiary thereof, (B) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), (C) to an institutional "accredited investor" (as defined below) that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to you and to the Issuer a signed letter substantially in the form of this letter and an Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such transfer is in compliance with the Securities Act, (D) outside the United States in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (E) pursuant to the provisions of Rule 144 under the Securities Act, (F) in accordance with another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel acceptable to the Issuer) or (G) pursuant to an effective registration statement under the Securities Act, and we further agree to provide to any person purchasing the definitive Note or beneficial interest in a Global Note from us in a transaction meeting the requirements of clauses (A) through (F) of this paragraph a notice advising such purchaser that resales thereof are restricted as stated herein.

3. We understand that, on any proposed resale of the Notes or beneficial interest therein, we will be required to furnish to you and the Issuer such certifications, legal opinions and other information as you and the Issuer may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Notes purchased by us will bear a legend to the foregoing effect.

4. We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment.

5. We are acquiring the Notes or beneficial interest therein purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion.

You and the Issuer are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

_____ [Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____



**LIVE NATION ENTERTAINMENT, INC.
2005 STOCK INCENTIVE PLAN,
AS AMENDED AND RESTATED AS OF MARCH 19, 2015
STOCK OPTION AGREEMENT**

THIS STOCK OPTION AGREEMENT (the "Agreement"), made as of the ____ day of ____, 20__ (the "Grant Date") by and between Live Nation Entertainment, Inc., a Delaware corporation (the "Company"), and _____ (the "Optionee"), evidences the grant by the Company of an option to purchase shares of the Company's common stock, \$.01 par value (the "Common Stock"), to the Optionee on such date and the Optionee's acceptance of this option in accordance with the provisions of the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of March 19, 2015 (the "Plan"). The Company and the Optionee agree as follows:

1. Grant of Option. Subject to the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Optionee an option (the "Option") to purchase shares of Common Stock (the "Option Shares") from the Company at the price per share of \$____ (the "Option Price").
 2. Limitations on Exercise of Option. Except as otherwise provided in this Agreement, this Option will vest and become exercisable at such times and on such dates (each, a "Vesting Date") as are prescribed by the terms of the grant; provided, that, the Optionee is still employed or performing services for the Company on each such Vesting Date.
 3. Term of Option. Unless sooner terminated in accordance herewith or in the Plan, this Option shall expire on the date set forth in the grant notification provided to the Optionee.
 4. Method of Exercise.
 - (a) The Optionee may exercise this Option, from time to time, to the extent then exercisable, by contacting the Company's outside Plan administrator (the "Administrator") and following the procedures established by the Administrator. The Option Price of this Option may be paid in cash or by certified or bank check or in any other manner the Compensation Committee of the Company's Board of Directors (the "Committee"), in its discretion, may permit, including, without limitation, (i) the delivery of previously-owned shares, (ii) by a combination of a cash payment and delivery of previously-owned shares, or (iii) pursuant to a cashless exercise program established and made available through a registered broker-dealer in accordance with applicable law.
 - (b) At the time of exercise, the Optionee shall pay to the Administrator (or at the option of the Company, to the Company) such amount as the Company deems necessary to satisfy its obligation to withhold federal, state or local income or other taxes incurred by reason
-

of the exercise of this Option. The Optionee may elect to pay to the Administrator (or at the option of the Company, to the Company) an amount equal to the amount of the taxes which the Company shall be required to withhold by delivering to the Administrator (or at the option of the Company, to the Company), cash, a check or, at the sole discretion of the Company, shares of Common Stock having a fair market value equal to the amount of the withholding tax obligation as determined by the Company.

5. Issuance of Shares. Except as otherwise provided in the Plan, as promptly as practical after receipt of notification of exercise and full payment of the Option Price and any required income tax withholding, the Company shall issue or transfer to the Optionee the number of Option Shares with respect to which this Option has been so exercised, and shall deliver to the Optionee or have deposited in the Optionee's brokerage account with the Administrator a certificate or certificates therefor, registered in the Optionee's name.

6. Termination of Employment.

(a) If the Optionee's termination of employment or service is due to death, this Option shall automatically vest and become immediately exercisable in full and shall be exercisable by the Optionee's designated beneficiary, or, if none, the person(s) to whom the Optionee's rights under this Option are transferred by will or the laws of descent and distribution for one year following such termination of employment or service (but in no event beyond the term of the Option), and shall thereafter terminate.

(b) If the Optionee's termination of employment or service is due to Disability (as defined herein), the Optionee shall be treated, for purposes of this Agreement only, as if his/her employment or service continued with the Company for the lesser of (i) five years or (ii) the remaining term of this Option and this Option will continue to vest and remain exercisable during such period (the "Disability Vesting Period"). Upon expiration of the Disability Vesting Period, this Option shall automatically terminate; provided, that, if the Optionee should die during such period, this Option shall automatically vest and become immediately exercisable in full and shall be exercisable by the Optionee's designated beneficiary, or, if none, the person(s) to whom the Optionee's rights under this Option are transferred by will or the laws of descent and distribution for one year following such death (but in no event beyond the term of the Option), and shall thereafter terminate. For purposes of this section, "Disability" shall mean (i) if the Optionee's employment with the Company is subject to the terms of an employment or other service agreement between such Optionee and the Company, which agreement includes a definition of "Disability", the term "Disability" shall have the meaning set forth in such agreement during the period that such agreement remains in effect; and (ii) in all other cases, the term "Disability" shall mean a physical or mental infirmity which impairs the Optionee's ability to perform substantially his or her duties for a period of one hundred eighty (180) consecutive days.

(c) If the termination of the Optionee's employment or service is for Cause (as defined herein), this Option shall terminate upon such termination of employment or service, regardless of whether this Option was then exercisable. For purposes of this section, "Cause"

shall mean the Optionee's (i) intentional failure to perform reasonably assigned duties, (ii) dishonesty or willful misconduct in the performance of duties, (iii) involvement in a transaction in connection with the performance of duties to the Company which transaction is adverse to the interests of the Company and which is engaged in for personal profit or (iv) willful violation of any law, rule or regulation in connection with the performance of duties (other than traffic violations or similar offenses).

(d) If the termination of the Optionee's of employment or service is for any other reason, the unvested portion of this Option, any, shall terminate on the date of termination and the vested portion of this Option shall be exercisable for a period of three-months following such termination of employment or service (but in no event beyond the term of the Option), and shall thereafter terminate. The Optionee's status as an employee shall not be considered terminated in the case of a leave of absence agreed to in writing by the Company (including, but not limited to, military and sick leave); provided, that, such leave is for a period of not more than three-months or re-employment upon expiration of such leave is guaranteed by contract or statute.

(e) Notwithstanding any other provision of this Agreement or the Plan to the contrary, including, without limitation, Sections 7(b) and 7(c) of this Agreement:

(i) If it is determined by the Committee that prior to the date that this Option is fully vested (whether or not during the Disability Vesting Period), the Optionee engaged (or is engaging in) any activity that is harmful to the business or reputation of the Company (or any parent or subsidiary), including, without limitation, any "Competitive Activity" (as defined below) or conduct prejudicial to or in conflict with the Company (or any parent or subsidiary) or any material breach of a contractual obligation to the Company (or any parent or subsidiary) (collectively, "Prohibited Acts"), then, upon such determination by the Committee, this Option shall be cancelled and cease to be exercisable (whether or not then vested).

(ii) If it is determined by the Committee that the Optionee engaged (or is engaging in) any Prohibited Act where such Prohibited Act occurred or is occurring within the one (1) year period immediately following the exercise of any Option granted under this Agreement, the Optionee agrees that he/she will repay to the Company any gain realized on the exercise of such Option (such gain to be valued as of the relevant exercise date(s)). Such repayment obligation will be effective as of the date specified by the Committee. Any repayment obligation must be satisfied in cash or, if permitted in the sole discretion of the Committee, in shares of Common Stock having a fair market value equal the gain realized upon exercise of the Option. The Company is specifically authorized to off-set and deduct from any other payments, if any, including, without limitation, wages, salary or bonus, that it may owe the Optionee to secure the repayment obligations herein contained.

The determination of whether the Optionee has engaged in a Prohibited Act shall be determined by the Committee in good faith and in its sole discretion. The provisions of this Section shall have no effect following a Change in Control. For purposes of this Agreement, the term "Competitive Activity" shall mean the Optionee, without the prior written permission of the

Committee, any where in the world where the Company (or any parent or subsidiary) engages in business, directly or indirectly, (i) entering into the employ of or rendering any services to any person, entity or organization engaged in a business which is directly or indirectly related to the businesses of the Company or any parent or subsidiary (“Competitive Business”) or (ii) becoming associated with or interested in any Competitive Business as an individual, partner, shareholder, creditor, director, officer, principal, agent, employee, trustee, consultant, advisor or in any other relationship or capacity other than ownership of passive investments not exceeding 1% of the vote or value of such Competitive Business.

(f) The term “Company” as used in this Agreement with reference to the employment or service of the Optionee shall include the Company and its subsidiaries, as appropriate.

7. Change in Control. Upon the occurrence of a Change in Control (as defined herein), this Option shall become immediately vested and exercisable in full. For the purposes hereof, the term “Change in Control” shall mean a transaction or series of transactions which constitutes an “exchange transaction” within the meaning of the Plan or such other event involving a change in ownership or control of the business or assets of the Company as the Board, acting in its discretion, may determine.

8. Rights as a Stockholder. No shares of Common Stock shall be issued in respect of the exercise of this Option until payment of the exercise price and the applicable tax withholding obligations have been satisfied or provided for to the satisfaction of the Company, and the Optionee shall have no rights as a stockholder with respect to any shares covered by this Option until such shares are duly and validly issued by the Company to or on behalf of the Optionee.

9. Non-Transferability. This Option is not assignable or transferable except upon the Optionee’s death to a beneficiary designated by the Optionee in a manner prescribed or approved for this purpose by the Committee or, if no designated beneficiary shall survive the Optionee, pursuant to the Optionee’s will or by the laws of descent and distribution. During an Optionee’s lifetime, this Option may be exercised only by the Optionee or the Optionee’s guardian or legal representative.

10. Limitation of Rights. Nothing contained in this Agreement shall confer upon the Optionee any right with respect to the continuation of his employment or service with the Company, or interfere in any way with the right of the Company at any time to terminate such employment or other service or to increase or decrease, or otherwise adjust, the compensation and/or other terms and conditions of the Optionee’s employment or other service.

11. Restrictions on Transfer. The Optionee agrees, by acceptance of this Option, that, upon issuance of any shares hereunder, that, unless such shares are then registered under applicable federal and state securities laws, (i) acquisition of such shares will be for investment and not with a view to the distribution thereof, and (ii) the Company may require an investment letter from the Optionee in such form as may be recommended by Company counsel. The

Company shall in no event be obliged to register any securities pursuant to the Securities Act of 1933 (as now in effect or as hereafter amended) or to take any other affirmative action in order to cause the exercise of this Option or the issuance or transfer of shares pursuant thereto to comply with any law or regulation of any governmental authority.

12. Notice. Any notice to the Company provided for in this Agreement shall be addressed to it in care of its Secretary at the Company's executive offices, and any notice to the Optionee shall be addressed to the Optionee at the current address shown on the payroll records of the Company. Any notice shall be deemed to be duly given if and when properly addressed and posted by registered or certified mail, postage prepaid.

13. Incorporation of Plan by Reference. This Option is granted pursuant to the terms of the Plan, the terms of which are incorporated herein by reference, and this Option shall in all respects be interpreted in accordance with the Plan. The Committee shall interpret and construe the Plan and this Agreement and its interpretations and determinations shall be conclusive and binding on the parties hereto and any other person claiming an interest hereunder, with respect to any issue arising hereunder or thereunder. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Agreement, the Plan shall govern and control. All capitalized terms not defined herein shall have the meaning ascribed to them as set forth in the Plan.

14. Governing Law. This Agreement and the rights of all persons claiming under this Agreement shall be governed by the laws of the State of Delaware, without giving effect to conflicts of laws principles thereof.

15. Tax Status of Option. This Option is not intended to be an incentive stock option within the meaning of Section 422 of the Code.

16. Miscellaneous. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be modified other than by written instrument executed by the parties.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first above written.

LIVE NATION ENTERTAINMENT, INC.

Optionee: _____ By: _____
Name:
Title:



**LIVE NATION ENTERTAINMENT, INC.
2005 STOCK INCENTIVE PLAN,
AS AMENDED AND RESTATED AS OF MARCH 19, 2015
RESTRICTED STOCK AWARD AGREEMENT**

THIS RESTRICTED STOCK AWARD AGREEMENT (the "Agreement"), made as of the ___ day of ___, 20___ (the "Grant Date") by and between Live Nation Entertainment, Inc., a Delaware corporation (the "Company"), and _____ (the "Grantee"), evidences the grant by the Company of an award of restricted stock (the "Award") to the Grantee on such date and the Grantee's acceptance of the Award in accordance with the provisions of the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of March 19, 2015 (the "Plan"). The Company and the Grantee agree as follows:

1. Basis for Award. This Award is made under the Plan pursuant to Section 8 thereof for service rendered or to be rendered to the Company by the Grantee, subject to all of the terms and conditions of this Agreement, including, without limitation, Section 4(b) hereof.

2. Stock Awarded.

(a) The Company hereby awards to the Grantee, in the aggregate, _____ shares of Restricted Stock (the "Restricted Stock") which shall be subject to the restrictions and conditions set forth in the Plan and in this Agreement.

(b) Shares of Restricted Stock shall be evidenced by book-entry registration with the Company's transfer agent, subject to such stop-transfer orders and other terms deemed appropriate by the Compensation Committee of the Company's Board of Directors (the "Committee") to reflect the restrictions applicable to such Award. Notwithstanding the foregoing, if any certificate is issued in respect of shares of Restricted Stock at the sole discretion of the Committee, such certificate shall be registered in the name of Grantee and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such award, substantially in the following form:

"THE TRANSFERABILITY OF THIS CERTIFICATE AND THE COMMON STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE) CONTAINED IN THE RESTRICTED STOCK AWARD AGREEMENT DATED AS OF ___ , 20___, ENTERED INTO BETWEEN THE REGISTERED OWNER AND LIVE NATION ENTERTAINMENT, INC."

If a certificate is issued with respect to the Restricted Stock, the Committee may require that the certificate evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed and that the Grantee deliver a stock power, endorsed in blank, relating

to the shares covered by such Award. At the expiration of the restrictions, the Company shall instruct the transfer agent to release the shares from the restrictions applicable to such Award, subject to the terms of the Plan and applicable law or, in the event that a certificate has been issued, redeliver to the Grantee (or his legal representative, beneficiary or heir) share certificates for the shares deposited with it without any legend except as otherwise provided by the Plan, this Agreement or applicable law. During the period that the Grantee holds the shares of Restricted Stock, the Grantee shall have the right to vote the Restricted Stock while it is subject to restriction, but, notwithstanding any provisions of the Plan to the contrary, shall have no right to receive dividends prior to the vesting of such shares, and shall have no right to payment, accrual, crediting or otherwise with regard to dividends declared or paid by the Company prior to the vesting of the applicable shares. If the Award is forfeited in whole or in part, the Grantee will assign, transfer, and deliver any evidence of the shares of Restricted Stock to the Company and cooperate with the Company to reflect such forfeiture.

(c) In addition to the forfeiture restrictions set forth herein, prior to vesting as provided in Sections 3 and 4(a) of this Agreement, the shares of Restricted Stock may not be sold, assigned, transferred, hypothecated, pledged or otherwise alienated (collectively a "Transfer") by the Grantee and any such Transfer or attempted Transfer, whether voluntary or involuntary, and if involuntary whether by process of law in any civil or criminal suit, action or proceeding, whether in the nature of an insolvency or bankruptcy proceeding or otherwise, shall be void and of no effect.

3. Vesting. Except as otherwise provided in this Agreement, the restrictions described in Section 2 of this Agreement will lapse at such times and on such dates (each, a "Vesting Date") as are prescribed by the terms of the grant; provided, that, the Grantee is still employed or performing services for the Company on each such Vesting Date. In the event of the Grantee's termination of employment or service prior to the date that all of the Restricted Stock is vested, except as otherwise provided in this Agreement, all Restricted Stock still subject to restriction shall be forfeited.

(a) If the Grantee's termination of employment or service is due to death and such death occurs prior to the date that all of the Restricted Stock is vested, all restrictions will lapse with respect to 100% of the Restricted Stock still subject to restriction on the date of death.

(b) If the Grantee's termination of employment or service is due to Disability (as defined herein) and such Disability occurs prior to the date that all of the Restricted Stock is vested, the Grantee shall be treated, for purposes of this Agreement only, as if his/her employment or service continued with the Company until the date that all restrictions on the Restricted Stock have lapsed (the "Extension Period") and such Restricted Stock will vest in accordance with the schedule set forth herein; provided, that, if the Grantee dies during the Extension Period and the Restricted Stock has not been forfeited in accordance with Section 4(b), all restrictions will lapse with respect to 100% of the Restricted Stock still subject to restriction on the date of death. "Disability" shall mean (i) if the Grantee's employment with the Company is subject to the terms of an employment or other service agreement between such Grantee and the Company, which agreement includes a definition of "Disability", the term

“Disability” shall have the meaning set forth in such agreement during the period that such agreement remains in effect; and (ii) in all other cases, the term “Disability” shall mean a physical or mental infirmity which impairs the Grantee’s ability to perform substantially his or her duties for a period of one hundred eighty (180) consecutive days.

(c) If the Grantee’s termination of employment or service is for any other reason and such termination occurs prior to the date that all of the Restricted Stock is vested, the Restricted Stock still subject to restriction shall automatically be forfeited upon such cessation of employment or services.

(d) The term “Company” as used in this Agreement with reference to employment or service of the Grantee shall include the Company and its parent and subsidiaries, as appropriate.

4. Special Rules.

(a) Change in Control. In the event of a Change in Control, the restrictions described in Sections 2 and 3 of this Agreement will lapse with respect to 100% of the Restricted Stock still subject to restriction. For the purposes hereof, the term “Change in Control” shall mean a transaction or series of transactions which constitutes an “exchange transaction” within the meaning of the Plan or such other event involving a change in ownership or control of the business or assets of the Company as the Board, acting in its discretion, may determine.

(b) Forfeiture.

(i) Notwithstanding the provisions of Section 3 of this Agreement and any other provision of this Agreement or the Plan to the contrary, if it is determined by the Committee that prior to the date that all of the Restricted Stock is vested (whether or not during the Extension Period), the Grantee engaged (or is engaging in) any activity that is harmful to the business or reputation of the Company (or any parent or subsidiary), including, without limitation, any “Competitive Activity” (as defined below) or conduct prejudicial to or in conflict with the Company (or any parent or subsidiary) or any material breach of a contractual obligation to the Company (or any parent or subsidiary) (collectively, “Prohibited Acts”), then, upon such determination by the Committee, all Restricted Stock granted to the Grantee under this Agreement which is still subject to restriction shall be cancelled and forfeited.

(ii) Notwithstanding any other provision of this Agreement or the Plan to the contrary, if it is determined by the Committee that the Grantee engaged (or is engaging in) any Prohibited Act where such Prohibited Act occurred or is occurring within the one (1) year period immediately following the vesting of any Restricted Stock under this Agreement (including, without limitation, vesting that occurs by application of Section 3(b) of this Agreement), the Grantee agrees that he/she will repay to the Company any gain realized on the vesting of such Restricted Stock (such gain to be valued as of the relevant Vesting Date(s) based on the fair market value of the Restricted Stock on the relevant Vesting Date(s) over the purchase price paid, if any, of such stock). Such repayment obligation will be effective as of the date specified by the Committee. Any repayment obligation must be satisfied in cash or, if permitted

in the sole discretion of the Committee, in shares of Common Stock having a fair market value equal the value of the Restricted Stock on the relevant Vesting Date(s). The Company is specifically authorized to off-set and deduct from any other payments, if any, including, without limitation, wages, salary or bonus, that it may owe the Grantee to secure the repayment obligations herein contained.

(iii) The determination of whether the Grantee has engaged in a Prohibited Act shall be determined by the Committee in good faith and in its sole discretion.

(iv) The provisions of this Section 4(b) shall have no effect following a Change in Control.

(v) For purposes of this Agreement, the term "Competitive Activity" shall mean the Grantee, without the prior written permission of the Committee, any where in the world where the Company (or any parent or subsidiary) engages in business, directly or indirectly, (A) entering into the employ of or rendering any services to any person, entity or organization engaged in a business which is directly or indirectly related to the businesses of the Company or any parent or subsidiary ("Competitive Business") or (B) becoming associated with or interested in any Competitive Business as an individual, partner, shareholder, creditor, director, officer, principal, agent, employee, trustee, consultant, advisor or in any other relationship or capacity other than ownership of passive investments not exceeding 1% of the vote or value of such Competitive Business.

5. Compliance with Laws and Exchange Requirements. The issuance and transfer of any shares of Common Stock shall be subject to compliance by the Company and the Grantee with all applicable requirements of securities laws and with all applicable requirements of any stock exchange on which the shares may be listed at the time of such issuance or transfer. The Grantee understands that the Company is under no obligation to register or qualify the shares of Common Stock with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

6. Tax Withholding.

(a) The Grantee agrees that, subject to clause 6(b) below, no later than the date as of which the restrictions on the Restricted Stock shall lapse with respect to all or any of the Restricted Stock covered by this Agreement, the Grantee shall pay to the Company (in cash or to the extent permitted by the Committee in its sole discretion, shares of Common Stock held by the Grantee whose fair market value is equal to the amount of the Grantee's tax withholding liability) any federal, state or local taxes of any kind required by law to be withheld, if any, with respect to the Restricted Stock for which the restrictions shall lapse. The Company or its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to the Grantee any federal, state or local taxes of any kind required by law to be withheld with respect to the shares of Restricted Stock. The Company may refuse to instruct the transfer agent to release the shares of Common Stock or redeliver share certificates if the Grantee fails to comply with any withholding obligation.

(b) If the Grantee properly elects, within thirty (30) days of the Grant Date, to include in gross income for federal income tax purposes an amount equal to the fair market value as of the Grant Date of the Restricted Stock granted hereunder pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, the Grantee shall pay to the Company, or make other arrangements satisfactory to the Committee to pay to the Company, any federal, state or local taxes required to be withheld with respect to such shares. If the Grantee fails to make such payments, the Company or its affiliates shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to the Grantee any federal, state or local taxes of any kind required by law to be withheld with respect to such shares. The Company may refuse to instruct the transfer agent to release the shares or redeliver share certificates if Grantee fails to comply with any withholding obligation.

7. Limitation of Rights. Nothing contained in this Agreement shall confer upon the Grantee any right with respect to the continuation of his employment or service with the Company, or interfere in any way with the right of the Company at any time to terminate such employment or other service or to increase or decrease, or otherwise adjust, the compensation and/or other terms and conditions of the Grantee's employment or other service.

8. Representations and Warranties of Grantee. The Grantee represents and warrants to the Company that:

(a) Agrees to Terms of the Plan. The Grantee has received a copy of the Plan and the Prospectus prepared pursuant to the Form S-8 Registration Statement relating to the Plan and has read and understands the terms of the Plan, this Agreement and the Prospectus, and agrees to be bound by their terms and conditions. The Grantee acknowledges that there may be adverse tax consequences upon the vesting of Restricted Stock or disposition of the shares once vested, and that the Grantee should consult a tax adviser prior to such time.

(b) Cooperation. The Grantee agrees to sign such additional documentation as may reasonably be required from time to time by the Company.

9. Incorporation of Plan by Reference. The Award is granted pursuant to the terms of the Plan, the terms of which are incorporated herein by reference, and the Award shall in all respects be interpreted in accordance with the Plan. The Committee shall interpret and construe the Plan and this Agreement and its interpretations and determinations shall be conclusive and binding on the parties hereto and any other person claiming an interest hereunder, with respect to any issue arising hereunder or thereunder. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Agreement, the Plan shall govern and control. All capitalized terms not defined herein shall have the meaning ascribed to them as set forth in the Plan.

10. Governing Law. This Agreement and the rights of all persons claiming under this Agreement shall be governed by the laws of the State of Delaware, without giving effect to conflicts of laws principles thereof.

11. Miscellaneous. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be modified other than by written instrument executed by the parties.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first above written.

LIVE NATION ENTERTAINMENT, INC.

Grantee: _____

By: _____

Name:

Title:



**AMENDED AND RESTATED TICKETMASTER ENTERTAINMENT, INC.
2008 STOCK AND ANNUAL INCENTIVE PLAN
STOCK OPTION AGREEMENT**

THIS STOCK OPTION AGREEMENT (this "Agreement"), made as of the ____ day of ____, 20__ (the "Grant Date") by and between Live Nation Entertainment, Inc., a Delaware corporation (the "Company"), and _____ (the "Optionee"), evidences the grant by the Company of an option to purchase shares of the Company's common stock, \$.01 par value (the "Common Stock"), to the Optionee on such date and the Optionee's acceptance of this option in accordance with the provisions of the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan (the "Plan"). The Company and the Optionee agree as follows:

1. Grant of Option. Subject to the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Optionee an option (the "Option") to purchase shares of Common Stock (the "Option Shares") from the Company at the price per share of \$ ____ (the "Option Price").
 2. Limitations on Exercise of Option. Except as otherwise provided in this Agreement, this Option will vest and become exercisable at such times and on such dates (each, a "Vesting Date") as are prescribed by the terms of the grant; provided, that, the Optionee is still employed or performing services for the Company on each such Vesting Date.
 3. Term of Option. Unless sooner terminated in accordance herewith or in the Plan, this Option shall expire ten years from the date of grant or, if earlier, on the date set forth in the grant notification provided to the Optionee.
 4. Method of Exercise.
 - (a) The Optionee may exercise this Option, from time to time, to the extent then exercisable, by contacting the Company's outside Plan administrator (the "Administrator") and following the procedures established by the Administrator. The Option Price of this Option may be paid in cash or by certified or bank check or in any other manner the Compensation Committee of the Company's Board of Directors (the "Committee"), in its discretion, may permit, including, without limitation, (i) the delivery of previously-owned shares, (ii) by a combination of a cash payment and delivery of previously-owned shares, or (iii) pursuant to a cashless exercise program established and made available through a registered broker-dealer in accordance with applicable law.
 - (b) At the time of exercise, the Optionee shall pay to the Administrator (or at the option of the Company, to the Company) such amount as the Company deems necessary to satisfy its obligation to withhold federal, state or local income or other taxes incurred by reason
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of the exercise of this Option. The Optionee may elect to pay to the Administrator (or at the option of the Company, to the Company) an amount equal to the amount of the taxes which the Company shall be required to withhold by delivering to the Administrator (or at the option of the Company, to the Company), cash, a check or, at the sole discretion of the Company, shares of Common Stock having a fair market value equal to the amount of the withholding tax obligation as determined by the Company.

5. Issuance of Shares. Except as otherwise provided in the Plan, as promptly as practical after receipt of notification of exercise and full payment of the Option Price and any required income tax withholding, the Company shall issue or transfer to the Optionee the number of Option Shares with respect to which this Option has been so exercised, and shall deliver to the Optionee or have deposited in the Optionee's brokerage account with the Administrator a certificate or certificates therefor, registered in the Optionee's name.

6. Termination of Employment.

(a) If the Optionee's termination of employment or service is due to death, this Option shall automatically vest and become immediately exercisable in full and shall be exercisable by the Optionee's designated beneficiary, or, if none, the person(s) to whom the Optionee's rights under this Option are transferred by will or the laws of descent and distribution for one year following such termination of employment or service (but in no event beyond the term of the Option), and shall thereafter terminate.

(b) If the Optionee's termination of employment or service is due to Disability (as defined herein), the Optionee shall be treated, for purposes of this Agreement only, as if his/her employment or service continued with the Company for the lesser of (i) five years or (ii) the remaining term of this Option and this Option will continue to vest and remain exercisable during such period (the "Disability Vesting Period"). Upon expiration of the Disability Vesting Period, this Option shall automatically terminate; provided, that, if the Optionee should die during such period, this Option shall automatically vest and become immediately exercisable in full and shall be exercisable by the Optionee's designated beneficiary, or, if none, the person(s) to whom the Optionee's rights under this Option are transferred by will or the laws of descent and distribution for one year following such death (but in no event beyond the term of the Option), and shall thereafter terminate. For purposes of this section, "Disability" shall mean (i) if the Optionee's employment with the Company is subject to the terms of an employment or other service agreement between such Optionee and the Company, which agreement includes a definition of "Disability", the term "Disability" shall have the meaning set forth in such agreement during the period that such agreement remains in effect; and (ii) in all other cases, the term "Disability" shall mean a physical or mental infirmity which impairs the Optionee's ability to perform substantially his or her duties for a period of one hundred eighty (180) consecutive days.

(c) If the termination of the Optionee's employment or service is for Cause (as defined herein), this Option shall terminate upon such termination of employment or service, regardless of whether this Option was then exercisable. For purposes of this section, "Cause"

shall mean the Optionee's (i) intentional failure to perform reasonably assigned duties, (ii) dishonesty or willful misconduct in the performance of duties, (iii) involvement in a transaction in connection with the performance of duties to the Company which transaction is adverse to the interests of the Company and which is engaged in for personal profit or (iv) willful violation of any law, rule or regulation in connection with the performance of duties (other than traffic violations or similar offenses).

(d) If the termination of the Optionee's of employment or service is for any other reason, the unvested portion of this Option, any, shall terminate on the date of termination and the vested portion of this Option shall be exercisable for a period of three-months following such termination of employment or service (but in no event beyond the term of the Option), and shall thereafter terminate. The Optionee's status as an employee shall not be considered terminated in the case of a leave of absence agreed to in writing by the Company (including, but not limited to, military and sick leave); provided, that, such leave is for a period of not more than three-months or re-employment upon expiration of such leave is guaranteed by contract or statute.

(e) Notwithstanding any other provision of this Agreement or the Plan to the contrary, including, without limitation, Sections 7(b) and 7(c) of this Agreement:

(i) If it is determined by the Committee that prior to the date that this Option is fully vested (whether or not during the Disability Vesting Period), the Optionee engaged (or is engaging in) any activity that is harmful to the business or reputation of the Company (or any parent or subsidiary), including, without limitation, any "Competitive Activity" (as defined below) or conduct prejudicial to or in conflict with the Company (or any parent or subsidiary) or any material breach of a contractual obligation to the Company (or any parent or subsidiary) (collectively, "Prohibited Acts"), then, upon such determination by the Committee, this Option shall be cancelled and cease to be exercisable (whether or not then vested).

(ii) If it is determined by the Committee that the Optionee engaged (or is engaging in) any Prohibited Act where such Prohibited Act occurred or is occurring within the one (1) year period immediately following the exercise of any Option granted under this Agreement, the Optionee agrees that he/she will repay to the Company any gain realized on the exercise of such Option (such gain to be valued as of the relevant exercise date(s)). Such repayment obligation will be effective as of the date specified by the Committee. Any repayment obligation must be satisfied in cash or, if permitted in the sole discretion of the Committee, in shares of Common Stock having a fair market value equal the gain realized upon exercise of the Option. The Company is specifically authorized to off-set and deduct from any other payments, if any, including, without limitation, wages, salary or bonus, that it may owe the Optionee to secure the repayment obligations herein contained.

The determination of whether the Optionee has engaged in a Prohibited Act shall be determined by the Committee in good faith and in its sole discretion. The provisions of this Section shall have no effect following a Change in Control. For purposes of this Agreement, the term "Competitive Activity" shall mean the Optionee, without the prior written permission of the

Committee, anywhere in the world where the Company (or any parent or subsidiary) engages in business, directly or indirectly, (i) entering into the employ of or rendering any services to any person, entity or organization engaged in a business which is directly or indirectly related to the businesses of the Company or any parent or subsidiary ("Competitive Business") or (ii) becoming associated with or interested in any Competitive Business as an individual, partner, shareholder, creditor, director, officer, principal, agent, employee, trustee, consultant, advisor or in any other relationship or capacity other than ownership of passive investments not exceeding 1% of the vote or value of such Competitive Business.

(f) The terms "Disability," and "Cause" are used herein with the respective meanings for such terms set forth herein, notwithstanding that different definitions for such terms may be set forth in the Plan. The term "Company" as used in this Agreement with reference to the employment or service of the Optionee shall include the Company and its subsidiaries, as appropriate.

7. Change in Control; Capital Changes, Reorganization or Sale of the Company.

(a) Upon the occurrence of a Change in Control (as defined herein), this Option shall become immediately vested and exercisable in full. For the purposes hereof, the term "Change in Control" shall mean a transaction or series of transactions which constitutes an "Exchange Transaction" (as defined in the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and/or restated from time to time (the "LN Plan")) or such other event involving a change in ownership or control of the business or assets of the Company as its Board of Directors, acting in its discretion, may determine.

(b) The provisions of Section 11 of the LN Plan are hereby incorporated into this Agreement, *mutatis mutandis*, as if fully set forth herein. To the extent that any provision of the Plan is inconsistent with, or contrary to, this Section 7 and Section 11 of the LN Plan, then the provision set forth in this Section 7 and Section 11 of the LN Plan shall govern this Agreement and the Option in all respects.

8. Rights as a Stockholder. No shares of Common Stock shall be issued in respect of the exercise of this Option until payment of the exercise price and the applicable tax withholding obligations have been satisfied or provided for to the satisfaction of the Company, and the Optionee shall have no rights as a stockholder with respect to any shares covered by this Option until such shares are duly and validly issued by the Company to or on behalf of the Optionee.

9. Non-Transferability. This Option is not assignable or transferable except upon the Optionee's death to a beneficiary designated by the Optionee in a manner prescribed or approved for this purpose by the Committee or, if no designated beneficiary shall survive the Optionee, pursuant to the Optionee's will or by the laws of descent and distribution. During an Optionee's lifetime, this Option may be exercised only by the Optionee or the Optionee's guardian or legal representative.

10. Limitation of Rights. Nothing contained in this Agreement shall confer upon the Optionee any right with respect to the continuation of his employment or service with the Company, or interfere in any way with the right of the Company at any time to terminate such employment or other service or to increase or decrease, or otherwise adjust, the compensation and/or other terms and conditions of the Optionee's employment or other service.

11. Restrictions on Transfer. The Optionee agrees, by acceptance of this Option, that, upon issuance of any shares hereunder, that, unless such shares are then registered under applicable federal and state securities laws, (i) acquisition of such shares will be for investment and not with a view to the distribution thereof, and (ii) the Company may require an investment letter from the Optionee in such form as may be recommended by Company counsel. The Company shall in no event be obliged to register any securities pursuant to the Securities Act of 1933 (as now in effect or as hereafter amended) or to take any other affirmative action in order to cause the exercise of this Option or the issuance or transfer of shares pursuant thereto to comply with any law or regulation of any governmental authority.

12. Notice. Any notice to the Company provided for in this Agreement shall be addressed to it in care of its Secretary at the Company's executive offices, and any notice to the Optionee shall be addressed to the Optionee at the current address shown on the payroll records of the Company. Any notice shall be deemed to be duly given if and when properly addressed and posted by registered or certified mail, postage prepaid.

13. Incorporation of Plan by Reference. This Option is granted pursuant to the terms of the Plan, the terms of which are incorporated herein by reference, and this Option shall be interpreted in accordance with the Plan; provided, however, that to the extent that any provision of the LN Plan that has also been incorporated into this Agreement is inconsistent with, or contrary to, any provision of the Plan, then this Option shall instead be interpreted in accordance with such provision of the LN Plan. The Committee shall interpret and construe the Plan and this Agreement and its interpretations and determinations shall be conclusive and binding on the parties hereto and any other person claiming an interest hereunder, with respect to any issue arising hereunder or thereunder. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Agreement, this Agreement shall govern and control. All capitalized terms not defined herein shall have the meaning ascribed to them as set forth in the Plan, other than terms which are defined in any provision of the LN Plan incorporated into this Agreement.

14. Governing Law. This Agreement and the rights of all persons claiming under this Agreement shall be governed by the laws of the State of Delaware, without giving effect to conflicts of laws principles thereof.

15. Tax Status of Option. This Option is not intended to be an incentive stock option within the meaning of Section 422 of the Code.

16. Miscellaneous. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This

Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be modified other than by written instrument executed by the parties.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first above written.

LIVE NATION ENTERTAINMENT, INC.

Optionee: _____ By: _____
Name:
Title:



**AMENDED AND RESTATED TICKETMASTER ENTERTAINMENT, INC.
2008 STOCK AND ANNUAL INCENTIVE PLAN
RESTRICTED STOCK AWARD AGREEMENT**

THIS RESTRICTED STOCK AWARD AGREEMENT (the "Agreement"), made as of the ___ day of ___, 20___ (the "Grant Date") by and between Live Nation Entertainment, Inc., a Delaware corporation (the "Company"), and _____ (the "Grantee"), evidences the grant by the Company of an award of restricted stock (the "Award") to the Grantee on such date and the Grantee's acceptance of the Award in accordance with the provisions of the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan (the "Plan"). The Company and the Grantee agree as follows:

1. Basis for Award. This Award is made under the Plan pursuant to Section 6 thereof for service rendered or to be rendered to the Company by the Grantee, subject to all of the terms and conditions of this Agreement, including, without limitation, Section 4(c) hereof.

2. Stock Awarded.

(a) The Company hereby awards to the Grantee, in the aggregate, _____ shares of Restricted Stock (the "Restricted Stock") which shall be subject to the restrictions and conditions set forth in the Plan and in this Agreement.

(b) Shares of Restricted Stock shall be evidenced by book-entry registration with the Company's transfer agent, subject to such stop-transfer orders and other terms deemed appropriate by the Compensation Committee of the Company's Board of Directors (the "Committee") to reflect the restrictions applicable to such Award. Notwithstanding the foregoing, if any certificate is issued in respect of shares of Restricted Stock at the sole discretion of the Committee, such certificate shall be registered in the name of Grantee and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such award, substantially in the following form:

"THE TRANSFERABILITY OF THIS CERTIFICATE AND THE COMMON STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE) CONTAINED IN THE RESTRICTED STOCK AWARD AGREEMENT DATED AS OF ___ , 20___, ENTERED INTO BETWEEN THE REGISTERED OWNER AND LIVE NATION ENTERTAINMENT, INC."

If a certificate is issued with respect to the Restricted Stock, the Committee may require that the certificate evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed and that the Grantee deliver a stock power, endorsed in blank, relating to the shares covered by such Award. At the expiration of the restrictions, the Company shall

instruct the transfer agent to release the shares from the restrictions applicable to such Award, subject to the terms of the Plan and applicable law or, in the event that a certificate has been issued, redeliver to the Grantee (or his legal representative, beneficiary or heir) share certificates for the shares deposited with it without any legend except as otherwise provided by the Plan, this Agreement or applicable law. During the period that the Grantee holds the shares of Restricted Stock, the Grantee shall have the right to vote the Restricted Stock while it is subject to restriction, but, notwithstanding any provisions of the Plan to the contrary, shall have no right to receive dividends prior to the vesting of such shares, and shall have no right to payment, accrual, crediting or otherwise with regard to dividends declared or paid by the Company prior to the vesting of the applicable shares. If the Award is forfeited in whole or in part, the Grantee will assign, transfer, and deliver any evidence of the shares of Restricted Stock to the Company and cooperate with the Company to reflect such forfeiture.

(c) In addition to the forfeiture restrictions set forth herein, prior to vesting as provided in Sections 3 and 4(a) of this Agreement, the shares of Restricted Stock may not be sold, assigned, transferred, hypothecated, pledged or otherwise alienated (collectively a “Transfer”) by the Grantee and any such Transfer or attempted Transfer, whether voluntary or involuntary, and if involuntary whether by process of law in any civil or criminal suit, action or proceeding, whether in the nature of an insolvency or bankruptcy proceeding or otherwise, shall be void and of no effect.

3. Vesting. Except as otherwise provided in this Agreement, the restrictions described in Section 2 of this Agreement will lapse at such times and on such dates (each, a “Vesting Date”) as are prescribed by the terms of the grant; provided, that, the Grantee is still employed or performing services for the Company on each such Vesting Date. In the event of the Grantee’s termination of employment or service prior to the date that all of the Restricted Stock is vested, except as otherwise provided in this Agreement, all Restricted Stock still subject to restriction shall be forfeited.

(a) If the Grantee’s termination of employment or service is due to death and such death occurs prior to the date that all of the Restricted Stock is vested, all restrictions will lapse with respect to 100% of the Restricted Stock still subject to restriction on the date of death.

(b) If the Grantee’s termination of employment or service is for any other reason and such termination occurs prior to the date that all of the Restricted Stock is vested, the Restricted Stock still subject to restriction shall automatically be forfeited upon such cessation of employment or services.

(c) The term “Disability” is used herein with the meaning for such term set forth herein, notwithstanding that different definitions for such terms may be set forth in the Plan. The term “Company” as used in this Agreement with reference to employment or service of the Grantee shall include the Company and its parent and subsidiaries, as appropriate.

4. Special Rules.

(a) Change in Control. In the event of a Change in Control, the restrictions described in Sections 2 and 3 of this Agreement will lapse with respect to 100% of the Restricted Stock still subject to restriction. For the purposes hereof, the term "Change in Control" shall mean a transaction or series of transactions which constitutes an "Exchange Transaction" (as defined in the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and/or restated from time to time (the "LN Plan")) or such other event involving a change in ownership or control of the business or assets of the Company as its Board of Directors, acting in its discretion, may determine.

(b) Capital Changes, Reorganization or Sale of the Company. The provisions of Section 11 of the LN Plan are hereby incorporated into this Agreement, *mutatis mutandis*, as if fully set forth herein. To the extent that any provision of the Plan is inconsistent with, or contrary to, this Section 4 and Section 11 of the LN Plan, then the provision set forth in this Section 4 and Section 11 of the LN Plan shall govern this Agreement and the Award in all respects.

(c) Forfeiture.

(i) Notwithstanding the provisions of Section 3 of this Agreement and any other provision of this Agreement or the Plan to the contrary, if it is determined by the Committee that prior to the date that all of the Restricted Stock is vested (whether or not during the Extension Period), the Grantee engaged (or is engaging in) any activity that is harmful to the business or reputation of the Company (or any parent or subsidiary), including, without limitation, any "Competitive Activity" (as defined below) or conduct prejudicial to or in conflict with the Company (or any parent or subsidiary) or any material breach of a contractual obligation to the Company (or any parent or subsidiary) (collectively, "Prohibited Acts"), then, upon such determination by the Committee, all Restricted Stock granted to the Grantee under this Agreement which is still subject to restriction shall be cancelled and forfeited.

(ii) Notwithstanding any other provision of this Agreement or the Plan to the contrary, if it is determined by the Committee that the Grantee engaged (or is engaging in) any Prohibited Act where such Prohibited Act occurred or is occurring within the one (1) year period immediately following the vesting of any Restricted Stock under this Agreement (including, without limitation, vesting that occurs by application of Section 3(b) of this Agreement), the Grantee agrees that he/she will repay to the Company any gain realized on the vesting of such Restricted Stock (such gain to be valued as of the relevant Vesting Date(s) based on the fair market value of the Restricted Stock on the relevant Vesting Date(s) over the purchase price paid, if any, of such stock). Such repayment obligation will be effective as of the date specified by the Committee. Any repayment obligation must be satisfied in cash or, if permitted in the sole discretion of the Committee, in shares of Common Stock having a fair market value equal the value of the Restricted Stock on the relevant Vesting Date(s). The Company is specifically authorized to off-set and deduct from any other payments, if any, including, without limitation, wages, salary or bonus, that it may owe the Grantee to secure the repayment obligations herein contained.

(iii) The determination of whether the Grantee has engaged in a Prohibited Act shall be determined by the Committee in good faith and in its sole discretion.

(iv) The provisions of this Section 4(c) shall have no effect following a Change in Control.

(v) For purposes of this Agreement, the term "Competitive Activity" shall mean the Grantee, without the prior written permission of the Committee, any where in the world where the Company (or any parent or subsidiary) engages in business, directly or indirectly, (A) entering into the employ of or rendering any services to any person, entity or organization engaged in a business which is directly or indirectly related to the businesses of the Company or any parent or subsidiary ("Competitive Business") or (B) becoming associated with or interested in any Competitive Business as an individual, partner, shareholder, creditor, director, officer, principal, agent, employee, trustee, consultant, advisor or in any other relationship or capacity other than ownership of passive investments not exceeding 1% of the vote or value of such Competitive Business.

5. Compliance with Laws and Exchange Requirements. The issuance and transfer of any shares of Common Stock shall be subject to compliance by the Company and the Grantee with all applicable requirements of securities laws and with all applicable requirements of any stock exchange on which the shares may be listed at the time of such issuance or transfer. The Grantee understands that the Company is under no obligation to register or qualify the shares of Common Stock with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

6. Tax Withholding.

(a) The Grantee agrees that, subject to clause 6(b) below, no later than the date as of which the restrictions on the Restricted Stock shall lapse with respect to all or any of the Restricted Stock covered by this Agreement, the Grantee shall pay to the Company (in cash or to the extent permitted by the Committee in its sole discretion, shares of Common Stock held by the Grantee whose fair market value is equal to the amount of the Grantee's tax withholding liability) any federal, state or local taxes of any kind required by law to be withheld, if any, with respect to the Restricted Stock for which the restrictions shall lapse. The Company or its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to the Grantee any federal, state or local taxes of any kind required by law to be withheld with respect to the shares of Restricted Stock. The Company may refuse to instruct the transfer agent to release the shares of Common Stock or redeliver share certificates if the Grantee fails to comply with any withholding obligation.

(b) If the Grantee properly elects, within thirty (30) days of the Grant Date, to include in gross income for federal income tax purposes an amount equal to the fair market value as of the Grant Date of the Restricted Stock granted hereunder pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, the Grantee shall pay to the Company, or make other arrangements satisfactory to the Committee to pay to the Company, any federal, state or local taxes required to be withheld with respect to such shares. If the Grantee fails to make such payments, the Company or its affiliates shall, to the extent permitted by law, have the right to

deduct from any payment of any kind otherwise due to the Grantee any federal, state or local taxes of any kind required by law to be withheld with respect to such shares. The Company may refuse to instruct the transfer agent to release the shares or redeliver share certificates if Grantee fails to comply with any withholding obligation.

7. Limitation of Rights. Nothing contained in this Agreement shall confer upon the Grantee any right with respect to the continuation of his employment or service with the Company, or interfere in any way with the right of the Company at any time to terminate such employment or other service or to increase or decrease, or otherwise adjust, the compensation and/or other terms and conditions of the Grantee's employment or other service.

8. Representations and Warranties of Grantee. The Grantee represents and warrants to the Company that:

(a) Agrees to Terms of the Plan. The Grantee has received a copy of the Plan and the Prospectus prepared pursuant to the Form S-8 Registration Statement relating to the Plan and has read and understands the terms of the Plan, this Agreement and the Prospectus, and agrees to be bound by their terms and conditions. The Grantee acknowledges that there may be adverse tax consequences upon the vesting of Restricted Stock or disposition of the shares once vested, and that the Grantee should consult a tax adviser prior to such time.

(b) Cooperation. The Grantee agrees to sign such additional documentation as may reasonably be required from time to time by the Company.

9. Incorporation of Plan by Reference. The award is granted pursuant to the terms of the Plan, the terms of which are incorporated herein by reference, and the Award shall be interpreted in accordance with the Plan; provided, however, that to the extent that any provision of the LN Plan that has also been incorporated into this Agreement is inconsistent with, or contrary to, any provision of the Plan, then the Award shall instead be interpreted in accordance with such provision of the LN Plan. The Committee shall interpret and construe the Plan and this Agreement and its interpretations and determinations shall be conclusive and binding on the parties hereto and any other person claiming an interest hereunder, with respect to any issue arising hereunder or thereunder. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Agreement, this Agreement shall govern and control. All capitalized terms not defined herein shall have the meaning ascribed to them as set forth in the Plan, other than terms which are defined in any provision of the LN Plan incorporated into this Agreement.

10. Governing Law. This Agreement and the rights of all persons claiming under this Agreement shall be governed by the laws of the State of Delaware, without giving effect to conflicts of laws principles thereof.

11. Miscellaneous. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This

Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be modified other than by written instrument executed by the parties.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first above written.

LIVE NATION ENTERTAINMENT, INC.

Grantee: _____

By: _____

Name:

Title:

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

CERTIFICATION

I, Michael Rapino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Live Nation Entertainment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2021

By: /s/ Michael Rapino
Michael Rapino
President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

CERTIFICATION

I, Kathy Willard, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Live Nation Entertainment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2021

By: /s/ Kathy Willard
Kathy Willard
Chief Financial Officer

SECTION 1350 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

In connection with this Quarterly Report of Live Nation Entertainment, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Rapino, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2021

By: /s/ Michael Rapino
Michael Rapino
President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

SECTION 1350 CERTIFICATION OF CHIEF FINANCIAL OFFICER

In connection with this Quarterly Report of Live Nation Entertainment, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kathy Willard, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2021

By: /s/ Kathy Willard
Kathy Willard
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.