

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2022

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: 001-13779



W. P. Carey Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State of incorporation)

45-4549771

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

One Manhattan West, 395 9th Avenue, 58th Floor

New York, New York

(Address of principal executive offices)

10001

(Zip Code)

Investor Relations (212) 492-8920

(212) 492-1100

(Registrant's telephone numbers, including area code)

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

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, \$0.001 Par Value	WPC	New York Stock Exchange

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of last business day of the registrant's most recently completed second fiscal quarter: \$15.9 billion.

As of February 3, 2023, there were 210,621,971 shares of Common Stock of registrant outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

The registrant incorporates by reference its definitive Proxy Statement with respect to its 2023 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission within 120 days following the end of its fiscal year, into Part III of this Annual Report on Form 10-K.

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Forward-Looking Statements

This Annual Report on Form 10-K (the “Report”), including Management’s Discussion and Analysis of Financial Condition and Results of Operations in Item 7 of Part II of this Report, contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. These forward-looking statements include, but are not limited to, statements regarding: the impact of the CPA:18 Merger (as defined herein); our corporate strategy and estimated or future economic performance and results, including the general economic outlook and our expectations surrounding the continued impact of the novel coronavirus (“COVID-19”) pandemic on our business, financial condition, liquidity, results of operations, and prospects; underlying assumptions about our portfolio, including tenant rent collections and bankruptcies, as well as the estimated fair value of our investments and properties; the amount and timing of any future dividends; our future capital expenditure and leverage levels, debt service obligations, and any plans to fund our future liquidity needs; prospective statements regarding our access to the capital markets, including related to our credit ratings, ability to sell shares under our “at-the-market” program (“ATM Program”), and settlement of our Equity Forwards (as defined herein); the outlook for the investment program that we manage, including possible liquidity events for the program; statements that we make regarding our ability to remain qualified for taxation as a real estate investment trust (“REIT”); and the impact of recently issued accounting pronouncements and other regulatory activity.

These statements are based on the current expectations of our management. It is important to note that our actual results could be materially different from those projected in such forward-looking statements. There are a number of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements. Other unknown or unpredictable risks or uncertainties, like the risks related to inflation and increased interest rates, the effects of pandemics and global outbreaks of contagious diseases (such as the ongoing COVID-19 pandemic) and domestic or geopolitical crises, such as terrorism, military conflict (including the ongoing conflict between Russia and Ukraine and the global response to it), war or the perception that hostilities may be imminent, political instability or civil unrest, or other conflict, could also have material adverse effects on our business, financial condition, liquidity, results of operations, and prospects. You should exercise caution in relying on forward-looking statements as they involve known and unknown risks, uncertainties, and other factors that may materially affect our future results, performance, achievements, or transactions. Information on factors that could impact actual results and cause them to differ from what is anticipated in the forward-looking statements contained herein is included in this Report, as well as in our other filings with the Securities and Exchange Commission (“SEC”), including but not limited to those described in [Item 1A. Risk Factors](#) and [Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations](#) of this Report. Moreover, because we operate in a very competitive and rapidly changing environment, new risks are likely to emerge from time to time. Given these risks and uncertainties, potential investors are cautioned not to place undue reliance on these forward-looking statements as a prediction of future results, which speak only as of the date of this presentation, unless noted otherwise. Except as required by federal securities laws and the rules and regulations of the SEC, we do not undertake to revise or update any forward-looking statements.

All references to “Notes” throughout the document refer to the footnotes to the consolidated financial statements of the registrant in Part II, [Item 8. Financial Statements and Supplementary Data](#).

PART I

Item 1. Business.

General Development of Business

W. P. Carey Inc. (“W. P. Carey”), together with our consolidated subsidiaries and predecessors, is an internally-managed diversified REIT and a leading owner of commercial real estate, net-leased to companies located primarily in the United States and Northern and Western Europe on a long-term basis. The vast majority of our revenues originate from lease revenue provided by our real estate portfolio, which is comprised primarily of single-tenant industrial, warehouse, office, retail, and self-storage facilities that are critical to our tenants’ operations. Our portfolio is comprised of 1,449 properties, net-leased to 392 tenants in 26 countries. As of December 31, 2022, approximately 63% of our contractual minimum annualized base rent (“ABR”) was generated by properties located in the United States and approximately 34% was generated by properties located in Europe. As of that same date, our portfolio included 87 operating properties, comprised of 84 self-storage properties, two student housing properties, and one hotel.

On August 1, 2022, one of our former investment programs, Corporate Property Associates 18 – Global Incorporated (“CPA:18 – Global”), merged with and into one of our indirect subsidiaries (the “CPA:18 Merger”), which added approximately \$2.2 billion of real estate assets to our portfolio ([Note 3](#)). This effectively completed our exit from our investment management business.

Founded in 1973, we became a publicly traded company listed on the New York Stock Exchange (“NYSE”) in 1998 and reorganized as a REIT in 2012. Our shares of common stock are listed on the NYSE under the ticker symbol “WPC.” Headquartered in New York, we also have offices in Dallas, London, and Amsterdam.

Narrative Description of Business

Business Objectives and Strategy

Our primary business objective is to invest in a diversified portfolio of high-quality, mission-critical assets subject to long-term net leases with built-in rent escalators for the purpose of generating stable cash flows, enabling us to grow our dividend and increase long-term stockholder value.

Our investment strategy primarily focuses on owning and actively managing a diverse portfolio of commercial real estate that is net-leased to credit-worthy companies. We review and evaluate the fundamental value of the underlying real estate. We believe that many companies prefer to lease rather than own their corporate real estate because it allows them to deploy their capital more effectively into their core competencies. We specialize in sale-leaseback transactions, where we acquire a company’s critical real estate and then lease it back to them on a long-term, triple-net basis, which requires them to pay substantially all of the costs associated with operating and maintaining the property (such as real estate taxes, insurance, and facility maintenance). Compared to other types of real estate investments, sale-leaseback transactions typically produce a more predictable income stream and require minimal capital expenditures, which in turn generate revenues that provide our stockholders with a stable, growing source of income.

We believe that diversification across property type, tenant, tenant industry, and geographic location, as well as diversification of our lease expirations and scheduled rent increases, are vital aspects of portfolio risk management and accordingly have constructed a portfolio of real estate that we believe is well-diversified across each of these categories. We capitalize on our large portfolio and existing tenant relationships through accretive expansions, renovations, and follow-on deals. We actively manage our real estate portfolio to monitor tenant credit quality and lease renewal risks. We also maintain ample liquidity, a conservative capital structure, and access to multiple forms of capital.

Our business operates in two segments: Real Estate and Investment Management, as described herein and in [Note 1](#). Our Real Estate segment generates the vast majority of our earnings through the lease revenues we earn from our real estate investments. We have historically earned asset management fees and other compensation from the management of non-traded real estate investment programs through our Investment Management segment. Following the close of the CPA:18 Merger, our advisory agreements with CPA:18 – Global were terminated ([Note 3](#)). On April 13, 2020, two of our former investment programs, Carey Watermark Investors Incorporated (“CWI 1”) and Carey Watermark Investors 2 Incorporated (“CWI 2”) (together, the “CWI REITs”), merged in an all-stock transaction (the “CWI 1 and CWI 2 Merger”). Following the close of the CWI 1 and CWI 2

Merger, our advisory agreements with CWI 1 and CWI 2 were terminated and CWI 2 was renamed Watermark Lodging Trust, Inc. (“WLT”) ([Note 4](#)). As used herein, “Managed Programs” refers to CPA:18 – Global (through August 1, 2022), the CWI REITs (through April 13, 2020), and Carey European Student Housing Fund I, L.P. (“CESH”). We continue to act as the advisor to CESH and currently expect to do so through the end of its life cycle ([Note 4](#)).

We intend to operate our business in a manner that is consistent with the maintenance of our status as a REIT for federal income tax purposes. In addition, we expect to manage our investments in order to maintain our exemption from registration as an investment company under the Investment Company Act of 1940, as amended.

Investment Strategies

When considering potential net-lease investments for our real estate portfolio, we review various aspects of a transaction to determine whether the investment and lease structure will satisfy our investment criteria. We generally analyze the following main aspects of each transaction:

Tenant/Borrower Evaluation — We evaluate each potential tenant or borrower for creditworthiness, typically considering factors such as management experience, industry position and fundamentals, operating history, and capital structure. We also rate each asset based on its market, liquidity, and criticality to the tenant’s operations, as well as other factors that may be unique to a particular investment. We seek opportunities where we believe the tenant may have a stable or improving credit profile or credit potential that has not been fully recognized by the market. We define creditworthiness as a risk-reward relationship appropriate to our investment strategies, which may or may not coincide with ratings issued by the credit rating agencies. We have a robust internal credit rating system and may designate subsidiaries of non-guarantor parent companies with investment grade ratings as “implied investment grade.”

Properties Critical to Tenant/Borrower Operations — We generally focus on properties and facilities that we believe are critical to the ongoing operations of the tenant. We believe that these properties generally provide better protection, particularly in the event of a bankruptcy, since a tenant/borrower is less likely to risk the loss of a critically important lease or property in a bankruptcy proceeding or otherwise.

Diversification — We attempt to diversify our portfolio to avoid undue dependence on any one particular tenant, borrower, collateral type, geographic location, or industry. By diversifying our portfolio, we seek to reduce the adverse effect of a single underperforming investment or a downturn in any particular industry or geographic region. While we do not set any fixed diversity metrics in our portfolio, we believe that it is well-diversified.

Lease Terms — Generally, the net-leased properties we invest in are leased on a full-recourse basis to the tenants or their affiliates. In addition, the vast majority of our leases provide for scheduled rent increases over the term of the lease (see Our Portfolio below). These rent increases are either fixed (i.e., mandated on specific dates) or tied to increases in inflation indices (e.g., the Consumer Price Index (“CPI”) or similar indices in the jurisdiction where the property is located), but may contain caps or other limitations, either on an annual or overall basis. In the case of retail stores and hotels, the lease may provide for participation in the gross revenues of the tenant above a stated level, which we refer to as percentage rent.

Real Estate Evaluation — We review and evaluate the physical condition of the property and the market in which it is located. We consider a variety of factors, including current market rents, replacement cost, residual valuation, property operating history, demographic characteristics of the location and accessibility, competitive properties, and suitability for re-leasing. We obtain third-party environmental and engineering reports and market studies when required. When considering an investment outside the United States, we will also consider factors particular to a country or region, including geopolitical risk, in addition to the risks normally associated with real property investments. See [Item 1A, Risk Factors](#).

Transaction Provisions to Enhance and Protect Value — When negotiating leases with potential tenants, we attempt to include provisions that we believe help to protect the investment from material changes in the tenant’s operating and financial characteristics, which may affect the tenant’s ability to satisfy its obligations to us or reduce the value of the investment. Such provisions include covenants requiring our consent for certain activities, requiring indemnification protections and/or security deposits, and requiring the tenant to satisfy specific operating tests. We may also seek to enhance the likelihood that a tenant will satisfy their lease obligations through a letter of credit or guaranty from the tenant’s parent or other entity. Such credit enhancements, if obtained, provide us with additional financial security. However, in markets where competition for net-lease transactions is strong, some or all of these lease provisions may be difficult to obtain.

Competition — We face active competition from many sources, both domestically and internationally, for net-lease investment opportunities in commercial properties. In general, we believe that our management’s experience in real estate, credit underwriting, and transaction structuring will allow us to compete effectively for commercial properties. However, competitors may be willing to accept rates of return, lease terms, other transaction terms, or levels of risk that we find unacceptable.

Asset Management

We believe that proactive asset management is essential to maintaining and enhancing property values. Important aspects of asset management include entering into new or modified transactions to meet the evolving needs of current tenants, re-leasing properties, credit and real estate risk analysis, building expansions and redevelopments, repositioning assets, sustainability and efficiency analysis and retrofits, and strategic dispositions. We regularly engage directly with our tenants and form long-term working relationships with their decision makers in order to provide proactive solutions and to obtain an in-depth, real-time understanding of tenant credit.

We monitor compliance by tenants with their lease obligations and other factors that could affect the financial performance of our real estate investments on an ongoing basis, which typically involves ensuring that each tenant has paid real estate taxes and other expenses relating to the properties it occupies and is maintaining appropriate insurance coverage. To ensure such compliance at our properties, we often engage the expertise of third parties to complete property inspections. We also review tenant financial statements and undertake regular physical inspections of the properties to verify their condition and maintenance. Additionally, we periodically analyze each tenant’s financial condition, the industry in which each tenant operates, and each tenant’s relative strength in its industry. The in-depth understanding of our tenants’ businesses and direct relationships with their management teams provides strong visibility into potential issues as well as additional investment opportunities. Our business intelligence platform provides real-time surveillance and early warning, allowing asset managers to work with tenants to enforce lease provisions, and where appropriate, consider lease modifications.

Financing Strategies

We believe in maintaining ample liquidity, a conservative capital structure, and access to multiple forms of capital. We preserve balance sheet flexibility and liquidity by maintaining significant capacity on our \$1.8 billion unsecured revolving credit facility (the “Unsecured Revolving Credit Facility”), as well as any amounts available to us under our term loan (“Term Loan”) and delayed draw term loan (“Delayed Draw Term Loan”), which, together with our Unsecured Revolving Credit Facility, we refer to collectively as our “Senior Unsecured Credit Facility.” We also hold cash on hand to settle our forward equity arrangements, as needed. We generally use the Unsecured Revolving Credit Facility to fund our immediate capital needs, including new acquisitions and the repayment of secured mortgage debt as we continue to unencumber assets. We seek to replace short-term financing with more permanent forms of capital, including, but not limited to, common stock, unsecured debt securities, bank debt, and proceeds from asset sales. When evaluating which form of capital to pursue, we take into consideration multiple factors, including our corporate leverage levels and targets, and the most attractive source of capital available to us. We may choose to issue unsecured debt securities and bank debt denominated in foreign currencies in part to fund international acquisitions, unencumber assets, and mitigate our exposure to fluctuations in exchange rates. We strive to maintain an investment grade rating, which places limitations on the amount of leverage acceptable in our capital structure. Although we expect to continue to have access to a wide variety of capital sources and maintain our investment grade rating, there can be no assurance that we will be able to do so in the future.

Our Portfolio

At December 31, 2022, our portfolio had the following characteristics:

- Number of properties — full or partial ownership interests in 1,449 net-leased properties, 84 self-storage properties, two student housing properties, and one hotel;
- Total net-leased square footage — approximately 176 million; and
- Occupancy rate — approximately 98.8%.

For more information about our portfolio, see [Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Portfolio Overview](#).

Tenant/Lease Information

At December 31, 2022, our tenants/leases had the following characteristics:

- Number of tenants — 392;
- Investment grade tenants as a percentage of total ABR — 24%;
- Implied investment grade tenants as a percentage of total ABR — 7%;
- Weighted-average lease term — 10.8 years;
- 99.0% of our leases as a percentage of total ABR provide rent adjustments as follows:
 - CPI and similar — 55.5%
 - Fixed — 40.0%
 - Other — 3.5%

Human Capital

Investing in Our Employees

At December 31, 2022, we had 193 employees, 141 of which were located in the United States and 52 of which were located in Europe. We strive to make W. P. Carey a great place to work by attracting a diverse pool of the best and brightest applicants and making them feel supported as they grow with the company. We offer various levels of training, including “Respect in the Workplace,” skills training, Diversity, Equity & Inclusion, and executive coaching, as well as additional training including safety and cybersecurity. By engaging with our employees and investing in their careers through training and development, we have built a talented workforce capable of executing our business strategies.

Diversity

We believe that our success is dependent upon the diverse backgrounds and perspectives of our employees and directors. W. P. Carey is an equal opportunity employer and considers qualified applicants regardless of race, color, religion, sexual orientation, gender, gender identity or expression, national origin, age, disability, military or veteran status, genetic information, or other statuses protected by applicable federal, state, and local law. Our diversity, equity and inclusion initiative is designed to facilitate conversations around race, sexual orientation and gender identity, national origin, creeds, and other important topics. These conversations, led by our Diversity, Equity & Inclusion Advisory Committee, provide a forum for us to translate our positions as a company into action in both our internal and external communities. We are also signatory to the CEO Action Pledge for Diversity & Inclusion, which reflects our commitment to fostering a more diverse and inclusive workforce.

Employee Wellness and Benefits

The health and wellness of our employees and their families are paramount and our comprehensive benefits package is designed to address the evolving needs of our diverse workforce and their dependents. Our benefits package is evaluated on an annual basis. In addition to robust health and wellness benefits, we also provide our employees with competitive compensation programs, with a focus on both current compensation and retirement planning for their future.

Additional information regarding our human capital programs and initiatives is available in our annual Proxy Statement and Environmental, Social, and Governance (“ESG”) Report, which can be found on our company website. Information on our website, including our ESG Report, is not incorporated by reference into this Report.

Available Information

We will supply to any stockholder, upon written request and without charge, a copy of this Report as filed with the SEC. Our filings can also be obtained for free on the SEC’s website at <http://www.sec.gov>. All filings we make with the SEC, including this Report, our quarterly reports on Form 10-Q, and our current reports on Form 8-K, as well as any amendments to those reports, are available for free on the Investor Relations portion of our website (<http://www.wpcarey.com>), as soon as reasonably practicable after they are filed with or furnished to the SEC.

Our quarterly earnings conference call and investor presentations are accessible by the public. We generally announce via press release the dates and conference call details for upcoming scheduled quarterly earnings announcements and webcast investor presentations, which are also available in the Investor Relations section of our website approximately ten days prior to the event.

Our Code of Business Conduct and Ethics, which applies to all employees, including our chief executive officer and chief financial officer, is also available on our website. We intend to make available on our website any future amendments or waivers to our Code of Business Conduct and Ethics within four business days after any such amendments or waivers. We are providing our website address solely for the information of investors and do not intend for it to be an active link. We do not intend to incorporate the information contained on our website into this Report or other documents filed with or furnished to the SEC.

Item 1A. Risk Factors.

Our business, results of operations, financial condition, and ability to pay dividends could be materially adversely affected by various risks and uncertainties, including those enumerated below, which could cause such results to differ materially from those in any forward-looking statements. You should not consider this list exhaustive. New risk factors emerge periodically and we cannot assure you that the factors described below list all risks that may become material to us at any later time.

Risks Related to Our Portfolio and Ownership of Real Estate

We face an increasingly competitive marketplace for investments.

The net lease financing market is perceived as a relatively conservative investment vehicle and there has been increasing capital inflows into our sector; accordingly, we face escalating competition for investments, both domestically and internationally. We compete for investments with many other financial institutions and investors, including other REITs, private equity firms, pension funds, and finance companies. Our competitors may accept greater risk or lower returns, allowing them to offer more attractive terms to prospective tenants. Further capital inflows into our sector will place additional pressure on our ability to execute transactions and the returns that we can generate from investments. In particular, private equity real estate investors have raised record amounts of capital in recent periods, which is expected to be deployed into acquisitions that are contributing to an increasingly competitive marketplace. This competitive marketplace for investments could also have a negative impact on our revenue growth.

In addition, expectations of rising interest rates may increase our cost of capital, while capitalization rates (which generally respond to higher interest rates on a lag) could remain low or continue to decline, thereby placing additional pressure on investment spreads throughout the net lease sector. Finally, the vast majority of our current investments are in single-tenant commercial properties that are subject to triple-net leases. Many factors, including changes in tax laws or accounting rules, may make these types of sale-leaseback transactions less attractive to potential sellers and lessees, which could negatively affect our ability to increase these types of investments.

We are not required to meet any diversification standards; therefore, our investments may become subject to concentration risks.

Subject to our intention to maintain our qualification as a REIT, we are not required to meet any diversification standards. Therefore, our investments may become concentrated in type or geographic location, which could subject us to significant risks with potentially adverse effects on our investment objectives.

Inflation and increased interest rates may adversely affect our financial condition and results of operations.

Increases in inflation and interest rates could have an adverse impact on the cost of our existing variable-rate debt, new debt obligations entered into in the future, and costs incurred by the company through its operations. Our leases typically require tenants to pay all property operating expenses and increases in those property-level expenses at our leased properties generally do not affect us. However, increased operating expenses at properties not subject to full triple-net leases could cause us to incur additional operating expenses. Increases in inflation could also impact other costs incurred by the company including general and administrative costs. While the vast majority of leases contain rent escalators, including inflation-linked rent escalators, these costs could increase at a rate higher than our rental and other revenue. In addition, as a result of rising interest rates we may experience difficulty arranging third-party financing, including refinancing maturing debt in part or in full as it comes due, and could pay higher interest costs on future financings. If increases in costs are not sufficiently offset by the contractual rent

increases or increases in other revenue, we may be required to implement measures to conserve cash or preserve liquidity. Certain financial covenants could be affected as a result of higher debt service costs, which may place restrictions on our liquidity. If we are unable to find alternative credit arrangements or other funding in a high interest environment, our business needs may not be adequately met. Tenants and potential tenants of our properties may also be adversely impacted by inflation and rising interest rates, which could negatively impact our tenants' ability to pay rent and the demand for our properties. Such adverse impacts on our tenants may cause increased vacancies and lower future rents.

We may incur substantial impairment charges.

We may incur substantial impairment charges, which could adversely affect our results of operations or limit our ability to dispose of assets at attractive prices and may reduce the availability of buyer financing. By their nature, the timing or extent of impairment charges are not predictable.

Because we invest in properties located outside the United States, we are exposed to additional risks.

We have invested, and may continue to invest, in properties located outside the United States. At December 31, 2022, our real estate properties located outside of the United States represented 37% of our ABR. These investments may be affected by factors particular to the local jurisdiction where the property is located and may expose us to additional risks, including:

- enactment of laws relating to foreign ownership of property (including expropriation of investments), or laws and regulations relating to our ability to repatriate invested capital, profits, or cash and cash equivalents back to the United States;
- legal systems where the ability to enforce contractual rights and remedies may be more limited than under U.S. law;
- difficulty in complying with conflicting obligations in various jurisdictions and the burden of observing a variety of evolving foreign laws, regulations, and governmental rules and policies, which may be more stringent than U.S. laws and regulations (including land use, zoning, environmental, financial, and privacy laws and regulations, such as the European Union's General Data Protection Regulation);
- tax requirements vary by country and existing foreign tax laws and interpretations may change (e.g., the on-going implementation of the European Union's Anti-Tax Avoidance Directives), which may result in additional taxes on our international investments;
- changes in operating expenses in particular countries or regions;
- increased energy and commodity prices in Europe;
- foreign exchange rates; and
- geopolitical and military conflict risk and adverse market conditions caused by changes in national or regional economic or political conditions, including the ongoing conflict between Russia and Ukraine (which may impact relative interest rates and the terms or availability of debt financing).

The failure of our compliance and internal control systems to properly mitigate such additional risks, or of our operating infrastructure to support such international investments, could result in operational failures, regulatory fines, or other governmental sanctions. We may engage third-party asset managers in international jurisdictions to monitor compliance with legal requirements and lending agreements. Failure to comply with applicable requirements may expose us, our operating subsidiaries, or the entities we manage to additional liabilities. Our operations in the United Kingdom, the European Economic Area, and other countries are subject to significant compliance, disclosure, and other obligations.

In addition, the lack of publicly available information in certain jurisdictions could impair our ability to analyze transactions and may cause us to forego an investment opportunity. It may also impair our ability to receive timely and accurate financial information from tenants necessary to meet reporting obligations to financial institutions or governmental and regulatory agencies. Certain of these risks may be greater in less developed countries. Further, our expertise to date is primarily in the United States and certain countries in Europe. We have less experience in other international markets and may not be as familiar with the potential risks to investments in these areas, which could cause us and the entities we manage to incur losses.

We are also subject to potential fluctuations in exchange rates between foreign currencies and the U.S. dollar because we translate revenue denominated in foreign currency into U.S. dollars for our financial statements (our principal exposure is to the euro). Our results of foreign operations are adversely affected by a stronger U.S. dollar relative to foreign currencies (i.e., absent other considerations, a stronger U.S. dollar will reduce both our revenues and our expenses).

A significant amount of our leases will expire within the next five years and we may have difficulty re-leasing or selling our properties if tenants do not renew their leases.

Within the next five years, approximately 26% of our leases, based on our ABR as of December 31, 2022, are due to expire. If these leases are not renewed or if the properties cannot be re-leased on terms that yield comparable payments, our lease revenues could be substantially adversely affected. In addition, when attempting to re-lease such properties, we may incur significant costs and the terms of any new or renewed leases will depend on prevailing market conditions at that time. We may also seek to sell such properties and incur losses due to prevailing market conditions. Some of our properties are designed for the particular needs of a tenant; thus, we may be required to renovate or make rent concessions in order to lease the property to another tenant. If we need to sell such properties, we may have difficulty selling it to a third party due to the property's unique design. Real estate investments are generally less liquid than many other financial assets, which may limit our ability to quickly adjust our portfolio in response to changes in economic or other conditions. These and other limitations may adversely affect returns to our stockholders.

Certain of our leases permit tenants to purchase a property at a predetermined price, which could limit our realization of any appreciation or result in a loss.

Under our existing leases, certain tenants have a right to repurchase the properties they lease from us. The purchase price may be a fixed price or it may be based on a formula or the market value at the time of exercise. If a tenant exercises its right to purchase the property and the property's market value has increased beyond that price, we would not be able to fully realize the appreciation on that property. Additionally, if the price at which the tenant can purchase the property is less than our carrying value (e.g., where the purchase price is based on an appraised value), we may incur a loss. In addition, we may also be unable to reinvest proceeds from these dispositions in investments with similar or better investment returns.

Our ability to control the management of our net-leased properties is limited, which limits our ability to manage property deterioration risks and could impact our ESG ratings and our ability to make ESG disclosures.

The tenants or managers of net-leased properties are responsible for maintenance and other day-to-day management of the properties. If a property is not adequately maintained in accordance with the terms of the applicable lease, we may incur expenses for deferred maintenance expenditures or other liabilities once the property becomes free of the lease. While our leases generally provide for recourse against the tenant in these instances, a bankrupt or financially troubled tenant may be more likely to defer maintenance and it may be more difficult to enforce remedies against such a tenant. Although we endeavor to monitor compliance by tenants with their lease obligations and other factors that could affect the financial performance of our properties on an ongoing basis, we may not always be able to ascertain or forestall deterioration in the condition of a property or the financial circumstances of a tenant.

This lack of control over our net-leased properties also makes it difficult for us to collect property-level environmental metrics and to enforce sustainability initiatives, which may impact our ability to comply with certain ESG disclosure requirements (such as the SEC's expected new ESG disclosure rules) or engage effectively with established ESG frameworks and standards, such as the Global Real Estate Sustainability Benchmarks, the Task Force for Climate-Related Financial Disclosures and the Sustainability Accounting Standards Board. If we are unable to successfully collect the data necessary to comply with ESG disclosure requirements, we may be subject to increased regulatory risk; and if such data is incomplete or unfavorable, our relationship with our investor base, our stock price, and our access to capital may be negatively impacted.

The value of our real estate is subject to fluctuation.

We are subject to all of the general risks associated with the ownership of real estate, which include:

- adverse changes in general or local economic conditions, including changes in interest rates or foreign exchange rates;
- changes in the supply of, or demand for, similar or competing properties;
- competition for tenants and changes in market rental rates;
- the ongoing need for capital improvements;
- Federal Reserve short term rate decisions;
- the mortgage market and real estate market in the United States;
- inability to lease or sell properties upon termination of existing leases, or renewal of leases at lower rental rates;
- inability to collect rents from tenants due to financial hardship, including bankruptcy;
- changes in tax, real estate, zoning, or environmental laws that adversely impact the value of real estate;

- failure to comply with federal, state, and local legal and regulatory requirements, including the Americans with Disabilities Act and fire or life-safety requirements;
- changes in governmental rules and fiscal policies;
- uninsured property liability, property damage, or casualty losses;
- increased operating costs, which may not necessarily be offset by increased rents, including insurance premiums, utilities and real estate taxes, due to inflation and other factors;
- exposure to environmental losses and the effects of climate change; and
- civil unrest, acts of war, terrorism, acts of God, including earthquakes, hurricanes and other natural disasters (which may result in uninsured losses) and other factors beyond our control.

While the revenues from our leases are not directly dependent upon the value of the real estate owned, significant declines in real estate values could adversely affect us in many ways, including a decline in the residual values of properties at lease expiration, possible lease abandonment by tenants, and a decline in the attractiveness of triple-net lease transactions to potential sellers. We also face the risk that lease revenue will be insufficient to cover all corporate operating expenses and the debt service payments we incur.

Because most of our properties are occupied by a single tenant, our success is materially dependent upon the tenant’s financial stability.

Most of our properties are occupied by a single tenant; therefore, the success of our investments is materially dependent on the financial stability of these tenants. Revenues from several of our tenants/guarantors constitute a significant percentage of our lease revenues. Our top ten tenants accounted for approximately 18% of total ABR at December 31, 2022. Lease payment defaults by tenants could negatively impact our net income and reduce the amounts available for distribution to stockholders.

The bankruptcy or insolvency of tenants may cause a reduction in our revenue and an increase in our expenses.

We have had, and may in the future have, tenants file for bankruptcy protection. Bankruptcy or insolvency of a tenant could lead to the loss of lease or interest and principal payments, an increase in the carrying cost of the property, and litigation. If one or a series of bankruptcies or insolvencies is significant enough (more likely during a period of economic downturn), it could lead to a reduction in the value of our shares and/or a decrease in our dividend. Under U.S. bankruptcy law, a tenant that is the subject of bankruptcy proceedings has the option of assuming or rejecting any unexpired lease. If the tenant rejects the lease, any resulting claim we have for breach of the lease (excluding collateral securing the claim) will be treated as a general unsecured claim and the maximum claim will be capped. In addition, due to the long-term nature of our leases and, in some cases, terms providing for the repurchase of a property by the tenant, a bankruptcy court could recharacterize a net lease transaction as a secured lending transaction. Insolvency laws outside the United States may be more or less favorable to reorganization or the protection of a debtor’s rights as in the United States. In circumstances where the bankruptcy laws of the United States are considered to be more favorable to debtors and/or their reorganization, entities that are not ordinarily perceived as U.S. entities may seek to take advantage of U.S. bankruptcy laws.

The continued disruption and reduced economic activity caused by COVID-19, rising interest rates, inflation and a potential economic downturn may severely affect our tenants’ businesses, financial condition and liquidity, leading to an increase in tenant bankruptcy or insolvency. In addition, a portion of our tenants may fail to meet their obligations to us in full (or at all), or may otherwise seek modifications of such obligations. Certain jurisdictions may also enact laws or regulations that impact or alter our ability to collect rent under our existing lease terms. The ultimate extent to which COVID-19 will continue to impact the operations of our tenants will depend on future developments, which remain uncertain and cannot be predicted with confidence.

We may be materially adversely affected by laws, regulations or other issues related to climate change.

If we become subject to laws or regulations related to climate change, our business, financial condition and results of operations could be materially adversely affected. The federal government has enacted certain climate change laws and regulations which may, among other things, regulate “carbon footprints” and greenhouse gas emissions. In addition, the SEC has recently proposed rule amendments that would require us to prepare a wide range of new climate-related disclosures, including with respect to our climate-related risks, greenhouse gas emissions, and other climate-related targets, goals and plans. Such laws and regulations could result in substantial compliance costs, retrofit costs and construction costs, including monitoring and reporting costs and capital expenditures for environmental control facilities and other new equipment. Noncompliance with these laws or regulations may result in potential cost increases, litigation, fines, penalties, brand or reputational damage, loss of tenants, lower

valuation and higher investor activism activities. We cannot predict how future laws and regulations, or future interpretations of current laws and regulations related to climate change will affect our business, financial condition and results of operations.

Additionally, the potential physical impacts of climate change on our operations are highly uncertain. These may include changes in rainfall and storm patterns and intensity, increased strength of hurricanes, water shortages, changing sea levels and changing temperatures. These impacts may have a material adverse effect on our business, financial condition and results of operations.

Because we are subject to possible liabilities relating to environmental matters, we could incur unexpected costs and our ability to sell or otherwise dispose of a property may be negatively impacted.

We have invested, and may in the future invest, in real properties historically or currently used for industrial, manufacturing, and other commercial purposes, and some of our tenants may handle hazardous or toxic substances, generate hazardous wastes, or discharge regulated pollutants to the environment. Buildings and structures on the properties we purchase may have known or suspected asbestos-containing building materials. We may invest in properties located in countries that have adopted laws or observe environmental management standards that are less stringent than those generally followed in the United States, which may pose a greater risk that releases of hazardous or toxic substances have occurred. We therefore may own properties that have known or potential environmental contamination as a result of historical or ongoing operations, which may expose us to liabilities under environmental laws. Some of these laws could impose the following on us:

- responsibility and liability for the cost of investigation and removal or remediation (including at appropriate disposal facilities) of hazardous or toxic substances in, on, or migrating from our property, generally without regard to our knowledge of, or responsibility for, the presence of these contaminants;
- liability for claims by third parties based on damages to natural resources or property, personal injuries, or costs of removal or remediation of hazardous or toxic substances in, on, or migrating from our property; and
- responsibility for managing asbestos-containing building materials and third-party claims for exposure to those materials.

Costs relating to investigation, remediation, or removal of hazardous or toxic substances, or for third-party claims for damages, may be substantial and could exceed any amounts estimated and recorded within our consolidated financial statements. The presence of hazardous or toxic substances at any of our properties, or the failure to properly remediate a contaminated property, could (i) give rise to a lien in favor of the government for costs it may incur to address the contamination or (ii) otherwise adversely affect our ability to sell or lease the property or to borrow using the property as collateral. In addition, environmental liabilities, or costs or operating limitations imposed on a tenant by environmental laws, could affect its ability to make rental payments to us. And although we endeavor to avoid doing so, we may be required, in connection with any future divestitures of property, to provide buyers with indemnifications against potential environmental liabilities.

Risks Related to Our Liquidity and Capital Resources

Our level of indebtedness could have significant adverse consequences and our cash flow may be insufficient to meet our debt service obligations.

Our consolidated indebtedness as of December 31, 2022 was approximately \$7.9 billion, representing a consolidated debt to gross assets ratio of approximately 39.8%. This consolidated indebtedness was comprised of (i) \$5.9 billion in Senior Unsecured Notes (as defined in [Note 11](#)), (ii) \$828.9 million outstanding under our Senior Unsecured Credit Facility (as defined in [Note 11](#)), and (iii) \$1.1 billion in non-recourse mortgage loans on various properties. Our level of indebtedness could have significant adverse consequences on our business and operations, including the following:

- it may increase our vulnerability to changes in economic conditions (including increases in interest rates) and limit our flexibility in planning for, or reacting to, changes in our business and/or industry;
- we may be at a disadvantage compared to our competitors with comparatively less indebtedness;
- we may be unable to hedge our debt, or such hedges may fail or expire, leaving us exposed to potentially volatile interest or currency exchange rates;
- any default on our secured indebtedness may lead to foreclosures, creating taxable income that could hinder our ability to meet the REIT distribution requirements imposed by the Internal Revenue Code; and
- we may be unable to refinance our indebtedness or obtain additional financing as needed or on favorable terms.

Our ability to generate sufficient cash flow determines whether we will be able to (i) meet our existing or potential future debt service obligations; (ii) refinance our existing or potential future indebtedness; and (iii) fund our operations, working capital, acquisitions, capital expenditures, and other important business uses. Our future cash flow is subject to many factors beyond our control and we cannot assure you that our business will generate sufficient cash flow from operations, or that future sources of cash will be available to us on favorable terms, to meet all of our debt service obligations and fund our other important business uses or liquidity needs. As a result, we may be forced to take other actions to meet those obligations, such as selling properties, raising equity, or delaying capital expenditures, any of which may not be feasible or could have a material adverse effect on us. In addition, despite our substantial outstanding indebtedness and the restrictions in the agreements governing our indebtedness, we may incur significantly more indebtedness in the future, which would exacerbate the risks discussed above.

We are subject to risks related to the anticipated replacement of the London Inter-bank Offered Rate (“LIBOR”).

In July 2017, the Financial Conduct Authority (“FCA”), the authority that regulates LIBOR, announced that it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. As a result, the Federal Reserve Board and the Federal Reserve Bank of New York organized the Alternative Reference Rates Committee, which identified the Secured Overnight Financing Rate (“SOFR”) as its preferred alternative to USD LIBOR in derivatives and other financial contracts. The ICE Benchmark Administration stated that it will cease to publish all remaining USD LIBOR settings immediately following their publication on June 30, 2023. We have financial contracts that are indexed to LIBOR. Our Senior Unsecured Credit Facility contained provisions that contemplate methods to establishing an alternative base rate upon USD LIBOR’s retirement and, in January 2023, we entered into a Third Amendment to the Fourth Amended and Restated Credit Agreement to transition to SOFR.

In a similar manner, we will manage the transition from LIBOR for all of our remaining debt and derivative instruments using any language that may be included in their respective agreements and through potential modifications. Risks related to potential changes in LIBOR availability include, but are not limited to, potential changes to financial products and market practices, borrowing rates, fees, interest obligations, and the value of debt and derivative instruments. Transitioning to an alternative reference rate may require negotiations with lenders and other counterparties, which could present challenges if the method of transition is not mutually agreed upon. We have transitioned all non-USD LIBOR base rate exposures phased out at the end of 2021 to their respective alternative reference rates.

Restrictive covenants in our credit agreement and indentures may limit our ability to expand or fully pursue our business strategies.

The credit agreement for our Senior Unsecured Credit Facility and the indentures governing our Senior Unsecured Notes contain financial and operating covenants that, among other things, require us to meet specified financial ratios and may limit our ability to take specific actions, even if we believe them to be in our best interest (e.g., subject to certain exceptions, our ability to consummate a merger, consolidation, or a transfer of all or substantially all of our consolidated assets to another person is restricted). These covenants may restrict our ability to expand or fully pursue our business strategies. Our ability to comply with these and other provisions of our debt agreements may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments, or other events beyond our control. The breach of any of these covenants could result in a default under our indebtedness, which could result in the acceleration of the maturity of such indebtedness and potentially other indebtedness. If any of our indebtedness is accelerated prior to maturity, we may not be able to repay such indebtedness or refinance such indebtedness on favorable terms, or at all.

A downgrade in our credit ratings could materially adversely affect our business and financial condition as well as the market price of our Senior Unsecured Notes.

We plan to manage our operations to maintain investment grade status with a capital structure consistent with our current profile. In September 2022 our rating was upgraded by Moody’s to Baa1 and in January 2023 our rating was upgraded by S&P Global Ratings to BBB+, but there can be no assurance that we will be able to maintain our current credit ratings. Our credit ratings could change based upon, among other things, our historical and projected business, financial condition, liquidity, results of operations, and prospects. These ratings are subject to ongoing evaluation by credit rating agencies and we cannot provide any assurance that our ratings will not be changed or withdrawn by a rating agency in the future. If any of the credit rating agencies downgrades or lowers our credit rating, or if any credit rating agency indicates that it has placed our rating on a “watch list” for a possible downgrading or lowering, or otherwise indicates that its outlook for our rating is negative, it could have a material adverse effect on our costs and availability of capital, which could in turn have a material adverse effect on us and on our ability to satisfy our debt service obligations (including those under our Senior Unsecured Credit Facility, our Senior

Unsecured Notes, or other similar debt securities that we issue) and to pay dividends on our common stock. Furthermore, any such action could negatively impact the market price of our Senior Unsecured Notes.

Some of our properties are encumbered by mortgage debt, which could adversely affect our cash flow.

At December 31, 2022, we had \$1.1 billion of property-level mortgage debt on a non-recourse basis, which limits our exposure on any property to the amount of equity invested in the property. If we are unable to make our mortgage-related debt payments as required, a lender could foreclose on the property or properties securing its debt. Additionally, lenders for our mortgage loan transactions typically incorporated various covenants and other provisions (including loan to value ratio, debt service coverage ratio, and material adverse changes in the borrower's or tenant's business) that can cause a technical loan default. Accordingly, if the real estate value declines or the tenant defaults, the lender would have the right to foreclose on its security. If any of these events were to occur, it could cause us to lose part or all of our investment, which could reduce the value of our portfolio and revenues available for distribution to our stockholders.

Some of our property-level financing may also require us to make a balloon payment at maturity. Our ability to make such balloon payments may depend upon our ability to refinance the obligation or sell the underlying property. When a balloon payment is due, however, we may be unable to refinance the balloon payment on terms as favorable as the original loan, make the payment with existing cash or cash resources, or sell the property at a price sufficient to cover the payment. Our ability to accomplish these goals will be affected by various factors existing at the relevant time, such as the state of national and regional economies, local real estate conditions, available mortgage or interest rates, availability of credit, our equity in the mortgaged properties, our financial condition, the operating history of the mortgaged properties, and tax laws. A refinancing or sale could affect the rate of return to stockholders and the projected disposition timeline of our assets.

Risks Related to our Corporate Structure and Maryland Law

Our charter and Maryland law contain provisions that may delay or prevent a change of control transaction.

Our charter, subject to certain exceptions, authorizes our board of directors (our "Board") to take such actions as are necessary and desirable to limit any person to beneficial or constructive ownership of 9.8%, in either value or number of shares, whichever is more restrictive, of our aggregate outstanding shares of (i) common and preferred stock (excluding any outstanding shares of our common or preferred stock not treated as outstanding for federal income tax purposes) or (ii) common stock (excluding any of our outstanding shares of common stock not treated as outstanding for federal income tax purposes). Our Board, in its sole discretion, may exempt a person from such ownership limits, provided that they obtain such representations, covenants, and undertakings as appropriate to determine that the exemption would not affect our REIT status. Our Board may also increase or decrease the common stock ownership limit and/or the aggregate stock ownership limit, so long as the change would not result in five or fewer persons beneficially owning more than 49.9% in value of our outstanding stock. The ownership limits and other stock ownership restrictions contained in our charter may delay or prevent a transaction or change of control that might involve a premium price for our common stock or otherwise be in the best interests of our stockholders.

Our Board may modify our authorized shares of stock of any class or series and may create and issue a class or series of common stock or preferred stock without stockholder approval.

Our charter empowers our Board to, without stockholder approval, increase or decrease the aggregate number of shares of our stock or the number of shares of stock of any class or series that we have authority to issue; classify any unissued shares of common stock or preferred stock; reclassify any previously classified, but unissued, shares of common stock or preferred stock into one or more classes or series of stock; and issue such shares of stock so classified or reclassified. Our Board may determine the relative rights, preferences, and privileges of any class or series of common stock or preferred stock issued. As a result, we may issue series or classes of common stock or preferred stock with preferences, dividends, powers, and rights (voting or otherwise) senior to the rights of current holders of our common stock. The issuance of any such classes or series of common stock or preferred stock could also have the effect of delaying or preventing a change of control transaction that might otherwise be in the best interests of our stockholders.

Certain provisions of Maryland law could inhibit changes in control.

Certain provisions of the Maryland General Corporation Law (“MGCL”) may have the effect of inhibiting a third party from making a proposal to acquire us or impeding a change of control that could provide our stockholders with the opportunity to realize a premium over the then-prevailing market price of our common stock, including:

- “business combination” provisions that, subject to limitations, prohibit certain business combinations between us and an “interested stockholder” (defined generally as any person who beneficially owns 10% or more of the voting power of our outstanding voting stock), or an affiliate thereof, for five years after the most recent date on which the stockholder becomes an interested stockholder, and thereafter imposes special appraisal rights and supermajority voting requirements on these combinations; and
- “control share” provisions that provide that holders of “control shares” of our company (defined as voting shares which, when aggregated with all other shares owned or controlled by the stockholder, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a “control share acquisition” (defined as the direct or indirect acquisition of ownership or control of issued and outstanding “control shares”) have no voting rights except to the extent approved by our stockholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding all interested shares.

The statute permits various exemptions from its provisions, including business combinations that are exempted by a board of directors prior to the time that the “interested stockholder” becomes an interested stockholder. Our Board has, by resolution, exempted any business combination between us and any person who is an existing, or becomes in the future, an “interested stockholder.” Consequently, the five-year prohibition and the supermajority vote requirements will not apply to business combinations between us and any such person. As a result, such person may be able to enter into business combinations with us that may not be in the best interest of our stockholders, without compliance with the supermajority vote requirements and the other provisions of the statute. Additionally, this resolution may be altered, revoked, or repealed in whole or in part at any time and we may opt back into the business combination provisions of the MGCL. If this resolution is revoked or repealed, the statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer. In the case of the control share provisions of the MGCL, we have elected to opt out of these provisions of the MGCL pursuant to a provision in our bylaws.

Additionally, Title 3, Subtitle 8 of the MGCL permits our Board, without stockholder approval and regardless of what is currently provided in our charter or our bylaws, to implement certain governance provisions, some of which we do not currently have. We have opted out of Section 3-803 of the MGCL, which permits a board of directors to be divided into classes pursuant to Title 3, Subtitle 8 of the MGCL. Any amendment or repeal of this resolution must be approved in the same manner as an amendment to our charter. The remaining provisions of Title 3, Subtitle 8 of the MGCL may have the effect of inhibiting a third party from making an acquisition proposal for our company or of delaying, deferring, or preventing a change in control of our company under circumstances that otherwise could provide the holders of our common stock with the opportunity to realize a premium over the then-current market price. Our charter, our bylaws, and Maryland law also contain other provisions that may delay, defer, or prevent a transaction or a change of control that might involve a premium price for our common stock or otherwise be in the best interests of our stockholders.

Risks Related to REIT Structure

While we believe that we are properly organized as a REIT in accordance with applicable law, we cannot guarantee that the Internal Revenue Service will find that we have qualified as a REIT.

We believe that we are organized in conformity with the requirements for qualification as a REIT under the Internal Revenue Code beginning with our 2012 taxable year and that our current and anticipated investments and plan of operation will enable us to meet and continue to meet the requirements for qualification and taxation as a REIT. Investors should be aware, however, that the Internal Revenue Service or any court could take a position different from our own. Given the highly complex nature of the rules governing REITs, the ongoing importance of factual determinations, and the possibility of future changes in our circumstances, no assurance can be given that we will qualify as a REIT for any particular year.

Furthermore, our qualification and taxation as a REIT will depend on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership, and other requirements on a continuing basis. Our ability to satisfy the quarterly asset tests under applicable Internal Revenue Code provisions and Treasury Regulations will depend on the fair market values of our assets, some of which are not susceptible to a precise determination. Our compliance with the REIT income and quarterly asset requirements also depends upon our ability to successfully manage the composition of our income and assets on an ongoing basis. While we believe that we will satisfy these tests, we cannot guarantee that this will be the case on a continuing basis.

If we fail to remain qualified as a REIT, we would be subject to federal income tax at corporate income tax rates and would not be able to deduct distributions to stockholders when computing our taxable income.

If, in any taxable year, we fail to qualify for taxation as a REIT and are not entitled to relief under the Internal Revenue Code, we will:

- not be allowed a deduction for distributions to stockholders in computing our taxable income;
- be subject to federal and state income tax, including the Inflation Reduction Act of 2022 which was signed into law in the United States on August 16, 2022 and will be effective in 2023 (which introduced a 15% corporate minimum tax on certain corporations and a 1% excise tax on certain stock repurchases by certain corporations, among other changes), on our taxable income at regular corporate rate; and
- be barred from qualifying as a REIT for the four taxable years following the year when we were disqualified.

Any such corporate tax liability could be substantial and would reduce the amount of cash available for distributions to our stockholders, which in turn could have an adverse impact on the value of our common stock. This adverse impact could last for five or more years because, unless we are entitled to relief under certain statutory provisions, we will be taxed as a corporation beginning the year in which the failure occurs and for the following four years.

If we fail to qualify for taxation as a REIT, we may need to borrow funds or liquidate some investments to pay the additional tax liability. Were this to occur, funds available for investment would be reduced. REIT qualification involves the application of highly technical and complex provisions of the Internal Revenue Code to our operations, as well as various factual determinations concerning matters and circumstances not entirely within our control. There are limited judicial or administrative interpretations of these provisions. Although we plan to continue to operate in a manner consistent with the REIT qualification rules, we cannot assure you that we will qualify in a given year or remain so qualified.

If we fail to make required distributions, we may be subject to federal corporate income tax.

We intend to declare regular quarterly distributions, the amount of which will be determined, and is subject to adjustment, by our Board. To continue to qualify and be taxed as a REIT, we will generally be required to distribute at least 90% of our REIT taxable income (determined without regard to the dividends-paid deduction and excluding net capital gain) each year to our stockholders. Generally, we expect to distribute all, or substantially all, of our REIT taxable income. If our cash available for distribution falls short of our estimates, we may be unable to maintain the proposed quarterly distributions that approximate our taxable income and we may fail to qualify for taxation as a REIT. In addition, our cash flows from operations may be insufficient to fund required distributions as a result of differences in timing between the actual receipt of income and the recognition of income for federal income tax purposes or the effect of nondeductible expenditures (e.g., capital expenditures, payments of compensation for which Section 162(m) of the Internal Revenue Code denies a deduction, the creation of reserves, or required debt service or amortization payments). To the extent we satisfy the 90% distribution requirement, but distribute less than 100% of our REIT taxable income, we will be subject to federal corporate income tax on our undistributed taxable income. We will also be subject to a 4.0% nondeductible excise tax if the actual amount that we pay out to our stockholders for a calendar year is less than a minimum amount specified under the Internal Revenue Code. In addition, in order to continue to qualify as a REIT, any C corporation earnings and profits to which we succeed must be distributed as of the close of the taxable year in which we accumulate or acquire such C corporation's earnings and profits.

Because certain covenants in our debt instruments may limit our ability to make required REIT distributions, we could be subject to taxation.

Our existing debt instruments include, and our future debt instruments may include, covenants that limit our ability to make required REIT distributions. If the limits set forth in these covenants prevent us from satisfying our REIT distribution requirements, we could fail to qualify for federal income tax purposes as a REIT. If the limits set forth in these covenants do not jeopardize our qualification for taxation as a REIT, but prevent us from distributing 100% of our REIT taxable income, we will be subject to federal corporate income tax, and potentially a nondeductible excise tax, on the retained amounts.

Because we are required to satisfy numerous requirements imposed upon REITs, we may be required to borrow funds, sell assets, or raise equity on terms that are not favorable to us.

In order to meet the REIT distribution requirements and maintain our qualification and taxation as a REIT, we may need to borrow funds, sell assets, or raise equity, even if the then-prevailing market conditions are not favorable for such transactions. If our cash flows are not sufficient to cover our REIT distribution requirements, it could adversely impact our ability to raise short- and long-term debt, sell assets, or offer equity securities in order to fund the distributions required to maintain our qualification and taxation as a REIT. Furthermore, the REIT distribution requirements may increase the financing we need to fund capital expenditures, future growth, and expansion initiatives, which would increase our total leverage.

In addition, if we fail to comply with certain asset ownership tests at the end of any calendar quarter, we must generally correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification. As a result, we may be required to liquidate otherwise attractive investments. These actions may reduce our income and amounts available for distribution to our stockholders.

Because the REIT rules require us to satisfy certain rules on an ongoing basis, our flexibility or ability to pursue otherwise attractive opportunities may be limited.

To qualify as a REIT for federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders, and the ownership of our common stock. Compliance with these tests will require us to refrain from certain activities and may hinder our ability to make certain attractive investments, including the purchase of non-qualifying assets, the expansion of non-real estate activities, and investments in the businesses to be conducted by our taxable REIT subsidiaries (“TRSs”), thereby limiting our opportunities and the flexibility to change our business strategy. Furthermore, acquisition opportunities in domestic and international markets may be adversely affected if we need or require target companies to comply with certain REIT requirements prior to closing on acquisitions. Also, please see the risk “There can be no assurance that we will be able to maintain cash dividends” below.

Because the REIT provisions of the Internal Revenue Code limit our ability to hedge effectively, the cost of our hedging may increase and we may incur tax liabilities.

The REIT provisions of the Internal Revenue Code limit our ability to hedge assets and liabilities that are not incurred to acquire or carry real estate. Generally, income from hedging transactions that have been properly identified for tax purposes (which we enter into to manage interest rate risk with respect to borrowings to acquire or carry real estate assets) and income from certain currency hedging transactions related to our non-U.S. operations, do not constitute “gross income” for purposes of the REIT gross income tests (such a hedging transaction is referred to as a “qualifying hedge”). In addition, if we enter into a qualifying hedge, but dispose of the underlying property (or a portion thereof) or the underlying debt (or a portion thereof) is extinguished, we can enter into a hedge of the original qualifying hedge, and income from the subsequent hedge will also not constitute “gross income” for purposes of the REIT gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as non-qualifying income for purposes of the REIT gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because our TRSs could be subject to tax on income or gains resulting from such hedges or expose us to greater interest rate risks than we would otherwise want to bear. In addition, losses in any of our TRSs generally will not provide any tax benefit, except for being carried forward for use against future taxable income in the TRSs.

We use TRSs, which may cause us to fail to qualify as a REIT.

To qualify as a REIT for federal income tax purposes, we hold our non-qualifying REIT assets and conduct our non-qualifying REIT income activities in or through one or more TRSs. The net income of our TRSs is not required to be distributed to us. Income that is not distributed to us by our domestic TRSs will generally not be subject to the REIT income distribution requirement. However, certain income that is not distributed to us by our foreign TRSs may be deemed distributed to us by operation of certain provisions of the U.S. Tax Code and generally subject to REIT income distribution requirements. In addition, there may be limitations on our ability to accumulate earnings in our TRSs and the accumulation or reinvestment of significant earnings in our TRSs could result in adverse tax treatment. In particular, if the accumulation of cash in our TRSs causes the fair market value of our TRS interests and certain other non-qualifying assets to exceed 20% of the fair market value of our assets, we would lose tax efficiency and could potentially fail to qualify as a REIT.

Because the REIT rules limit our ability to receive distributions from TRSs, our ability to fund distribution payments using cash generated through our TRSs may be limited.

Our ability to receive distributions from our TRSs is limited by the rules we must comply with in order to maintain our REIT status. In particular, at least 75% of our gross income for each taxable year as a REIT must be derived from real estate-related sources, which principally includes gross income from the leasing of our properties. Consequently, no more than 25% of our gross income may consist of dividend income from our TRSs and other non-qualifying income types. Thus, our ability to receive distributions from our TRSs is limited and may impact our ability to fund distributions to our stockholders using cash flows from our TRSs. Specifically, if our TRSs become highly profitable, we might be limited in our ability to receive net income from our TRSs in an amount required to fund distributions to our stockholders commensurate with that profitability.

Transactions with our TRSs could cause us to be subject to a 100% penalty tax on certain income or deductions if those transactions are not conducted on an arm's-length basis.

The Internal Revenue Code limits the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. The Internal Revenue Code also imposes a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis. We will monitor the value of investments in our TRSs in order to ensure compliance with TRS ownership limitations and will structure our transactions with our TRSs on terms that we believe are arm's-length to avoid incurring the 100% excise tax described above. There can be no assurance, however, that we will be able to comply with the TRS ownership limitation or be able to avoid application of the 100% excise tax.

Because distributions payable by REITs generally do not qualify for reduced tax rates, the value of our common stock could be adversely affected.

Certain distributions payable by domestic or qualified foreign corporations to individuals, trusts, and estates in the United States are currently eligible for federal income tax at a maximum rate of 20% plus the 3.8% Medicare tax on net investment income, if applicable. Distributions payable by REITs, in contrast, are generally not eligible for this reduced rate, unless the distributions are attributable to dividends received by the REIT from other corporations that would otherwise be eligible for the reduced rate. This more favorable tax rate for regular corporate distributions could cause qualified investors to perceive investments in REITs to be less attractive than investments in the stock of corporations that pay distributions, which could adversely affect the value of REIT stocks, including our common stock.

Even if we continue to qualify as a REIT, certain of our business activities will be subject to corporate level income tax and foreign taxes, which will continue to reduce our cash flows, and we will have potential deferred and contingent tax liabilities.

Even if we qualify for taxation as a REIT, we may be subject to certain (i) federal, state, local, and foreign taxes on our income and assets (including alternative minimum taxes for taxable years ending prior to January 1, 2018); (ii) taxes on any undistributed income and state, local, or foreign income; and (iii) franchise, property, and transfer taxes. In addition, we could be required to pay an excise or penalty tax under certain circumstances in order to utilize one or more relief provisions under the Internal Revenue Code to maintain qualification for taxation as a REIT, which could be significant in amount.

Any TRS assets and operations would continue to be subject, as applicable, to federal and state corporate income taxes and to foreign taxes in the jurisdictions in which those assets and operations are located. Any of these taxes would decrease our earnings and our cash available for distributions to stockholders.

We will also be subject to a federal corporate level tax at the highest regular corporate rate (currently 21%) on all or a portion of the gain recognized from a sale of assets formerly held by any C corporation that we acquire on a carry-over basis transaction occurring within a five-year period after we acquire such assets, to the extent the built-in gain based on the fair market value of those assets on the effective date of the REIT election is in excess of our then tax basis. The tax on subsequently sold assets will be based on the fair market value and built-in gain of those assets as of the beginning of our holding period. Gains from the sale of an asset occurring after the specified period will not be subject to this corporate level tax. We expect to have only a de minimis amount of assets subject to these corporate tax rules and do not expect to dispose of any significant assets subject to these corporate tax rules.

Because dividends received by foreign stockholders are generally taxable, we may be required to withhold a portion of our distributions to such persons.

Ordinary dividends received by foreign stockholders that are not effectively connected with the conduct of a U.S. trade or business are generally subject to U.S. withholding tax at a rate of 30%, unless reduced by an applicable income tax treaty. Additional rules with respect to certain capital gain distributions will apply to foreign stockholders that own more than 10% of our common stock.

The ability of our Board to revoke our REIT election, without stockholder approval, may cause adverse consequences for our stockholders.

Our organizational documents permit our Board to revoke or otherwise terminate our REIT election, without the approval of our stockholders, if it determines that it is no longer in our best interest to continue to qualify as a REIT. If we cease to be a REIT, we will not be allowed a deduction for dividends paid to stockholders in computing our taxable income and we will be subject to federal income tax at regular corporate rate and state and local taxes, which may have adverse consequences on the total return to our stockholders.

Federal and state income tax laws governing REITs and related interpretations may change at any time, and any such legislative or other actions affecting REITs could have a negative effect on us and our stockholders.

Federal and state income tax laws governing REITs or the administrative interpretations of those laws may be amended at any time. Federal, state, and foreign tax laws are under constant review by persons involved in the legislative process, at the Internal Revenue Service and the U.S. Department of the Treasury, and at various state and foreign tax authorities. Changes to tax laws, regulations, or administrative interpretations, which may be applied retroactively, could adversely affect us or our stockholders. We cannot predict whether, when, in what forms, or with what effective dates, the tax laws, regulations, and administrative interpretations applicable to us or our stockholders may be changed. Accordingly, we cannot assure you that any such change will not significantly affect our ability to qualify for taxation as a REIT or the federal income tax consequences to you or us.

Risks Related to Our Overall Business

We are subject to the volatility of the capital markets, which may impact our ability to deploy capital.

The trading volume and market price of our common stock may fluctuate significantly and be adversely impacted in response to a number of factors. Therefore, our current or historical trading volume and share prices are not indicative of the number of shares of our common stock that will trade going forward or how the market will value shares of our common stock in the future. In addition, the capital markets may experience extreme volatility, disruption and periods of dislocation (e.g., during pandemics or a global financial crisis), which could make it more difficult for us to raise capital. Since net-lease REITs must be able to deploy capital with agility and consistency, if we cannot access the capital markets upon favorable terms or at all, we may be required to liquidate one or more investments, including when an investment has not yet realized its maximum return, which could also result in adverse tax consequences and affect our ability to capitalize on acquisition opportunities and/or meet operational needs. Moreover, market turmoil could lead to decreased consumer confidence and widespread reduction of business activity, which may materially and adversely impact us, including our ability to acquire and dispose of properties.

Future issuances of debt and equity securities may negatively affect the market price of our common stock.

We may issue debt or equity securities or incur additional borrowings in the future. Future issuances of debt securities would increase our interest costs and rank senior to our common stock upon our liquidation, and additional issuances of equity securities would dilute the holdings of our existing common stockholders (and any preferred stock may rank senior to our common stock for the purposes of making distributions), both of which may negatively affect the market price of our common stock. However, our future growth will depend, in part, upon our ability to raise additional capital, including through the issuance of debt and equity securities. Because our decision to issue additional debt or equity securities or incur additional borrowings in the future will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, nature, or success of our future capital raising efforts. Thus, common stockholders bear the risk that our future issuances of debt or equity securities, or our incurrence of additional borrowings, will negatively affect the market price of our common stock.

There can be no assurance that we will be able to maintain cash dividends.

Our ability to continue to pay dividends in the future may be adversely affected by the risk factors described in this Report. More specifically, while we expect to continue our current dividend practices, we can give no assurance that we will be able to maintain dividend levels in the future for various reasons, including the following:

- there is no assurance that rents from our properties will increase or that future acquisitions will increase our cash available for distribution to stockholders, and we may not have enough cash to pay such dividends due to changes in our cash requirements, capital plans, cash flow, or financial position;
- our Board, in its sole discretion, determines the amount and timing of any future dividend payments to our stockholders based on a number of factors, therefore our dividend levels are not guaranteed and may fluctuate; and
- the amount of dividends that our subsidiaries may distribute to us may be subject to restrictions imposed by law or regulators, as well as the terms of any current or future indebtedness that these subsidiaries may incur.

Furthermore, certain agreements relating to our borrowings may, under certain circumstances, prohibit or otherwise restrict our ability to pay dividends to our common stockholders. Future dividends, if any, are expected to be based upon our earnings, financial condition, cash flows and liquidity, debt service requirements, capital expenditure requirements for our properties, financing covenants, and applicable law. If we do not have sufficient cash available to pay dividends, we may need to fund the shortage out of working capital or revenues from future acquisitions, if any, or borrow to provide funds for such dividends, which would reduce the amount of funds available for investment and increase our future interest costs. Our inability to pay dividends, or to pay dividends at expected levels, could adversely impact the market price of our common stock.

Our accounting policies and methods are fundamental to how we record and report our financial position and results of operations, and they require management to make estimates, judgments, and assumptions about matters that are inherently uncertain.

Our accounting policies and methods are fundamental to how we record and report our financial position and results of operations. We have identified several accounting policies as being critical to the presentation of our financial position and results of operations because they require management to make particularly subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts would be recorded under different conditions or using different assumptions. Due to the inherent uncertainty of the estimates, judgments, and assumptions associated with these critical accounting policies, we cannot provide any assurance that we will not make significant subsequent adjustments to our consolidated financial statements. If our judgments, assumptions, and allocations prove to be incorrect, or if circumstances change, our business, financial condition, revenues, operating expense, results of operations, liquidity, ability to pay dividends, or stock price may be materially adversely affected.

We may make investments in asset classes or countries outside of our core investment strategy which may be perceived as complicating our strategy relative to our peers.

We may need to expand beyond our current asset class mix to grow our portfolio. As a result, we intend, to the extent that market conditions warrant, to seek to grow our businesses by increasing our investments in existing businesses, pursuing new investment strategies (including investment opportunities in new asset classes), developing new types of investment structures and products, and expanding into new geographic markets and businesses. Introducing new types of investment structures and products could increase the complexities involved in managing such investments, including to ensure compliance with regulatory requirements and terms of the investment. Making investments in assets classes or countries outside of our core investment strategy may also be perceived as complicating our strategy relative to our peers.

Entry into asset classes or countries may subject us to new laws and regulations with which we are not familiar, or from which we are currently exempt, and may lead to increased litigation and regulatory risk and costs.

Failure to hedge effectively against interest rate changes and foreign exchange rate changes may have a material adverse effect on our business, financial condition and results of operations.

The interest rate and foreign exchange rate hedge instruments we may use to manage some of our exposure to interest rate and foreign exchange rate volatility involve risk, such as the risk that counterparties may fail to honor their obligations under these arrangements. Failure to hedge effectively against such interest rate and foreign exchange rate changes may have a material adverse effect on our business, financial condition and results of operations.

Our future success depends on the successful recruitment and retention of personnel, including our executives.

Our future success depends in large part on our ability to hire and retain a sufficient number of qualified and diverse personnel. Failure to recruit from a diverse pool of qualified candidates, particularly in light of recent labor shortages could negatively impact the dynamic growth of our company. In addition, the nature of our executive officers' experience and the extent of the relationships they have developed with real estate professionals and financial institutions are important to the success of our business. We cannot provide any assurances regarding their continued employment with us. The loss of the services of certain of our executive officers could detrimentally affect our business and prospects, and a sustained labor shortage or increased turnover rates among our employees, could increase costs and materially adversely affect our business.

The occurrence of cyber incidents, or a deficiency in our cyber security, could negatively impact our business by causing a disruption to our operations, a compromise or corruption of our confidential information, and/or damage to our business relationships, all of which could negatively impact our financial results.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity, or availability of our information resources, which could be an intentional attack or an unintentional accident or error. We use information technology and other computer resources to carry out important operational activities and to maintain our business records. With the advent of remote work environments and technologies, we face heightened cybersecurity risks as our employees and counterparties increasingly depend on the internet and face greater exposure to malware and phishing attacks. These heightened cybersecurity risks may increase our vulnerability to cyber-attacks and cause disruptions to our internal control procedures.

In addition, we may store or come into contact with sensitive information and data. If we or our third-party service providers fail to comply with applicable privacy or data security laws in handling this information, including the General Data Protection Regulation and the California Consumer Privacy Act, we could face significant legal and financial exposure to claims of governmental agencies and parties whose privacy is compromised, including sizable fines and penalties.

We have implemented processes, procedures, and controls intended to address ongoing and evolving cyber security risks, but these measures, as well as our increased awareness of a risk of a cyber incident, do not guarantee that our financial results will not be negatively impacted by such an incident. The primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to our relationship with our tenants, and private data exposure. A significant and extended disruption could damage our business or reputation; cause a loss of revenue; have an adverse effect on tenant relations; cause an unintended or unauthorized public disclosure; or lead to the misappropriation of proprietary, personal identifying and confidential information; all of which could result in us incurring significant expenses to address and remediate or otherwise resolve these kinds of issues. There can be no assurance that the insurance we maintain to cover some of these risks will be sufficient to cover the losses from any future breaches of our systems.

Our business may continue to be adversely affected by the ongoing COVID-19 pandemic.

We are unable to predict the impact of ongoing disruptions caused by additional surges and strains of COVID-19 transmission. The economic downturn and market volatility caused by the ongoing COVID-19 pandemic has already eroded the financial condition of certain of our tenants and operating properties; therefore, we cannot predict the impact that COVID-19 will continue to have on our tenants' ability to pay rent and any information provided regarding historical rent collections should not serve as an indication of expected future rent collections. We also cannot assure you that conditions in the bank lending, capital, and other financial markets will not deteriorate as a result of the continued impact of COVID-19, causing our access to capital and other sources of funding to become constrained, which could adversely affect the terms or even availability of future borrowings, renewals, and refinancings. Changes in laws and regulatory policies, including any governmental actions related to COVID-19 and the effects of fiscal and monetary policy changes, could result in business disruptions and subject us to additional market volatility and risks.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our principal corporate offices are located at One Manhattan West, 395 9th Avenue, 58th Floor, New York, NY 10001 and our international offices are located in London and Amsterdam. We have additional office space domestically in Dallas. We lease all of these offices and believe these leases are suitable for our operations for the foreseeable future.

See [Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations — Portfolio Overview](#) for a discussion of the properties we hold for rental operations and Part II, [Item 8. Financial Statements and Supplementary Data — Schedule III — Real Estate and Accumulated Depreciation](#) for a detailed listing of such properties.

Item 3. Legal Proceedings.

Various claims and lawsuits arising in the normal course of business are pending against us. The results of these proceedings are not expected to have a material adverse effect on our consolidated financial position or results of operations.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

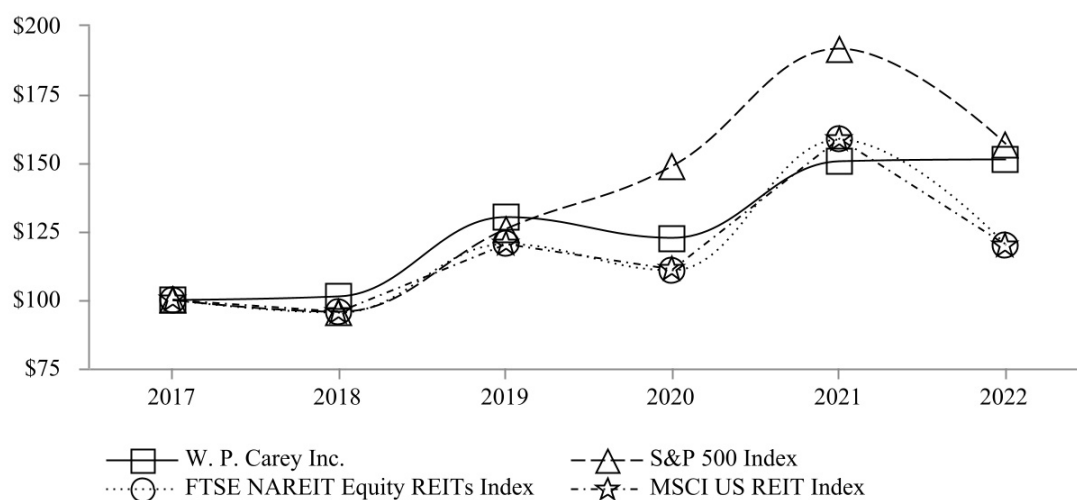
Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock is listed on the NYSE under the ticker symbol “WPC.” At February 3, 2023 there were 8,982 registered holders of record of our common stock. This figure does not reflect the beneficial ownership of shares of our common stock.

Stock Price Performance Graph

The graph below provides an indicator of cumulative total stockholder returns for our common stock for the period December 31, 2017 to December 31, 2022, as compared with the S&P 500 Index, the FTSE NAREIT Equity REITs Index, and the MSCI US REIT Index, which we have added to the graph below since it serves as a benchmark index for our compensation decisions. We intend to discontinue presentation of the FTSE NAREIT Equity REITs Index in future stock price performance graphs, as the MSCI US REIT Index will serve as our industry index. The graph assumes a \$100 investment on December 31, 2017, together with the reinvestment of all dividends.



	At December 31,					
	2017	2018	2019	2020	2021	2022
W. P. Carey Inc.	\$ 100.00	\$ 101.08	\$ 130.23	\$ 122.44	\$ 150.45	\$ 151.16
S&P 500 Index	100.00	95.62	125.72	148.85	191.58	156.88
FTSE NAREIT Equity REITs Index	100.00	95.38	120.17	110.56	158.36	119.77
MSCI US REIT Index	100.00	95.43	120.09	110.99	158.79	119.87

The stock price performance included in this graph is not indicative of future stock price performance.

Dividends

We currently intend to continue paying cash dividends consistent with our historical practice; however, our Board determines the amount and timing of any future dividend payments to our stockholders based on a variety of factors.

This information will be contained in our definitive proxy statement for the 2023 Annual Meeting of Stockholders, to be filed within 120 days following the end of our fiscal year, and is incorporated herein by reference.

Item 6. Reserved

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Management’s Discussion and Analysis of Financial Condition and Results of Operations is intended to assist in understanding our financial statements and the reasons for changes in certain key components of our financial statements from period to period. This item also provides our perspective on our financial position and liquidity, as well as certain other factors that may affect our future results. The discussion also breaks down the financial results of our business by segment to provide a better understanding of how these segments and their results affect our financial condition and results of operations.

The following discussion should be read in conjunction with our consolidated financial statements in [Item 8](#) of this Report and the matters described under [Item 1A, Risk Factors](#). Please see our Annual Report on Form 10-K for the year ended December 31, 2021 for discussion of our financial condition and results of operations for the year ended December 31, 2020. Refer to [Item 1, Business](#) for a description of our business.

Significant Developments

Board of Directors Change

On December 12, 2022, we announced that Ms. Elisabeth Stheeman, age 58, was appointed to our Board. Please see our Current Report on Form 8-K filed on December 12, 2022 for additional information.

Financial Highlights

During the year ended December 31, 2022, we completed the following (as further described in the consolidated financial statements):

Real Estate

CPA:18 Merger

On August 1, 2022, we completed the CPA:18 Merger ([Note 3](#)).

- We acquired full or partial ownership interests in 42 properties in the CPA:18 Merger (including seven properties in which we already owned a partial ownership interest), substantially all of which were triple-net leased with a weighted-average lease term of 7.0 years, an occupancy rate of 99.3%, and an estimated ABR totaling \$81.0 million. We also acquired 65 self-storage operating properties and two student housing operating properties totaling 5.1 million square feet. The related property-level debt was comprised of non-recourse mortgage loans with an aggregate consolidated fair value of approximately \$900.2 million with a weighted-average annual interest rate of 5.1% as of August 1, 2022.
- We issued the following to CPA:18 – Global stockholders as part of the merger consideration: (i) 13,786,302 shares of our common stock of approximately \$1.2 billion, (ii) \$3.00 per share of cash consideration totaling approximately \$423.3 million, and (iii) cash of \$0.1 million paid in lieu of issuing any fractional shares of our common stock.
- Lease revenues and operating property revenues from properties acquired in the CPA:18 Merger were \$42.7 million and \$39.2 million, respectively, for the year ended December 31, 2022.
- We recognized a Gain on change in control of interests of \$33.9 million in connection with the CPA:18 Merger during the year ended December 31, 2022, of which \$11.4 million was attributable to our Real Estate segment and \$22.5 million was attributable to our Investment Management segment.

Investments

- We acquired 23 investments totaling \$1.2 billion ([Note 5](#), [Note 6](#)).
- We completed six construction projects at a cost totaling \$148.1 million ([Note 5](#)).
- We funded approximately \$89.5 million for a construction loan to build a retail complex in Las Vegas, Nevada, during the year ended December 31, 2022. Through December 31, 2022, we have funded \$193.2 million ([Note 8](#)).
- We committed to fund six build-to-suit or redevelopment projects totaling \$20.3 million. We currently expect to complete the projects in 2023 ([Note 5](#)).

Dispositions

- We disposed of 23 properties for total proceeds, net of selling costs, of \$234.7 million ([Note 16](#)).
- In January 2022, WLT redeemed in full our 1,300,000 shares of its preferred stock for gross proceeds of \$65.0 million ([Note 9](#)).
- In October 2022, we received \$82.6 million in cash proceeds as a result of certain private real estate funds' acquisition of all outstanding shares of WLT common stock. As of the date of acquisition, we owned 12,208,243 shares of WLT common stock. Upon completion of this transaction, we have no remaining interest in WLT ([Note 9](#)).

Financing and Capital Markets Transactions

- In April 2022, we increased the Term Loan to £270.0 million and the Delayed Draw Term Loan to €215.0 million, thereby increasing the total capacity of our Senior Unsecured Credit Facility to approximately \$2.4 billion. We used the approximately \$300 million of proceeds from this increase in the capacity of our Unsecured Term Loans to partially repay amounts outstanding under our Unsecured Revolving Credit Facility ([Note 11](#)).
- On May 2, 2022, we established a \$1.0 billion ATM Program, under which we may issue shares directly or defer delivery to a later date through our ATM Forwards ([Note 13](#)).
- We issued 2,740,295 shares of our common stock under our prior ATM Program at a weighted-average price of \$80.79 per share, for net proceeds of \$218.1 million ([Note 13](#)).
- We settled our remaining Equity Forwards by delivering 3,925,000 shares of common stock for net proceeds of \$284.3 million ([Note 13](#)).
- As of December 31, 2022, we had approximately \$530.0 million of available proceeds under our ATM Forwards ([Note 13](#)).
- On September 28, 2022, we completed a private placement of (i) €150 million of 3.41% Senior Notes due 2029, which have a seven-year term and are scheduled to mature on September 28, 2029, and (ii) €200 million of 3.70% Senior Notes due 2032, which have a ten-year term and are scheduled to mature on September 28, 2032 ([Note 11](#)).

Investment Management

- Upon completion of the CPA:18 Merger ([Note 3](#)), we ceased earning advisory fees and other income previously earned when we served as advisor to CPA:18 – Global. During the year ended December 31, 2022, through the date of the CPA:18 Merger, such fees and other income from CPA:18 – Global totaled \$17.9 million. Investment Management fees and other income are expected to be minimal going forward.

Dividends to Stockholders

We declared cash dividends totaling \$4.242 per share, comprised of four quarterly dividends per share of \$1.057, \$1.059, \$1.061, and \$1.065.

Consolidated Results

(in thousands, except shares)

	Years Ended December 31,	
	2022	2021
Revenues from Real Estate	\$ 1,468,101	\$ 1,312,126
Revenues from Investment Management	10,985	19,398
Total revenues	1,479,086	1,331,524
Net income from Real Estate attributable to W. P. Carey	591,603	384,766
Net income from Investment Management attributable to W. P. Carey	7,536	25,222
Net income attributable to W. P. Carey	599,139	409,988
Dividends declared	859,655	781,626
Net cash provided by operating activities	1,003,556	926,479
Net cash used in investing activities	(1,052,531)	(1,566,727)
Net cash provided by financing activities	57,887	557,048
Supplemental financial measures ^(a) :		
Adjusted funds from operations attributable to W. P. Carey (AFFO) — Real Estate	1,042,782	896,139
Adjusted funds from operations attributable to W. P. Carey (AFFO) — Investment Management	17,816	25,352
Adjusted funds from operations attributable to W. P. Carey (AFFO)	1,060,598	921,491
Diluted weighted-average shares outstanding	200,427,124	183,127,098

(a) We consider Adjusted funds from operations (“AFFO”), a supplemental measure that is not defined by U.S. generally accepted accounting principles (“GAAP”) (a “non-GAAP measure”), to be an important measure in the evaluation of our operating performance. See [Supplemental Financial Measures](#) below for our definition of this non-GAAP measure and a reconciliation to its most directly comparable GAAP measure.

Revenues

Real Estate revenue increased in 2022 as compared to 2021, primarily due to higher lease revenues (substantially as a result of property acquisition activity and rent escalations, as well as the net-leased properties we acquired in the CPA:18 Merger on August 1, 2022 ([Note 3](#)), partially offset by the impact of the weakening euro and British pound sterling) and higher operating property revenues (primarily from the operating properties we acquired in the CPA:18 Merger on August 1, 2022 ([Note 3](#))), partially offset by lower other lease-related income ([Note 5](#)).

Net Income Attributable to W. P. Carey

Net income attributable to W. P. Carey increased in 2022 as compared to 2021. Net income from Real Estate attributable to W. P. Carey increased primarily due to a lower loss on extinguishment of debt ([Note 11](#)), non-cash unrealized gains recognized on our investment in common shares of WLT ([Note 9](#)), and the impact of real estate acquisitions, partially offset by higher interest expense and the impact of the weakening euro and British pound sterling. In addition, we recognized non-cash unrealized gains on our investment in shares of Lineage Logistics during both the current and prior year ([Note 9](#)). Net income from Investment Management attributable to W. P. Carey decreased primarily due to an impairment charge recognized on goodwill within our Investment Management segment ([Note 9](#)). In addition, we recognized a gain on change in control of interests during the current year in connection with the CPA:18 Merger ([Note 3](#)).

AFFO

AFFO increased in 2022 as compared to 2021, primarily due to investment activity and rent escalations, higher other lease-related income (on an AFFO basis), and the accretive impact of the CPA:18 Merger ([Note 3](#)), partially offset by the impact of the weakening euro and British pound sterling and higher interest expense.

Portfolio Overview

Our portfolio is comprised of operationally-critical, commercial real estate assets net leased to tenants located primarily in the United States and Northern and Western Europe. We invest in high-quality single tenant industrial, warehouse, office, retail, and self-storage (net lease) properties subject to long-term leases with built-in rent escalators. Portfolio information is provided on a pro rata basis, unless otherwise noted below, to better illustrate the economic impact of our various net-leased jointly owned investments. See Terms and Definitions below for a description of pro rata amounts.

Portfolio Summary

	As of December 31,	
	2022	2021
Net-leased Properties		
ABR (in thousands)	\$ 1,381,899	\$ 1,247,764
Number of net-leased properties ^(a)	1,449	1,304
Number of tenants	392	352
Total square footage (in thousands)	175,957	155,674
Occupancy	98.8 %	98.5 %
Weighted-average lease term (in years)	10.8	10.8
Operating Properties		
Number of operating properties: ^(b)		
Number of self-storage operating properties	87	20
Number of student housing operating properties	84	19
Number of student housing operating properties	2	—
Number of hotel operating properties	1	1
Occupancy (self-storage operating properties)	91.0 %	95.3 %
Number of countries ^(c)	26	24
Total assets (in thousands)	\$ 18,102,035	\$ 15,480,630
Net investments in real estate (in thousands)	15,488,898	13,037,369
Years Ended December 31,		
	2022	2021
Acquisition volume (in millions) ^(d)	\$ 1,265.5	\$ 1,627.9
Construction projects completed (in millions)	148.1	88.2
Average U.S. dollar/euro exchange rate	1.0540	1.1830
Average U.S. dollar/British pound sterling exchange rate	1.2373	1.3755

(a) We acquired 35 net-leased properties (in which we did not already have an ownership interest) in the CPA:18 Merger in August 2022 ([Note 3](#)).

(b) We acquired 65 self-storage properties, one student housing property, and one student housing development project in the CPA:18 Merger in August 2022 ([Note 3](#)).

(c) We acquired investments in Belgium during the year ended December 31, 2022. We acquired an investment in Mauritius in connection with the CPA:18 Merger in August 2022 ([Note 3](#)).

(d) Amount for the year ended December 31, 2022 excludes properties acquired in the CPA:18 Merger ([Note 3](#)). Amounts for the years ended December 31, 2022 and 2021 include \$19.8 million and \$217.0 million, respectively, of sale-leasebacks classified as loans receivable ([Note 6](#)). Amounts for the years ended December 31, 2022 and 2021 include \$89.5 million and \$103.7 million, respectively, of funding for a construction loan ([Note 8](#)).

Net-Leased Portfolio

The tables below represent information about our net-leased portfolio at December 31, 2022 on a pro rata basis and, accordingly, exclude all operating properties. See Terms and Definitions below for a description of pro rata amounts and ABR.

Top Ten Tenants by ABR (dollars in thousands)

Tenant/Lease Guarantor	Description	Number of Properties	ABR	ABR Percent	Weighted-Average Lease Term (Years)
U-Haul Moving Partners Inc. and Mercury Partners, LP	Net lease self-storage properties in the U.S.	78	\$ 38,751	2.8 %	1.3
State of Andalucía ^(a)	Government office properties in Spain	70	29,271	2.1 %	12.0
Metro Cash & Carry Italia S.p.A. ^(a)	Business-to-business wholesale stores in Italy and Germany	20	27,512	2.0 %	5.8
Hellweg Die Profi-Baumärkte GmbH & Co. KG ^(a)	Do-it-yourself retail properties in Germany	35	27,250	2.0 %	14.2
Extra Space Storage, Inc.	Net lease self-storage properties in the U.S.	27	22,957	1.7 %	21.3
OBI Group ^(a)	Do-it-yourself retail properties in Poland	26	22,266	1.6 %	7.8
Marriott Corporation ^(b)	Net lease hotel properties in the U.S.	18	21,350	1.6 %	1.0
Nord Anglia Education, Inc.	K-12 private schools in the U.S.	3	20,981	1.5 %	20.7
Advance Auto Parts, Inc.	Distribution facilities in the U.S.	29	19,851	1.4 %	10.1
Eroski Sociedad Cooperativa ^(a)	Grocery stores and warehouses in Spain	63	19,705	1.4 %	13.2
Total		369	\$ 249,894	18.1 %	10.1

(a) ABR amounts are subject to fluctuations in foreign currency exchange rates.

(b) ABR for this tenant includes \$16.1 million from a lease that expired in January 2023. Upon lease expiration, these properties were converted from net lease properties to operating properties.

Portfolio Diversification by Geography
(in thousands, except percentages)

Region	ABR	ABR Percent	Square Footage ^(a)	Square Footage Percent
United States				
South				
Texas	\$ 115,176	8.3 %	12,609	7.2 %
Florida	54,064	3.9 %	4,544	2.6 %
Georgia	28,411	2.1 %	4,721	2.7 %
Tennessee	25,545	1.8 %	4,136	2.3 %
Alabama	20,072	1.5 %	3,334	1.9 %
Other ^(b)	14,529	1.1 %	2,237	1.3 %
Total South	257,797	18.7 %	31,581	18.0 %
Midwest				
Illinois	75,252	5.5 %	10,864	6.2 %
Minnesota	34,977	2.5 %	3,686	2.1 %
Indiana	29,312	2.1 %	5,222	3.0 %
Michigan	28,311	2.1 %	4,705	2.7 %
Ohio	28,303	2.0 %	6,181	3.5 %
Wisconsin	18,126	1.3 %	3,276	1.8 %
Other ^(b)	42,430	3.1 %	6,230	3.5 %
Total Midwest	256,711	18.6 %	40,164	22.8 %
East				
North Carolina	38,333	2.8 %	8,302	4.7 %
Pennsylvania	32,169	2.3 %	3,527	2.0 %
New York	19,373	1.4 %	2,257	1.3 %
Kentucky	18,638	1.4 %	3,063	1.7 %
South Carolina	18,556	1.3 %	4,949	2.8 %
Massachusetts	18,209	1.3 %	1,387	0.8 %
New Jersey	15,735	1.1 %	943	0.5 %
Virginia	14,652	1.1 %	1,854	1.1 %
Other ^(b)	25,029	1.8 %	3,884	2.2 %
Total East	200,694	14.5 %	30,166	17.1 %
West				
California	64,977	4.7 %	6,417	3.6 %
Arizona	30,417	2.2 %	3,437	2.0 %
Other ^(b)	64,897	4.7 %	6,994	4.0 %
Total West	160,291	11.6 %	16,848	9.6 %
United States Total	875,493	63.4 %	118,759	67.5 %
International				
Germany	71,304	5.2 %	7,020	4.0 %
Spain	63,779	4.6 %	5,187	3.0 %
Poland	63,552	4.6 %	8,631	4.9 %
The Netherlands	55,666	4.0 %	7,054	4.0 %
United Kingdom	51,977	3.8 %	4,766	2.7 %
Italy	26,884	1.9 %	2,541	1.4 %
Denmark	23,526	1.7 %	3,039	1.7 %
France	19,920	1.4 %	1,679	1.0 %
Croatia	19,475	1.4 %	2,063	1.2 %
Canada	16,337	1.2 %	2,492	1.4 %
Norway	15,533	1.1 %	753	0.4 %
Other ^(c)	78,453	5.7 %	11,973	6.8 %
International Total	506,406	36.6 %	57,198	32.5 %
Total	\$ 1,381,899	100.0 %	175,957	100.0 %

*Portfolio Diversification by Property Type
(in thousands, except percentages)*

Property Type	ABR	ABR Percent	Square Footage ^(a)	Square Footage Percent
Industrial	\$ 366,777	26.5 %	62,521	35.6 %
Warehouse	333,713	24.1 %	63,192	35.9 %
Office	239,941	17.4 %	16,703	9.5 %
Retail ^(d)	231,839	16.8 %	20,290	11.5 %
Self Storage (net lease)	61,708	4.5 %	5,810	3.3 %
Other ^(e)	147,921	10.7 %	7,441	4.2 %
Total	\$ 1,381,899	100.0 %	175,957	100.0 %

(a) Includes square footage for any vacant properties.

(b) Other properties within South include assets in Louisiana, Arkansas, Oklahoma, and Mississippi. Other properties within Midwest include assets in Iowa, Missouri, Kansas, Nebraska, South Dakota, and North Dakota. Other properties within East include assets in Maryland, Connecticut, West Virginia, New Hampshire, and Maine. Other properties within West include assets in Utah, Oregon, Colorado, Washington, Nevada, Hawaii, Idaho, New Mexico, Wyoming, and Montana.

(c) Includes assets in Lithuania, Mexico, Finland, Belgium, Hungary, Mauritius, Slovakia, Portugal, the Czech Republic, Austria, Sweden, Japan, Latvia, and Estonia.

(d) Includes automotive dealerships.

(e) Includes ABR from tenants with the following property types: hotel (net lease), education facility, laboratory, specialty, fitness facility, research and development, student housing (net lease), theater, funeral home, restaurant, land, and parking.

*Portfolio Diversification by Tenant Industry
(in thousands, except percentages)*

Industry Type	ABR	ABR Percent	Square Footage	Square Footage Percent
Retail Stores ^(a)	\$ 283,868	20.5 %	36,457	20.7 %
Consumer Services	110,969	8.0 %	8,067	4.6 %
Beverage and Food	105,906	7.7 %	15,759	9.0 %
Automotive	85,966	6.2 %	13,477	7.7 %
Grocery	79,516	5.8 %	8,363	4.8 %
Cargo Transportation	63,473	4.6 %	9,550	5.4 %
Hotel and Leisure	57,132	4.1 %	3,060	1.7 %
Healthcare and Pharmaceuticals	55,806	4.0 %	5,557	3.2 %
Capital Equipment	55,593	4.0 %	8,459	4.8 %
Business Services	48,375	3.5 %	4,113	2.3 %
Containers, Packaging, and Glass	46,942	3.4 %	8,266	4.7 %
Durable Consumer Goods	46,761	3.4 %	10,300	5.9 %
Construction and Building	46,583	3.4 %	9,235	5.2 %
Sovereign and Public Finance	42,578	3.1 %	3,560	2.0 %
High Tech Industries	36,027	2.6 %	3,574	2.0 %
Insurance	30,862	2.2 %	2,024	1.1 %
Chemicals, Plastics, and Rubber	29,935	2.2 %	5,254	3.0 %
Non-Durable Consumer Goods	26,374	1.9 %	6,244	3.5 %
Banking	23,894	1.7 %	1,426	0.8 %
Metals	18,673	1.4 %	3,259	1.9 %
Telecommunications	16,839	1.2 %	1,686	1.0 %
Other ^(b)	69,827	5.1 %	8,267	4.7 %
Total	\$ 1,381,899	100.0 %	175,957	100.0 %

(a) Includes automotive dealerships.

(b) Includes ABR from tenants in the following industries: media: broadcasting and subscription, aerospace and defense, wholesale, media: advertising, printing, and publishing, oil and gas, utilities: electric, environmental industries, consumer transportation, forest products and paper, electricity, and real estate. Also includes square footage for vacant properties.

Lease Expirations

(dollars and square footage in thousands)

Year of Lease Expiration ^(a)	Number of Leases Expiring	Number of Tenants with Leases Expiring	ABR	ABR Percent	Square Footage	Square Footage Percent
2023 ^(b)	36	30	\$ 54,228	3.9 %	5,500	3.1 %
2024 ^(c)	41	35	90,330	6.6 %	11,230	6.4 %
2025	53	32	61,241	4.4 %	7,068	4.0 %
2026	46	36	64,074	4.7 %	9,081	5.1 %
2027	57	33	82,953	6.0 %	8,906	5.1 %
2028	46	28	69,298	5.0 %	5,589	3.2 %
2029	57	29	68,802	5.0 %	8,337	4.7 %
2030	34	29	73,128	5.3 %	6,165	3.5 %
2031	37	21	70,249	5.1 %	8,749	5.0 %
2032	41	22	44,204	3.2 %	6,200	3.5 %
2033	31	24	81,864	5.9 %	11,377	6.5 %
2034	49	18	83,347	6.0 %	8,638	4.9 %
2035	14	14	29,388	2.1 %	4,957	2.8 %
2036	49	19	84,795	6.1 %	13,524	7.7 %
Thereafter (>2036)	261	107	423,998	30.7 %	58,555	33.3 %
Vacant	—	—	—	— %	2,081	1.2 %
Total	852		\$ 1,381,899	100.0 %	175,957	100.0 %

(a) Assumes tenants do not exercise any renewal options or purchase options.

(b) Includes ABR of \$16.1 million from a tenant (Marriott Corporation) with a lease that expired in January 2023. Upon lease expiration, these properties were converted from net lease properties to operating properties.

(c) Includes ABR of \$38.8 million from a tenant (U-Haul Moving Partners, Inc. and Mercury Partners, LP) that holds an option to repurchase the 78 properties it is leasing in April 2024. There can be no assurance that such repurchase will be completed.

Rent Collections

Through the date of this Report, we received from tenants over 99.3% of contractual base rent that was due during the fourth quarter of 2022 (based on contractual minimum ABR as of September 30, 2022).

Terms and Definitions

Pro Rata Metrics — The portfolio information above contains certain metrics prepared on a pro rata basis. We refer to these metrics as pro rata metrics. We have a number of investments, usually with our affiliates, in which our economic ownership is less than 100%. On a full consolidation basis, we report 100% of the assets, liabilities, revenues, and expenses of those investments that are deemed to be under our control or for which we are deemed to be the primary beneficiary, even if our ownership is less than 100%. Also, for all other jointly owned investments, which we do not control, we report our net investment and our net income or loss from that investment. On a pro rata basis, we generally present our proportionate share, based on our economic ownership of these jointly owned investments, of the portfolio metrics of those investments. Multiplying each of our jointly owned investments' financial statement line items by our percentage ownership and adding or subtracting those amounts from our totals, as applicable, may not accurately depict the legal and economic implications of holding an ownership interest of less than 100% in our jointly owned investments.

ABR — ABR represents contractual minimum annualized base rent for our net-leased properties and reflects exchange rates as of December 31, 2022. If there is a rent abatement, we annualize the first monthly contractual base rent following the free rent period. ABR is not applicable to operating properties.

Results of Operations

We operate in two reportable segments: Real Estate and Investment Management. We evaluate our results of operations with a primary focus on increasing and enhancing the value, quality, and number of properties in our Real Estate segment. We focus our efforts on accretive investing and improving portfolio quality through re-leasing efforts, including negotiation of lease renewals, or selectively selling assets in order to increase value in our real estate portfolio. Through our Investment Management segment, we expect to continue to earn fees and other income from the management of the CESH portfolio until it reaches the end of its life cycle. Refer to [Note 17](#) for tables presenting the comparative results of our Real Estate and Investment Management segments.

Real Estate

Revenues

The following table presents revenues within our Real Estate segment (in thousands):

	Years Ended December 31,		
	2022	2021	Change
Real Estate Revenues			
Lease revenues from:			
Existing net-leased properties	\$ 1,110,502	\$ 1,103,945	\$ 6,557
Recently acquired net-leased properties	140,431	53,687	86,744
Net-leased properties acquired in the CPA:18 Merger	36,040	—	36,040
Net-leased properties sold or held for sale	14,644	19,806	(5,162)
Total lease revenues (including reimbursable tenant costs)	1,301,617	1,177,438	124,179
Income from direct financing leases and loans receivable	74,266	67,555	6,711
Operating property revenues from:			
Operating properties acquired in the CPA:18 Merger	39,193	—	39,193
Existing operating properties	20,037	13,478	6,559
Total operating property revenues	59,230	13,478	45,752
Other lease-related income	32,988	53,655	(20,667)
	<u>\$ 1,468,101</u>	<u>\$ 1,312,126</u>	<u>\$ 155,975</u>

Lease Revenues

“Existing net-leased properties” are those that we acquired or placed into service prior to January 1, 2021 and that were not sold or held for sale during the periods presented. For the periods presented, there were 1,108 existing net-leased properties.

For the year ended December 31, 2022 as compared to 2021, lease revenues from existing net-leased properties increased due to the following items (in millions):



(a) Excludes fixed minimum rent increases, which are reflected as straight-line rent adjustments within lease revenues.

(b) Primarily related to (i) straight-line rent adjustments and (ii) write-offs of above/below-market rent intangibles.

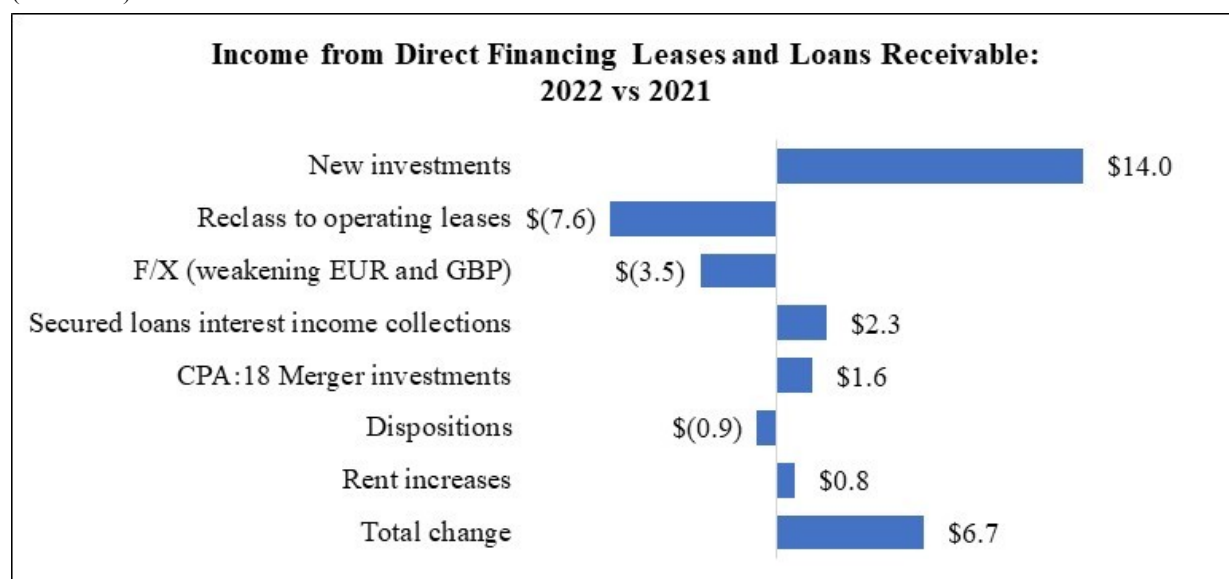
“Recently acquired net-leased properties” are those that we acquired or placed into service subsequent to December 31, 2020 and that were not sold or held for sale during the periods presented. Since January 1, 2021, we acquired 48 investments (comprised of 192 properties and six land parcels under buildings that we already own) and placed three properties into service.

“Net-leased properties acquired in the CPA:18 Merger” on August 1, 2022 ([Note 3](#)) consisted of 38 net-leased properties, which contributed five months of lease revenue, depreciation and amortization, and property expenses during the year ended December 31, 2022.

“Net-leased properties sold or held for sale” include (i) 23 net-leased properties disposed of during the year ended December 31, 2022; (ii) three net-leased properties classified as held for sale at December 31, 2022, one of which was sold in January 2023 ([Note 5](#), [Note 18](#)); and (iii) 24 net-leased properties disposed of during the year ended December 31, 2021. Our dispositions are more fully described in [Note 16](#).

Income from Direct Financing Leases and Loans Receivable

For the year ended December 31, 2022 as compared to 2021, income from direct financing leases and loans receivable decreased due to the following items (in millions):



Operating Property Revenues and Expenses

“Operating properties acquired in the CPA:18 Merger” on August 1, 2022 ([Note 3](#)) consisted of 65 self-storage properties and two student housing properties, which contributed five months of operating property revenues, depreciation and amortization, and operating property expenses during the year ended December 31, 2022.

“Existing operating properties” are those that we acquired or placed into service prior to January 1, 2021 and that were not sold or held for sale during the periods presented. For the periods presented, we recorded operating property revenues from 11 existing operating properties, comprised of ten self-storage operating properties (which excludes nine self-storage properties accounted for under the equity method) and one hotel operating property. For our hotel operating property, revenues and expenses increased by \$4.9 million and \$2.8 million, respectively, for the year ended December 31, 2022 as compared to 2021, reflecting higher occupancy as the hotel’s business recovers from the ongoing COVID-19 pandemic.

Other Lease-Related Income

Other lease-related income is described in [Note 5](#).

Operating Expenses

Depreciation and Amortization

For the year ended December 31, 2022 as compared to 2021, depreciation and amortization expense for net-leased properties and self-storage operating properties increased primarily due to the impact of net acquisition activity (including properties acquired in the CPA:18 Merger ([Note 3](#))), partially offset by the weakening of foreign currencies (primarily the euro and British pound sterling) in relation to the U.S. dollar between the periods.

General and Administrative

All general and administrative expenses are recognized within our Real Estate segment.

For the year ended December 31, 2022 as compared to 2021, general and administrative expenses increased by \$7.1 million, primarily due to higher compensation expense, increased professional fees resulting from the CPA:18 Merger, and higher travel costs.

Property Expenses, Excluding Reimbursable Tenant Costs

For the year ended December 31, 2022 as compared to 2021, property expenses, excluding reimbursable tenant costs, increased by \$2.9 million, primarily due to due to tenant vacancies during 2021 and 2022 (which resulted in property expenses no longer being reimbursable) and property expenses incurred on acquisitions since January 1, 2021 ([Note 3](#)).

Impairment Charges

Our impairment charges are described in [Note 9](#).

Stock-based Compensation Expense

For a description of our equity plans and awards, please see [Note 14](#). Stock-based compensation expense is fully recognized within our Real Estate segment.

For the year ended December 31, 2022 as compared to 2021, stock-based compensation expense increased by \$8.0 million, primarily due to changes in the projected payout for performance share units.

Merger and Other Expenses

For the years ended December 31, 2022 and 2021, merger and other expenses are primarily comprised of costs incurred in connection with the CPA:18 Merger ([Note 3](#)) and/or reversals of estimated liabilities for German real estate transfer taxes that were previously recorded in connection with mergers in prior years.

Other Income and (Expenses), and (Provision for) Benefit from Income Taxes

Interest Expense

For the year ended December 31, 2022 as compared to 2021, interest expense increased by \$22.3 million, primarily due to (i) \$20.1 million of interest expense incurred from August through December 2022 related to non-recourse mortgage loans assumed in the CPA:18 Merger ([Note 3](#)), (ii) higher outstanding balances and interest rates on our Senior Unsecured Credit Facility, and (iii) five senior unsecured notes issuances totaling \$1.7 billion (based on the exchange rate of the euro on the dates of issuance for our euro-denominated senior unsecured notes) with a weighted-average interest rate of 2.1% completed since January 1, 2021, partially offset by (i) the weakening of foreign currencies (primarily the euro and British pound sterling) in relation to the U.S. dollar between the periods and (ii) the reduction of our mortgage debt outstanding by prepaying or repaying at or close to maturity a total of \$892.9 million of non-recourse mortgage loans with a weighted-average interest rate of 4.8% since January 1, 2021.

The following table presents certain information about our outstanding debt (dollars in thousands):

	Years Ended December 31,	
	2022	2021
Average outstanding debt balance	\$ 7,392,208	\$ 6,906,997
Weighted-average interest rate	2.7 %	2.6 %

The weighted-average interest rate for our debt instruments as of December 31, 2022 increased to 3.0% as compared to 2.5% as of December 31, 2021, and is expected to be further impacted by rising interest rates over the next year.

Other Gains and (Losses)

Other gains and (losses) primarily consists of gains and losses on (i) the mark-to-market fair value of equity securities, (ii) extinguishment of debt, and (iii) foreign currency exchange rate movements. The timing and amount of such gains or losses cannot always be estimated and are subject to fluctuation. All of our foreign currency-denominated unsecured debt instruments were designated as net investment hedges during the years ended December 31, 2022 and 2021. Therefore, no gains and losses on foreign currency exchange rate movements were recognized on the remeasurement of such instruments during those periods ([Note 10](#)).

The following table presents other gains and (losses) within our Real Estate segment (in thousands):

	Years Ended December 31,		
	2022	2021	Change
Other Gains and (Losses)			
Non-cash unrealized gains related to an increase in the fair value of our investment in common shares of WLT (Note 9)	\$ 49,233	\$ —	\$ 49,233
Non-cash unrealized gains related to an increase in the fair value of our investment in shares of Lineage Logistics (Note 9)	38,582	76,312	(37,730)
Net realized and unrealized losses on foreign currency exchange rate movements ^(a)	(26,866)	(15,608)	(11,258)
Non-cash unrealized gains related to an increase in the fair value of our investment in preferred shares of WLT (Note 9)	18,688	—	18,688
Change in allowance for credit losses on finance receivables (Note 6)	14,363	(266)	14,629
Gain on repayment of secured loan receivable ^(b)	10,613	—	10,613
Adjustment to insurance receivable acquired as part of a prior merger ^(c)	(9,358)	—	(9,358)
Gain (loss) on extinguishment of debt ^(d)	1,301	(75,339)	76,640
Other	593	1,225	(632)
	<u>\$ 97,149</u>	<u>\$ (13,676)</u>	<u>\$ 110,825</u>

- (a) We make certain foreign currency-denominated intercompany loans to a number of our foreign subsidiaries, most of which do not have the U.S. dollar as their functional currency. Remeasurement of foreign currency intercompany transactions that are scheduled for settlement, consisting primarily of accrued interest and amortizing loans, are included in other gains and (losses).
- (b) We acquired a secured loan receivable with a fair value of \$23.4 million in our merger with a former affiliate, Corporate Property Associates 17 – Global Incorporated, in October 2018 (“CPA:17 Merger”), for which the outstanding principal of \$34.0 million was fully repaid to us in September 2022 ([Note 6](#)). Therefore, we recorded a \$10.6 million gain on repayment of this secured loan receivable.
- (c) This insurance receivable was acquired in the CPA:17 Merger.
- (d) Amount for the year ended December 31, 2021 is related to the prepayment of mortgage loans (primarily comprised of prepayment penalties totaling \$45.2 million) and redemption of the €500.0 million of 2.0% Senior Notes due 2023 in March 2021 (primarily comprised of a “make-whole” amount of \$26.2 million related to the redemption) ([Note 11](#)).

Gain on Sale of Real Estate, Net

Gain on sale of real estate, net, consists of gain on the sale of properties that were disposed of during the reporting period. Our dispositions are more fully described in [Note 16](#).

Non-Operating Income

Non-operating income primarily consists of realized gains and losses on derivative instruments, dividends from equity securities, and interest income on our loans to affiliates and cash deposits.

The following table presents non-operating income within our Real Estate segment (in thousands):

	Years Ended December 31,		
	2022	2021	Change
Non-Operating Income			
Realized gains on foreign currency collars (Note 10)	\$ 24,058	\$ 2,357	\$ 21,701
Cash dividend from our investment in Lineage Logistics (Note 9)	4,308	6,438	(2,130)
Interest income related to our loans to affiliates and cash deposits	1,011	90	921
Cash dividends from our investment in preferred shares of WLT (Note 9)	912	4,893	(3,981)
	<u>\$ 30,289</u>	<u>\$ 13,778</u>	<u>\$ 16,511</u>

Earnings (Losses) from Equity Method Investments in Real Estate

Our equity method investments in real estate are more fully described in Note 8. The following table presents earnings (losses) from equity method investments in real estate (in thousands):

	Years Ended December 31,		
	2022	2021	Change
Earnings (Losses) from Equity Method Investments in Real Estate			
Existing Equity Method Investments:			
Earnings from Las Vegas Retail Complex	\$ 10,077	\$ 3,017	\$ 7,060
Earnings from Johnson Self Storage ^(a)	4,334	2,460	1,874
Earnings from Kesko Senukai ^(b)	3,908	841	3,067
Earnings from Harmon Retail Center	1,051	1,108	(57)
Losses from WLT ^(c)	—	(10,790)	10,790
	<u>19,370</u>	<u>(3,364)</u>	<u>22,734</u>
Equity Method Investments Consolidated after the CPA:18 Merger (Note 3):			
Proportionate share of impairment charge or other-than-temporary impairment charge recognized on Bank Pekao (Note 8, Note 9)	(4,610)	(13,220)	8,610
Earnings from Fortenova Grupa d.d. ^(d)	136	1,542	(1,406)
Other-than-temporary impairment charge on State Farm Mutual Automobile Insurance Co. (Note 8, Note 9)	—	(6,830)	6,830
Other	1,325	2,223	(898)
	<u>(3,149)</u>	<u>(16,285)</u>	<u>13,136</u>
	<u>\$ 16,221</u>	<u>\$ (19,649)</u>	<u>\$ 35,870</u>

(a) Increase is primarily due to higher occupancy and unit rates at these self-storage facilities.

(b) Increase is primarily due to higher rent collections at these retail properties, where certain rents were previously disputed and subsequently collected.

(c) Loss for 2021 is primarily due to the adverse impact of the COVID-19 pandemic on WLT's operations. We recorded losses from this investment on a one quarter lag. This investment was reclassified to equity securities at fair value within Other assets, net on our consolidated balance sheets in January 2022 (Note 9).

(d) Amount for 2021 reflects our proportionate share of a gain recognized on the sale of one of the properties in this portfolio.

(Provision for) Benefit from Income Taxes

For the year ended December 31, 2022 as compared to 2021, provision for income taxes within our Real Estate segment decreased by \$7.3 million, primarily due to (i) deferred tax benefits totaling \$3.5 million recognized during 2022 related to the release of valuation allowances on certain foreign properties, (ii) trade taxes of \$1.8 million recognized during 2021 as a result of the completion of a tax review on a portfolio of properties in Germany, and (iii) tax benefits of \$0.7 million recognized on certain foreign properties during 2022 as a result of a tax court ruling.

Investment Management

We earn revenue as the advisor to the Managed Programs. For the periods presented, we acted as advisor to the following Managed Programs: CPA:18 – Global (through August 1, 2022), CWI 1 and CWI 2 (through April 13, 2020), and CESH. Upon completion of the CPA:18 Merger on August 1, 2022 ([Note 3](#)), the advisory agreement with CPA:18 – Global was terminated, and we ceased earning revenue from CPA:18 – Global. The CWI 1 and CWI 2 Merger closed on April 13, 2020, and as a result, CWI 2 was renamed Watermark Lodging Trust, Inc., for which we provided certain services pursuant to a transition services agreement, which was terminated on October 13, 2021 ([Note 4](#)).

We no longer raise capital for new or existing funds, but we currently expect to continue managing CESH and earn the various fees described below through the end of its life cycle ([Note 1](#), [Note 4](#)).

Revenues

The following table presents revenues within our Investment Management segment (in thousands):

	Years Ended December 31,		
	2022	2021	Change
Investment Management Revenues			
Asset management and other revenue			
CPA:18 – Global	\$ 6,956	\$ 12,528	\$ (5,572)
CESH	1,511	2,835	(1,324)
	8,467	15,363	(6,896)
Reimbursable costs from affiliates			
CPA:18 – Global	2,040	2,874	(834)
CESH	478	878	(400)
WLT	—	283	(283)
	2,518	4,035	(1,517)
	<u>\$ 10,985</u>	<u>\$ 19,398</u>	<u>\$ (8,413)</u>

Asset Management and Other Revenue

During the periods presented, we earned asset management revenue from (i) CPA:18 – Global (prior to the CPA:18 Merger) based on the value of its real estate-related assets under management and (ii) CESH based on its gross assets under management at fair value. For 2022, we received asset management fees from (i) CPA:18 – Global in shares of its common stock through February 28, 2022; effective as of March 1, 2022, we receive asset management fees from CPA:18 – Global in cash in light of the CPA:18 Merger, which closed on August 1, 2022 ([Note 3](#)), and (ii) CESH in cash. Asset management revenues from CESH are expected to decline as assets are sold.

Operating Expenses

Impairment Charges — Investment Management Goodwill

Our impairment charges on Investment Management goodwill are more fully described in [Note 9](#).

Other Income and Expenses, and (Provision for) Benefit from Income Taxes

Earnings from Equity Method Investments in the Managed Programs

The following table presents the details of our earnings from equity method investments in the Managed Programs ([Note 8](#)) (in thousands):

	Years Ended December 31,	
	2022	2021
Earnings from equity method investments in the Managed Programs:		
Distributions of Available Cash from CPA:18 – Global ^(a)	\$ 8,746	\$ 7,345
Earnings from equity method investments in the Managed Programs ^{(a)(b)}	4,542	1,475
Earnings from equity method investments in the Managed Programs	<u>\$ 13,288</u>	<u>\$ 8,820</u>

(a) As a result of the completion of the CPA:18 Merger on August 1, 2022 ([Note 3](#)), we no longer recognize equity income from our investment in shares of common stock of CPA:18 – Global or receive distributions of Available Cash from CPA:18 – Global.

(b) The increase for the year ended December 31, 2022 as compared to 2021 was primarily due to an increase of \$3.1 million from our investment in shares of CPA:18 – Global.

(Provision for) Benefit from Income Taxes

For the year ended December 31, 2022 we recorded a provision for income taxes of \$6.3 million, compared to a benefit from income taxes of \$0.2 million recognized during the year ended December 31, 2021, within our Investment Management segment. During 2022, in connection with the CPA:18 Merger, we incurred one-time current taxes upon the recognition of taxable income associated with the accelerated vesting of shares previously issued by CPA:18 – Global to us for asset management services performed.

Liquidity and Capital Resources

Sources and Uses of Cash During the Year

We use the cash flow generated from our investments primarily to meet our operating expenses, service debt, and fund dividends to stockholders. Our cash flows fluctuate periodically due to a number of factors, which may include, among other things: the timing of our equity and debt offerings; the timing of purchases and sales of real estate; the timing of the repayment of mortgage loans and receipt of lease revenues; the timing and amount of other lease-related payments; the timing of settlement of foreign currency transactions; changes in foreign currency exchange rates; and the timing of distributions from equity method investments. We no longer receive certain fees and distributions from CPA:18 – Global following the completion of the CPA:18 Merger on August 1, 2022 ([Note 3](#)). Despite these fluctuations, we believe that we will generate sufficient cash from operations to meet our normal recurring short-term and long-term liquidity needs. We may also use existing cash resources, available capacity under our Senior Unsecured Credit Facility, proceeds from dispositions of properties, and the issuance of additional debt or equity securities, such as issuances of common stock through our ATM Forwards ([Note 13](#)), in order to meet these needs. We assess our ability to access capital on an ongoing basis. Our sources and uses of cash during the period are described below.

Operating Activities — Net cash provided by operating activities increased by \$77.1 million during 2022 as compared to 2021, primarily due to an increase in cash flow generated from net investment activity (including properties acquired in the CPA:18 Merger ([Note 3](#))) and scheduled rent increases at existing properties. These increases were partially offset by higher interest expense and merger expenses recognized during the current year related to the CPA:18 Merger ([Note 3](#)).

Investing Activities — Our investing activities are generally comprised of real estate-related transactions (purchases and sales) and funding for build-to-suit activities and other capital expenditures on real estate. In connection with the CPA:18 Merger, we paid \$423.4 million in cash consideration, and acquired \$331.1 million of cash and restricted cash. We received \$147.6 million of proceeds from the redemption of WLT preferred stock and cash exchanged for WLT common stock (Note 9). In addition, during the year ended December 31, 2022, we used \$26.0 million to fund short-term loans to the Managed Programs, all of which were repaid during that period (Note 4). We also received \$7.1 million in distributions from equity method investments.

Financing Activities — Our financing activities are generally comprised of borrowings and repayments under our Unsecured Revolving Credit Facility and Unsecured Term Loans, issuances of the Senior Unsecured Notes, payments and prepayments of non-recourse mortgage loans, and payments of dividends to stockholders. In addition to these types of transactions, during the year ended December 31, 2022, we received (i) \$284.3 million in net proceeds from the issuance of common stock under our Equity Forwards (Note 14) and (ii) \$218.1 million in net proceeds from the issuance of shares under our prior ATM Program (Note 14).

Summary of Financing

The table below summarizes our Senior Unsecured Notes, our non-recourse mortgages, and our Senior Unsecured Credit Facility (dollars in thousands):

	December 31,	
	2022	2021
Carrying Value		
Fixed rate:		
Senior Unsecured Notes ^(a)	\$ 5,916,400	\$ 5,701,913
Non-recourse mortgages ^(a)	824,270	235,898
	<u>6,740,670</u>	<u>5,937,811</u>
Variable rate:		
Unsecured Term Loans ^(a)	552,539	310,583
Unsecured Revolving Credit Facility	276,392	410,596
Non-recourse mortgages ^(a) :		
Floating interest rate mortgage loans	213,958	53,571
Amount subject to interest rate swaps and caps	94,189	79,055
	<u>1,137,078</u>	<u>853,805</u>
	<u>\$ 7,877,748</u>	<u>\$ 6,791,616</u>
Percent of Total Debt		
Fixed rate	86 %	87 %
Variable rate	14 %	13 %
	<u>100 %</u>	<u>100 %</u>
Weighted-Average Interest Rate at End of Year		
Fixed rate	2.9 %	2.7 %
Variable rate ^(b)	3.6 %	1.1 %
Total debt	3.0 %	2.5 %

(a) Aggregate debt balance includes unamortized discount, net, totaling \$35.9 million and \$30.9 million as of December 31, 2022 and 2021, respectively, and unamortized deferred financing costs totaling \$26.0 million and \$28.8 million as of December 31, 2022 and 2021, respectively.

(b) The impact of our interest rate swaps and caps is reflected in the weighted-average interest rates.

Cash Resources

At December 31, 2022, our cash resources consisted of the following:

- cash and cash equivalents totaling \$168.0 million. Of this amount, \$96.6 million, at then-current exchange rates, was held in foreign subsidiaries, and we could be subject to restrictions or significant costs should we decide to repatriate these amounts;
- our Unsecured Revolving Credit Facility, with available capacity of \$1.5 billion (net of amounts reserved for standby letters of credit totaling \$0.6 million);
- available proceeds under our ATM Forwards of approximately \$530.0 million; and
- unleveraged properties that had an aggregate asset carrying value of approximately \$13.1 billion at December 31, 2022, although there can be no assurance that we would be able to obtain financing for these properties.

We may also access the capital markets through additional debt (denominated in both U.S. dollars and euros) and equity offerings.

Our cash resources can be used for working capital needs and other commitments and may be used for future investments.

Cash Requirements and Liquidity

As of December 31, 2022, we had (i) \$168.0 million of cash and cash equivalents, (ii) approximately \$1.5 billion of available capacity under our Unsecured Revolving Credit Facility (net of amounts reserved for standby letters of credit totaling \$0.6 million), and (iii) available proceeds under our ATM Forwards of approximately \$530.0 million. Our Senior Unsecured Credit Facility includes a \$1.8 billion Unsecured Revolving Credit Facility and Unsecured Term Loans outstanding totaling \$552.5 million as of December 31, 2022 ([Note 11](#)), and is scheduled to mature on February 20, 2025. As of December 31, 2022, scheduled debt principal payments total \$456.7 million through December 31, 2023 and \$1.7 billion through December 31, 2024, and our Senior Unsecured Notes do not start to mature until April 2024 ([Note 11](#)).

During the next 12 months following December 31, 2022 and thereafter, we expect that our significant cash requirements will include:

- paying dividends to our stockholders; (which we expect to be higher, following the issuance of 13,786,302 shares of our common stock in the CPA:18 Merger ([Note 3](#)));
- funding acquisitions of new investments ([Note 5](#));
- funding future capital commitments and tenant improvement allowances ([Note 5](#));
- making scheduled principal and balloon payments on our debt obligations ([Note 11](#));
- making scheduled interest payments on our debt obligations (future interest payments total \$927.7 million, with \$231.6 million due during the next 12 months; interest on unhedged variable-rate debt obligations was calculated using the applicable annual variable interest rates and balances outstanding at December 31, 2022); and
- other normal recurring operating expenses.

We expect to fund these cash requirements through cash generated from operations, cash received from dispositions of properties, the use of our cash reserves or unused amounts on our Unsecured Revolving Credit Facility (as described above), issuances of common stock through our ATM Program ([Note 13](#)), and potential issuances of additional debt or equity securities. We may also choose to prepay certain of our non-recourse mortgage loan obligations, depending on our capital needs and market conditions at that time.

Our liquidity could be adversely affected by unanticipated costs, greater-than-anticipated operating expenses, and the ongoing impact of the COVID-19 pandemic. To the extent that our working capital reserve is insufficient to satisfy our cash requirements, additional funds may be provided from cash from operations to meet our normal recurring short-term and long-term liquidity needs. We may also use existing cash resources, available capacity under our Unsecured Revolving Credit Facility, mortgage loan proceeds, and the issuance of additional debt or equity securities to meet these needs.

Certain amounts disclosed above are based on the applicable foreign currency exchange rate at December 31, 2022.

Environmental Obligations

In connection with the purchase of many of our properties, we required the sellers to perform environmental reviews. We believe, based on the results of these reviews, that our properties were in substantial compliance with federal, state, and foreign environmental statutes at the time the properties were acquired. However, portions of certain properties have been subject to some degree of contamination, principally in connection with leakage from underground storage tanks, surface spills, or other on-site activities. In most instances where contamination has been identified, tenants are actively engaged in the remediation process and addressing identified conditions. We believe that the ultimate resolution of any environmental matters should not have a material adverse effect on our financial condition, liquidity, or results of operations. We record environmental obligations within Accounts payable, accrued expenses and other liabilities in the consolidated financial statements. See [Item 1A, Risk Factors](#) for further discussion of potential environmental risks.

Critical Accounting Estimates

Our significant accounting policies are described in [Note 2](#). Many of these accounting policies require judgment and the use of estimates and assumptions when applying these policies in the preparation of our consolidated financial statements. On a quarterly basis, we evaluate these estimates and judgments based on historical experience as well as other factors that we believe to be reasonable under the circumstances. These estimates are subject to change in the future if underlying assumptions or factors change. Certain accounting policies, while significant, may not require the use of estimates. Those accounting policies that require significant estimation and/or judgment are described under Critical Accounting Policies and Estimates in [Note 2](#).

Supplemental Financial Measures

In the real estate industry, analysts and investors employ certain non-GAAP supplemental financial measures in order to facilitate meaningful comparisons between periods and among peer companies. Additionally, in the formulation of our goals and in the evaluation of the effectiveness of our strategies, we use Funds from Operations (“FFO”) and AFFO, which are non-GAAP measures defined by our management. We believe that these measures are useful to investors to consider because they may assist them to better understand and measure the performance of our business over time and against similar companies. A description of FFO and AFFO and reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are provided below.

Funds from Operations and Adjusted Funds from Operations

Due to certain unique operating characteristics of real estate companies, as discussed below, the National Association of Real Estate Investment Trusts, Inc. (“NAREIT”), an industry trade group, has promulgated a non-GAAP measure known as FFO, which we believe to be an appropriate supplemental measure, when used in addition to and in conjunction with results presented in accordance with GAAP, to reflect the operating performance of a REIT. The use of FFO is recommended by the REIT industry as a supplemental non-GAAP measure. FFO is not equivalent to, nor a substitute for, net income or loss as determined under GAAP.

We define FFO, a non-GAAP measure, consistent with the standards established by the White Paper on FFO approved by the Board of Governors of NAREIT, as restated in December 2018. The White Paper defines FFO as net income or loss computed in accordance with GAAP, excluding gains or losses from sales of property, impairment charges on real estate or other assets incidental to the company’s main business, gains or losses on changes in control of interests in real estate, and depreciation and amortization from real estate assets; and after adjustments for unconsolidated partnerships and jointly owned investments. Adjustments for unconsolidated partnerships and jointly owned investments are calculated to reflect FFO.

We also modify the NAREIT computation of FFO to adjust GAAP net income for certain non-cash charges, such as amortization of real estate-related intangibles, deferred income tax benefits and expenses, straight-line rent and related reserves, other non-cash rent adjustments, non-cash allowance for credit losses on loans receivable and direct financing leases, stock-based compensation, non-cash environmental accretion expense, amortization of discounts and premiums on debt, and amortization of deferred financing costs. Our assessment of our operations is focused on long-term sustainability and not on such non-cash items, which may cause short-term fluctuations in net income but have no impact on cash flows. Additionally, we exclude non-core income and expenses, such as gains or losses from extinguishment of debt, and merger and acquisition expenses. We also exclude realized and unrealized gains/losses on foreign currency exchange rate movements (other than those realized on the settlement of foreign currency derivatives), which are not considered fundamental attributes of our business plan

and do not affect our overall long-term operating performance. We refer to our modified definition of FFO as AFFO. We exclude these items from GAAP net income to arrive at AFFO as they are not the primary drivers in our decision-making process and excluding these items provides investors a view of our portfolio performance over time and makes it more comparable to other REITs that are currently not engaged in acquisitions, mergers, and restructuring, which are not part of our normal business operations. AFFO also reflects adjustments for unconsolidated partnerships and jointly owned investments. We use AFFO as one measure of our operating performance when we formulate corporate goals, evaluate the effectiveness of our strategies, and determine executive compensation.

We believe that AFFO is a useful supplemental measure for investors to consider as we believe it will help them to better assess the sustainability of our operating performance without the potentially distorting impact of these short-term fluctuations. However, there are limits on the usefulness of AFFO to investors. For example, impairment charges and unrealized foreign currency losses that we exclude may become actual realized losses upon the ultimate disposition of the properties in the form of lower cash proceeds or other considerations. We use our FFO and AFFO measures as supplemental financial measures of operating performance. We do not use our FFO and AFFO measures as, nor should they be considered to be, alternatives to net income computed under GAAP, or as alternatives to net cash provided by operating activities computed under GAAP, or as indicators of our ability to fund our cash needs.

Consolidated FFO and AFFO were as follows (in thousands):

	Years Ended December 31,	
	2022	2021
Net income attributable to W. P. Carey	\$ 599,139	\$ 409,988
Adjustments:		
Depreciation and amortization of real property	500,764	470,554
Gain on sale of real estate, net	(43,476)	(40,425)
Impairment charges — real estate	39,119	24,246
Gain on change in control of interests ^{(a) (b)}	(33,931)	—
Impairment charges — Investment Management goodwill ^(c)	29,334	—
Proportionate share of adjustments to earnings from equity method investments ^{(d) (e)}	15,155	32,213
Proportionate share of adjustments for noncontrolling interests ^(f)	(491)	(16)
Total adjustments	506,474	486,572
FFO (as defined by NAREIT) attributable to W. P. Carey	1,105,613	896,560
Adjustments:		
Other (gains) and losses ^(g)	(96,038)	12,885
Straight-line and other leasing and financing adjustments ^(h)	(54,431)	(83,267)
Above- and below-market rent intangible lease amortization, net	41,390	53,585
Stock-based compensation	32,841	24,881
Merger and other expenses ⁽ⁱ⁾	19,387	(4,546)
Amortization of deferred financing costs	17,203	13,523
Tax benefit — deferred and other	(3,759)	(5,967)
Other amortization and non-cash items	1,931	1,709
Proportionate share of adjustments to earnings from equity method investments ^(e)	(2,770)	12,152
Proportionate share of adjustments for noncontrolling interests ^(f)	(769)	(24)
Total adjustments	(45,015)	24,931
AFFO attributable to W. P. Carey	\$ 1,060,598	\$ 921,491
Summary		
FFO (as defined by NAREIT) attributable to W. P. Carey	\$ 1,105,613	\$ 896,560
AFFO attributable to W. P. Carey	\$ 1,060,598	\$ 921,491

FFO and AFFO from Real Estate were as follows (in thousands):

	Years Ended December 31,	
	2022	2021
Net income from Real Estate attributable to W. P. Carey	\$ 591,603	\$ 384,766
Adjustments:		
Depreciation and amortization of real property	500,764	470,554
Gain on sale of real estate, net	(43,476)	(40,425)
Impairment charges — real estate	39,119	24,246
Gain on change in control of interests ^{(a)(b)}	(11,405)	—
Proportionate share of adjustments to earnings from equity method investments ^{(d)(e)}	15,155	32,213
Proportionate share of adjustments for noncontrolling interests ^(f)	(491)	(16)
Total adjustments	499,666	486,572
FFO (as defined by NAREIT) attributable to W. P. Carey — Real Estate	1,091,269	871,338
Adjustments:		
Other (gains) and losses ^(g)	(97,149)	13,676
Straight-line and other leasing and financing adjustments ^(h)	(54,431)	(83,267)
Above- and below-market rent intangible lease amortization, net	41,390	53,585
Stock-based compensation	32,841	24,881
Merger and other expenses ⁽ⁱ⁾	19,384	(4,597)
Amortization of deferred financing costs	17,203	13,523
Tax benefit — deferred and other	(8,164)	(4,938)
Other amortization and non-cash items	1,931	1,709
Proportionate share of adjustments to earnings from equity method investments ^(e)	(723)	10,253
Proportionate share of adjustments for noncontrolling interests ^(f)	(769)	(24)
Total adjustments	(48,487)	24,801
AFFO attributable to W. P. Carey — Real Estate	\$ 1,042,782	\$ 896,139
Summary		
FFO (as defined by NAREIT) attributable to W. P. Carey — Real Estate	\$ 1,091,269	\$ 871,338
AFFO attributable to W. P. Carey — Real Estate	\$ 1,042,782	\$ 896,139

FFO and AFFO from Investment Management were as follows (in thousands):

	Years Ended December 31,	
	2022	2021
Net income from Investment Management attributable to W. P. Carey	\$ 7,536	\$ 25,222
Adjustments:		
Impairment charges — Investment Management goodwill ^(c)	29,334	—
Gain on change in control of interests ^{(a)(b)}	(22,526)	—
Total adjustments	6,808	—
FFO (as defined by NAREIT) attributable to W. P. Carey — Investment Management	14,344	25,222
Adjustments:		
Tax expense (benefit) — deferred and other	4,405	(1,029)
Other (gains) and losses ^(g)	1,111	(791)
Merger and other expenses	3	51
Proportionate share of adjustments to earnings from equity method investments ^(e)	(2,047)	1,899
Total adjustments	3,472	130
AFFO attributable to W. P. Carey — Investment Management	\$ 17,816	\$ 25,352
Summary		
FFO (as defined by NAREIT) attributable to W. P. Carey — Investment Management	\$ 14,344	\$ 25,222
AFFO attributable to W. P. Carey — Investment Management	\$ 17,816	\$ 25,352

- (a) Amount for the year ended December 31, 2022 represents a gain recognized on the remaining interests in four investments acquired in the CPA:18 Merger, which we had previously accounted for under the equity method ([Note 3](#)).
- (b) Amount for the year ended December 31, 2022 represents a gain recognized on our previously held interest in shares of CPA:18 – Global common stock in connection with the CPA:18 Merger ([Note 3](#)).
- (c) Amount for the year ended December 31, 2022 represents an impairment charge recognized on goodwill within our Investment Management segment, since future Investment Management cash flows are expected to be minimal ([Note 7](#), [Note 9](#)).
- (d) Amount for the year ended December 31, 2022 includes our \$4.6 million proportionate share of an impairment charge recognized on an equity method investment in real estate ([Note 8](#)). Amount for the year ended December 31, 2021 includes a non-cash other-than-temporary impairment charge of \$6.8 million recognized on an equity method investment in real estate ([Note 9](#)).
- (e) Equity income, including amounts that are not typically recognized for FFO and AFFO, is recognized within Earnings (losses) from equity method investments on the consolidated statements of income. This represents adjustments to equity income to reflect FFO and AFFO on a pro rata basis.
- (f) Adjustments disclosed elsewhere in this reconciliation are on a consolidated basis. This adjustment reflects our FFO or AFFO on a pro rata basis.
- (g) Primarily comprised of gains and losses on extinguishment of debt, the mark-to-market fair value of equity securities, and foreign currency exchange rate movements, as well as non-cash allowance for credit losses on loans receivable and direct financing leases.
- (h) Amount for the year ended December 31, 2021 includes an adjustment to exclude \$37.8 million of lease termination fees received from a tenant, as such amount was determined to be non-core income ([Note 5](#)).
- (i) Amounts for the years ended December 31, 2022 and 2021 are primarily comprised of costs incurred in connection with the CPA:18 Merger ([Note 3](#)) and/or reversals of estimated liabilities for German real estate transfer taxes that were previously recorded in connection with mergers in prior years.

While we believe that FFO and AFFO are important supplemental measures, they should not be considered as alternatives to net income as an indication of a company's operating performance. These non-GAAP measures should be used in conjunction with net income as defined by GAAP. FFO and AFFO, or similarly titled measures disclosed by other REITs, may not be comparable to our FFO and AFFO measures.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Market Risk

Market risk is the exposure to loss resulting from changes in interest rates, foreign currency exchange rates, and equity prices. The primary market risks that we are exposed to are interest rate risk and foreign currency exchange risk; however, we do not use derivative instruments to hedge credit/market risks or for speculative purposes. From time to time, we may enter into foreign currency collars to hedge our foreign currency cash flow exposures.

We are also exposed to further market risk as a result of tenant concentrations in certain industries and/or geographic regions, since adverse market factors (such as the COVID-19 pandemic) can affect the ability of tenants in a particular industry/region to meet their respective lease obligations. In order to manage this risk, we view our collective tenant roster as a portfolio and we attempt to diversify such portfolio so that we are not overexposed to a particular industry or geographic region.

Interest Rate Risk

The values of our real estate and related fixed-rate debt obligations, as well as the values of our unsecured debt obligations, are subject to fluctuations based on changes in interest rates. The value of our real estate is also subject to fluctuations based on local and regional economic conditions (including the ongoing impact of the COVID-19 pandemic) and changes in the creditworthiness of lessees, which may affect our ability to refinance property-level mortgage debt when balloon payments are scheduled, if we do not choose to repay the debt when due. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political conditions, and other factors beyond our control. An increase in interest rates would likely cause the fair value of our assets to decrease. Increases in interest rates may also have an impact on the credit profile of certain tenants.

We are exposed to the impact of interest rate changes primarily through our borrowing activities. To limit this exposure, we generally seek long-term debt financing on a fixed-rate basis. However, we are subject to variable-rate interest on our Unsecured Term Loans, Unsecured Revolving Credit Facility, and certain of our non-recourse mortgage debt. We have entered into, and may continue to enter into, interest rate swap agreements or interest rate cap agreements with counterparties related to certain of our variable-rate non-recourse mortgage loans. See [Note 10](#) for additional information on our interest rate swaps and caps.

At December 31, 2022, a significant portion (approximately 86.8%) of our long-term debt either bore interest at fixed rates or was swapped or capped to a fixed rate. Our debt obligations are more fully described in [Note 11](#) and [Liquidity and Capital Resources — Summary of Financing](#) in Item 7 above. The following table presents principal cash flows based upon expected maturity dates of our debt obligations outstanding at December 31, 2022 (in thousands):

	2023	2024	2025	2026	2027	Thereafter	Total	Fair Value
Fixed-rate debt ^{(a) (b)}	\$ 239,146	\$ 1,195,330	\$ 791,654	\$ 972,135	\$ 533,760	\$ 3,070,039	\$ 6,802,064	\$ 6,041,968
Variable-rate debt ^(a)	\$ 217,562	\$ 36,138	\$ 872,622	\$ 11,290	\$ —	\$ —	\$ 1,137,612	\$ 1,135,000

(a) Amounts are based on the exchange rate at December 31, 2022, as applicable.

(b) Amounts after 2023 are primarily comprised of principal payments for our Senior Unsecured Notes ([Note 11](#)).

The estimated fair value of our fixed-rate debt and our variable-rate debt that currently bears interest at fixed rates or has effectively been converted to a fixed rate through the use of interest rate swaps, or that has been subject to interest rate caps, is affected by changes in interest rates. Annual interest expense on our unhedged variable-rate debt that does not bear interest at fixed rates at December 31, 2022 would increase or decrease by \$5.9 million for our euro-denominated debt, by \$3.7 million for our British pound sterling-denominated debt, by \$0.3 million for U.S. dollar-denominated debt, and by \$0.2 million for our Japanese yen-denominated debt for each respective 1% change in annual interest rates.

Foreign Currency Exchange Rate Risk

We own international investments, primarily in Europe, Canada, and Japan, and as a result are subject to risk from the effects of exchange rate movements in various foreign currencies, primarily the euro, the British pound sterling, the Canadian dollar, the Japanese yen, and certain other currencies which may affect future costs and cash flows. We have obtained, and may in the future obtain, non-recourse mortgage financing in the local currency. We have also completed several offerings of euro-denominated senior notes, and have borrowed under our Senior Unsecured Credit Facility in foreign currencies, including the euro, British pound sterling, and Japanese yen ([Note 11](#)). Volatile market conditions arising from the ongoing effects of the COVID-19 global pandemic, as well as other macroeconomic factors, may result in significant fluctuations in foreign currency exchange rates. To the extent that currency fluctuations increase or decrease rental revenues, as translated to U.S. dollars, the change in debt service (comprised of principal and interest, excluding balloon payments), as translated to U.S. dollars, will partially offset the effect of fluctuations in revenue and, to some extent, mitigate the risk from changes in foreign currency exchange rates. We estimate that, for a 1% increase or decrease in the exchange rate between the euro, British pound sterling, or Japanese yen and the U.S. dollar, there would be a corresponding change in the projected estimated cash flow (scheduled future rental revenues, net of scheduled future debt service payments for the next 12 months) for our consolidated foreign operations at December 31, 2022 of \$2.7 million, \$0.3 million, and less than \$0.1 million, respectively, excluding the impact of our derivative instruments.

In addition, we may use currency hedging to further reduce the exposure to our equity cash flow. We are generally a net receiver of these currencies (we receive more cash than we pay out), and therefore our foreign operations benefit from a weaker U.S. dollar and are adversely affected by a stronger U.S. dollar, relative to the foreign currency.

We enter into foreign currency collars to hedge certain of our foreign currency cash flow exposures. See [Note 10](#) for additional information on our foreign currency collars.

Concentration of Credit Risk

Concentrations of credit risk arise when a number of tenants are engaged in similar business activities or have similar economic risks or conditions that could cause them to default on their lease obligations to us. We regularly monitor our portfolio to assess potential concentrations of credit risk. While we believe our portfolio is well-diversified, it does contain concentrations in certain areas.

For the year ended December 31, 2022, our consolidated portfolio had the following significant characteristics in excess of 10%, based on the percentage of our consolidated total revenues:

- 67% related to domestic operations; and
- 33% related to international operations.

At December 31, 2022, our net-lease portfolio, which excludes our operating properties, had the following significant property and lease characteristics in excess of 10% in certain areas, based on the percentage of our ABR as of that date:

- 63% related to domestic properties;
- 37% related to international properties;
- 27% related to industrial facilities, 24% related to warehouse facilities, 17% related to office facilities, and 17% related to retail facilities; and
- 21% related to the retail stores industry (including automotive dealerships).

Item 8. Financial Statements and Supplementary Data.

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Financial statement schedules other than those listed above are omitted because the required information is given in the financial statements, including the notes thereto, or because the conditions requiring their filing do not exist.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of W. P. Carey Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of W. P. Carey Inc. and its subsidiaries (the “Company”) as of December 31, 2022 and 2021, and the related consolidated statements of income, of comprehensive income, of equity and of cash flows for each of the three years in the period ended December 31, 2022, including the related notes and financial statement schedules listed in the accompanying index (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control — Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control — Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed 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. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Purchase Price Allocation for Asset Acquisitions and Business Combinations

As described in Note 2 to the consolidated financial statements, management determines whether a transaction or other event is a business combination, which requires that the assets acquired and liabilities assumed constitute a business. If the assets acquired and liabilities assumed are not a business, management accounts for the transaction or other event as an asset acquisition. As described in Note 5, the Company completed real estate asset acquisitions with total capitalized costs of \$1.2 billion during the year ended December 31, 2022. As described in Note 3, the Company accounted for the CPA:18 Merger as a business combination under the acquisition method of accounting for total merger consideration of approximately \$1.6 billion during the year ended December 31, 2022. Land is typically valued utilizing the sales comparison (or market) approach. Buildings are valued, as if vacant, using the cost and/or income approach. Under the income approach, management uses either the discounted cash flow method or the direct capitalization method. For the discounted cash flow method, the fair value of real estate is determined (i) by applying a discounted cash flow analysis to the estimated net operating income for each property in the portfolio during the remaining anticipated lease term and (ii) by the estimated residual value, which is based on a hypothetical sale of the property upon expiration of a lease factoring in the re-tenanting of such property at estimated market rental rates and applying a selected capitalization rate. For the direct capitalization method, the fair value of real estate is determined (i) by the stabilized estimated net operating income for each property in the portfolio and (ii) a selected capitalization rate. For acquired properties with leases classified as operating leases, management allocated the purchase price to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values. For acquired properties that do not qualify as sale-leaseback transactions, management records above- and below-market lease intangible assets and liabilities for acquired properties based on the present value, using a discount rate reflecting the risks associated with the leases acquired. For acquired properties with tenants in place, management records in-place lease intangible assets based on the estimated value ascribed to the avoidance of costs of leasing the properties for the remaining primary in-place lease terms.

The principal considerations for our determination that performing procedures relating to the purchase price allocation for asset acquisitions and business combinations is a critical audit matter are (i) the significant judgment by management to develop the fair value estimates of tangible and intangible assets and liabilities using the discounted cash flow and direct capitalization methods; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to the market rental rates, capitalization rates, and discount rates used in the discounted cash flow method, and capitalization rates used in the direct capitalization method; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to purchase price allocations for asset acquisitions and business combinations, including controls over management's valuation of the tangible and intangible assets and liabilities and controls over management's review of the assumptions related to market rental rates, capitalization rates, and discount rates. These procedures also included, among others, (i) reading the executed purchase agreements and leasing documents; (ii) testing management's process for developing the fair value estimates of tangible and intangible assets and liabilities, (iii) evaluating the appropriateness of the discounted cash flow and direct capitalization valuation methods, (iv) evaluating the reasonableness of the significant assumptions related to market rental rates, capitalization rates, and discount rates used in the discounted cash flow method, and capitalization rates used in the direct capitalization method, and (v) testing the completeness and accuracy of data used in the valuation methods. Evaluating management's significant assumptions related to market rental rates, capitalization rates, and discount rates involved evaluating whether the assumptions used by management were reasonable considering (i) comparable market data and other industry

factors and (ii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the Company's valuation methods and (ii) the reasonableness of the significant assumptions related to market rental rates, capitalization rates, and discount rates.

/s/ PricewaterhouseCoopers LLP
New York, New York
February 10, 2023

We have served as the Company's auditor since 1973, which includes periods before the Company became subject to SEC reporting requirements.

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W. P. CAREY INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	December 31,	
	2022	2021
Assets		
Investments in real estate:		
Land, buildings and improvements — net lease and other	\$ 13,338,857	\$ 11,791,734
Land, buildings and improvements — operating properties	1,095,892	83,673
Net investments in direct financing leases and loans receivable	771,761	813,577
In-place lease intangible assets and other	2,659,750	2,386,000
Above-market rent intangible assets	833,751	843,410
Investments in real estate	18,700,011	15,918,394
Accumulated depreciation and amortization	(3,269,057)	(2,889,294)
Assets held for sale, net	57,944	8,269
Net investments in real estate	15,488,898	13,037,369
Equity method investments	327,502	356,637
Cash and cash equivalents	167,996	165,427
Due from affiliates	919	1,826
Other assets, net	1,079,308	1,017,842
Goodwill	1,037,412	901,529
Total assets ^(a)	\$ 18,102,035	\$ 15,480,630
Liabilities and Equity		
Debt:		
Senior unsecured notes, net	\$ 5,916,400	\$ 5,701,913
Unsecured term loans, net	552,539	310,583
Unsecured revolving credit facility	276,392	410,596
Non-recourse mortgages, net	1,132,417	368,524
Debt, net	7,877,748	6,791,616
Accounts payable, accrued expenses and other liabilities	623,843	572,846
Below-market rent and other intangible liabilities, net	184,584	183,286
Deferred income taxes	178,959	145,572
Dividends payable	228,257	203,859
Total liabilities ^(a)	9,093,391	7,897,179
Commitments and contingencies (Note 12)		
Preferred stock, \$0.001 par value, 50,000,000 shares authorized; none issued	—	—
Common stock, \$0.001 par value, 450,000,000 shares authorized; 210,620,949 and 190,013,751 shares, respectively, issued and outstanding	211	190
Additional paid-in capital	11,706,836	9,977,686
Distributions in excess of accumulated earnings	(2,486,633)	(2,224,231)
Deferred compensation obligation	57,012	49,810
Accumulated other comprehensive loss	(283,780)	(221,670)
Total stockholders' equity	8,993,646	7,581,785
Noncontrolling interests	14,998	1,666
Total equity	9,008,644	7,583,451
Total liabilities and equity	\$ 18,102,035	\$ 15,480,630

(a) See [Note 2](#) for details related to variable interest entities (“VIEs”).

See Notes to Consolidated Financial Statements.

W. P. CAREY INC.
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share and per share amounts)

	Years Ended December 31,		
	2022	2021	2020
Revenues			
Real Estate:			
Lease revenues	\$ 1,301,617	\$ 1,177,438	\$ 1,080,623
Income from direct financing leases and loans receivable	74,266	67,555	74,893
Operating property revenues	59,230	13,478	11,399
Other lease-related income	32,988	53,655	11,082
	<u>1,468,101</u>	<u>1,312,126</u>	<u>1,177,997</u>
Investment Management:			
Asset management and other revenue	8,467	15,363	22,467
Reimbursable costs from affiliates	2,518	4,035	8,855
	<u>10,985</u>	<u>19,398</u>	<u>31,322</u>
	<u>1,479,086</u>	<u>1,331,524</u>	<u>1,209,319</u>
Operating Expenses			
Depreciation and amortization	503,403	475,989	442,935
General and administrative	88,952	81,888	75,950
Reimbursable tenant costs	73,622	62,417	56,409
Property expenses, excluding reimbursable tenant costs	50,753	47,898	44,067
Impairment charges — real estate	39,119	24,246	35,830
Stock-based compensation expense	32,841	24,881	15,938
Impairment charges — Investment Management goodwill	29,334	—	—
Operating property expenses	27,054	9,848	9,901
Merger and other expenses	19,387	(4,546)	247
Reimbursable costs from affiliates	2,518	4,035	8,855
Subadvisor fees	—	—	1,469
	<u>866,983</u>	<u>726,656</u>	<u>691,601</u>
Other Income and Expenses			
Interest expense	(219,160)	(196,831)	(210,087)
Other gains and (losses)	96,038	(12,885)	37,165
Gain on sale of real estate, net	43,476	40,425	109,370
Gain on change in control of interests	33,931	—	—
Non-operating income	30,309	13,860	9,587
Earnings (losses) from equity method investments	29,509	(10,829)	(18,557)
	<u>14,103</u>	<u>(166,260)</u>	<u>(72,522)</u>
Income before income taxes	626,206	438,608	445,196
(Provision for) benefit from income taxes	(27,724)	(28,486)	20,759
Net Income	<u>598,482</u>	<u>410,122</u>	<u>465,955</u>
Net loss (income) attributable to noncontrolling interests	657	(134)	(10,596)
Net Income Attributable to W. P. Carey	<u>\$ 599,139</u>	<u>\$ 409,988</u>	<u>\$ 455,359</u>
Basic Earnings Per Share	<u>\$ 3.00</u>	<u>\$ 2.25</u>	<u>\$ 2.61</u>
Diluted Earnings Per Share	<u>\$ 2.99</u>	<u>\$ 2.24</u>	<u>\$ 2.60</u>
Weighted-Average Shares Outstanding			
Basic	<u>199,633,802</u>	<u>182,486,476</u>	<u>174,504,406</u>
Diluted	<u>200,427,124</u>	<u>183,127,098</u>	<u>174,839,428</u>

See Notes to Consolidated Financial Statements.

W. P. CAREY INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Years Ended December 31,		
	2022	2021	2020
Net Income	\$ 598,482	\$ 410,122	\$ 465,955
Other Comprehensive (Loss) Income			
Foreign currency translation adjustments	(63,149)	(35,736)	47,746
Unrealized gain (loss) on derivative instruments	19,732	35,305	(31,978)
(Reclassification of unrealized gain on investments to net income) / Unrealized gain on investments	(18,688)	18,688	—
	<u>(62,105)</u>	<u>18,257</u>	<u>15,768</u>
Comprehensive Income	<u>536,377</u>	<u>428,379</u>	<u>481,723</u>
Amounts Attributable to Noncontrolling Interests			
Net loss (income)	657	(134)	(10,596)
Foreign currency translation adjustments	(5)	—	—
Unrealized gain on derivative instruments	—	(21)	(7)
Comprehensive loss (income) attributable to noncontrolling interests	<u>652</u>	<u>(155)</u>	<u>(10,603)</u>
Comprehensive Income Attributable to W. P. Carey	<u>\$ 537,029</u>	<u>\$ 428,224</u>	<u>\$ 471,120</u>

See Notes to Consolidated Financial Statements.

W. P. CAREY INC.
CONSOLIDATED STATEMENTS OF EQUITY
(in thousands, except share and per share amounts)

	W. P. Carey Stockholders								
	Common Stock		Additional Paid-in Capital	Distributions in Excess of Accumulated Earnings	Deferred Compensation Obligation	Accumulated Other Comprehensive Loss	Total W. P. Carey Stockholders	Noncontrolling Interests	Total
	Shares	Amount							
Balance at January 1, 2022	190,013,751	\$ 190	\$ 9,977,686	\$ (2,224,231)	\$ 49,810	\$ (221,670)	\$ 7,581,785	\$ 1,666	\$ 7,583,451
Shares issued to stockholders of CPA:18 – Global in connection with CPA:18 Merger	13,786,302	14	1,205,736				1,205,750		1,205,750
Shares issued under Equity Forwards, net	3,925,000	4	284,198				284,202		284,202
Shares issued under ATM Program, net	2,740,295	3	218,098				218,101		218,101
Shares issued upon delivery of vested restricted share awards	152,830	—	(6,612)				(6,612)		(6,612)
Shares issued upon purchases under employee share purchase plan	2,771	—	205				205		205
Amortization of stock-based compensation expense			32,841				32,841		32,841
Deferral of vested shares, net			(6,696)		6,696		—		—
Acquisition of noncontrolling interests in connection with the CPA:18 Merger							—	14,367	14,367
Distributions to noncontrolling interests							—	(413)	(413)
Contributions from noncontrolling interests							—	30	30
Dividends declared (\$4.242 per share)			1,380	(861,541)	506		(859,655)		(859,655)
Net income				599,139			599,139	(657)	598,482
Other comprehensive loss:									
Foreign currency translation adjustments						(63,154)	(63,154)	5	(63,149)
Unrealized gain on derivative instruments						19,732	19,732		19,732
Reclassification of unrealized gain on investments to net income						(18,688)	(18,688)		(18,688)
Balance at December 31, 2022	<u>210,620,949</u>	<u>\$ 211</u>	<u>\$ 11,706,836</u>	<u>\$ (2,486,633)</u>	<u>\$ 57,012</u>	<u>\$ (283,780)</u>	<u>\$ 8,993,646</u>	<u>\$ 14,998</u>	<u>\$ 9,008,644</u>

(Continued)

W. P. CAREY INC.
CONSOLIDATED STATEMENTS OF EQUITY
(Continued)
(in thousands, except share and per share amounts)

	W. P. Carey Stockholders								
	Common Stock		Additional Paid-in Capital	Distributions in Excess of Accumulated Earnings	Deferred Compensation Obligation	Accumulated Other Comprehensive Loss	Total W. P. Carey Stockholders	Noncontrolling Interests	Total
	Shares	Amount							
Balance at January 1, 2021	175,401,757	\$ 175	\$ 8,925,365	\$ (1,850,935)	\$ 42,014	\$ (239,906)	\$ 6,876,713	\$ 1,656	\$ 6,878,369
Shares issued under Equity Forwards, net	9,798,209	10	697,034				697,044		697,044
Shares issued under ATM Program, net	4,690,073	5	340,061				340,066		340,066
Shares issued upon delivery of vested restricted share awards	119,268	—	(3,822)				(3,822)		(3,822)
Shares issued upon purchases under employee share purchase plan	4,444	—	305				305		305
Amortization of stock-based compensation expense			24,881				24,881		24,881
Deferral of vested shares, net			(7,044)		7,044		—		—
Distributions to noncontrolling interests							—	(145)	(145)
Dividends declared (\$4.205 per share)			906	(783,284)	752		(781,626)		(781,626)
Net income				409,988			409,988	134	410,122
Other comprehensive loss:									
Foreign currency translation adjustments						(35,736)	(35,736)		(35,736)
Unrealized gain on derivative instruments						35,284	35,284	21	35,305
Unrealized gain on investments						18,688	18,688		18,688
Balance at December 31, 2021	<u>190,013,751</u>	<u>\$ 190</u>	<u>\$ 9,977,686</u>	<u>\$ (2,224,231)</u>	<u>\$ 49,810</u>	<u>\$ (221,670)</u>	<u>\$ 7,581,785</u>	<u>\$ 1,666</u>	<u>\$ 7,583,451</u>

(Continued)

W. P. CAREY INC.
CONSOLIDATED STATEMENTS OF EQUITY
(Continued)
(in thousands, except share and per share amounts)

	W. P. Carey Stockholders								
	Common Stock		Additional Paid-in Capital	Distributions in Excess of Accumulated Earnings	Deferred Compensation Obligation	Accumulated Other Comprehensive Loss	Total W. P. Carey Stockholders	Noncontrolling Interests	Total
	S0.001 Par Value	Amount							
Balance at January 1, 2020	172,278,242	\$ 172	\$ 8,717,535	\$(1,557,374)	\$ 37,263	\$ (255,667)	\$ 6,941,929	\$ 6,244	\$ 6,948,173
Cumulative-effect adjustment for the adoption of ASU 2016-13, Financial Instruments — Credit Losses				(14,812)			(14,812)		(14,812)
Shares issued under Equity Forwards, net	2,951,791	3	199,478				199,481		199,481
Shares issued upon delivery of vested restricted share awards	162,331	—	(5,372)				(5,372)		(5,372)
Shares issued upon purchases under employee share purchase plan	6,893	—	389				389		389
Shares issued under ATM Program, net	2,500	—	60				60		60
Amortization of stock-based compensation expense			15,938				15,938		15,938
Deferral of vested shares, net			(3,854)		3,854		—		—
Distributions to noncontrolling interests							—	(5,326)	(5,326)
Dividends declared (\$4.172 per share)			1,191	(734,108)	897		(732,020)		(732,020)
Redemption of noncontrolling interest (Note 4)							—	(9,865)	(9,865)
Net income				455,359			455,359	10,596	465,955
Other comprehensive income:									
Foreign currency translation adjustments						47,746	47,746		47,746
Unrealized loss on derivative instruments						(31,985)	(31,985)	7	(31,978)
Balance at December 31, 2020	<u>175,401,757</u>	<u>\$ 175</u>	<u>\$ 8,925,365</u>	<u>\$(1,850,935)</u>	<u>\$ 42,014</u>	<u>\$ (239,906)</u>	<u>\$ 6,876,713</u>	<u>\$ 1,656</u>	<u>\$ 6,878,369</u>

See Notes to Consolidated Financial Statements.

W. P. CAREY INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,		
	2022	2021	2020
Cash Flows — Operating Activities			
Net income	\$ 598,482	\$ 410,122	\$ 465,955
Adjustments to net income:			
Depreciation and amortization, including intangible assets and deferred financing costs	519,741	490,722	456,210
Net realized and unrealized (gains) losses on extinguishment of debt, equity securities, foreign currency exchange rate movements, and other	(76,202)	15,505	(55,810)
Straight-line rent adjustments	(57,988)	(50,565)	(50,299)
Gain on sale of real estate, net	(43,476)	(40,425)	(109,370)
Amortization of rent-related intangibles and deferred rental revenue	43,249	56,910	52,736
Impairment charges — real estate	39,119	24,246	35,830
Gain on change in control of interests	(33,931)	—	—
Stock-based compensation expense	32,841	24,881	15,938
Distributions of earnings from equity method investments	30,236	15,471	9,419
(Earnings) losses from equity method investments	(29,509)	10,829	18,557
Impairment charges — Investment Management goodwill	29,334	—	—
(Decrease) increase in allowance for credit losses	(24,976)	266	22,259
Deferred income tax benefit	(8,071)	(4,703)	(49,076)
Asset management revenue received in shares of Managed Programs	(1,024)	(12,528)	(16,642)
Net changes in other operating assets and liabilities	(14,269)	(14,252)	5,831
Net Cash Provided by Operating Activities	1,003,556	926,479	801,538
Cash Flows — Investing Activities			
Purchases of real estate	(1,145,734)	(1,306,858)	(656,313)
Cash paid to stockholders of CPA:18 – Global in the CPA:18 Merger	(423,435)	—	—
Cash and restricted cash acquired in connection with the CPA:18 Merger	331,063	—	—
Proceeds from sales of real estate	234,652	163,638	366,532
Proceeds from redemption of WLT preferred stock and cash exchanged for WLT common stock (Note 9)	147,625	—	—
Funding for real estate construction, redevelopments, and other capital expenditures on real estate	(104,441)	(113,616)	(207,256)
Capital contributions to equity method investments	(93,416)	(107,552)	(4,253)
Proceeds from repayment of loans receivable	34,000	—	11,000
Proceeds from repayment of short-term loans to affiliates	26,000	62,048	51,702
Funding of short-term loans to affiliates	(26,000)	(41,000)	(26,481)
Investments in loans receivable	(20,180)	(217,711)	—
Other investing activities, net	(19,767)	(19,631)	1,165
Return of capital from equity method investments	7,102	13,955	19,483
Purchases of securities	—	—	(95,511)
Net Cash Used in Investing Activities	(1,052,531)	(1,566,727)	(539,932)
Cash Flows — Financing Activities			
Repayments of Unsecured Revolving Credit Facility	(2,168,392)	(1,663,869)	(1,137,026)
Proceeds from Unsecured Revolving Credit Facility	2,079,420	2,000,639	1,019,158
Dividends paid	(835,257)	(764,281)	(726,955)
Proceeds from issuance of Senior Unsecured Notes	334,775	1,385,059	495,495
Proceeds from shares issued under Equity Forwards, net of selling costs	284,259	697,044	199,716
Proceeds from Unsecured Term Loans	283,139	—	298,974
Proceeds from shares issued under ATM Program, net of selling costs	218,081	339,968	158
Scheduled payments of mortgage principal	(127,230)	(64,290)	(275,746)
Prepayments of mortgage principal	(10,381)	(745,124)	(68,501)
Other financing activities, net	8,839	4,606	8,917
Payments for withholding taxes upon delivery of equity-based awards	(6,612)	(3,822)	(5,372)
Payment of financing costs	(2,371)	(11,295)	(14,205)
Distributions to noncontrolling interests	(413)	(145)	(5,326)
Contributions from noncontrolling interests	30	—	—
Redemption of Senior Unsecured Notes	—	(617,442)	—
Net Cash Provided by (Used in) Financing Activities	57,887	557,048	(210,713)
Change in Cash and Cash Equivalents and Restricted Cash During the Year			
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(2,721)	(10,629)	9,368
Net increase (decrease) in cash and cash equivalents and restricted cash	6,191	(93,829)	60,261
Cash and cash equivalents and restricted cash, beginning of year	217,950	311,779	251,518
Cash and cash equivalents and restricted cash, end of year	\$ 224,141	\$ 217,950	\$ 311,779

See Notes to Consolidated Financial Statements.

W. P. CAREY INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Continued)

Supplemental Non-Cash Investing and Financing Activities:

2022 — On August 1, 2022, CPA:18 – Global (as defined herein) merged with and into one of our indirect subsidiaries in the CPA:18 Merger (as defined herein) (Note 3). The following table summarizes estimated fair values of the assets acquired and liabilities assumed in the CPA:18 Merger (in thousands):

Total Consideration	
Fair value of W. P. Carey shares of common stock issued	\$ 1,205,750
Cash consideration paid	423,297
Cash paid for fractional shares	138
Fair value of our equity interest in CPA:18 – Global prior to the CPA:18 Merger	88,299
Fair value of our equity interest in jointly owned investments with CPA:18 – Global prior to the CPA:18 Merger	28,574
	1,746,058
Assets Acquired at Fair Value	
Land, buildings and improvements — net lease and other	881,613
Land, buildings and improvements — operating properties	1,000,447
Net investments in direct financing leases and loans receivable	38,517
In-place lease and other intangible assets	224,458
Above-market rent intangible assets	61,090
Assets held for sale	85,026
Goodwill	172,346
Other assets, net (excluding restricted cash)	25,229
Liabilities Assumed at Fair Value	
Non-recourse mortgages, net	900,173
Accounts payable, accrued expenses and other liabilities	90,035
Below-market rent and other intangible liabilities	16,836
Deferred income taxes	52,320
Amounts attributable to noncontrolling interests	14,367
Net assets acquired excluding cash and restricted cash	1,414,995
Cash and cash equivalents and restricted cash acquired	\$ 331,063

See Notes to Consolidated Financial Statements.

W. P. CAREY INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Business and Organization

W. P. Carey Inc. (“W. P. Carey”) is a real estate investment trust (“REIT”) that, together with our consolidated subsidiaries, invests primarily in operationally-critical, single-tenant commercial real estate properties located in the United States and Northern and Western Europe on a long-term basis. We earn revenue principally by leasing the properties we own to companies on a triple-net lease basis, which generally requires each tenant to pay the costs associated with operating and maintaining the property.

Founded in 1973, our shares of common stock are listed on the New York Stock Exchange under the symbol “WPC.”

We elected to be taxed as a REIT under Section 856 through 860 of the Internal Revenue Code effective as of February 15, 2012. As a REIT, we are not subject to federal income taxes on income and gains that we distribute to our stockholders as long as we satisfy certain requirements, principally relating to the nature of our income and the level of our distributions, as well as other factors. We also own real property in jurisdictions outside the United States through foreign subsidiaries and are subject to income taxes on our pre-tax income earned from properties in such countries. Through our taxable REIT subsidiaries (“TRSs”), we also earn revenue as the advisor to certain non-traded investment programs. We hold all of our real estate assets attributable to our Real Estate segment under the REIT structure, while the activities conducted by our Investment Management segment subsidiaries have been organized under TRSs.

On August 1, 2022, a non-traded REIT that we advised, Corporate Property Associates 18 – Global Incorporated (“CPA:18 – Global”) merged with and into one of our indirect subsidiaries (the “CPA:18 Merger”) (Note 3). At December 31, 2022, we were the advisor to Carey European Student Housing Fund I, L.P. (“CESH”), a limited partnership formed for the purpose of developing, owning, and operating student housing properties in Europe (Note 4).

We refer to CPA:18 – Global (prior to the CPA:18 Merger) and CESH collectively as the “Managed Programs.” We no longer raise capital for new or existing funds, but currently expect to continue managing CESH through the end of its life cycle (Note 4).

Reportable Segments

Real Estate — Lease revenues from our real estate investments generate the vast majority of our earnings. We invest primarily in commercial properties located in the United States and Northern and Western Europe, which are leased to companies on a triple-net lease basis. At December 31, 2022, our owned portfolio was comprised of our full or partial ownership interests in 1,449 properties, totaling approximately 176 million square feet (unaudited), substantially all of which were net leased to 392 tenants, with a weighted-average lease term of 10.8 years and an occupancy rate of 98.8% (unaudited). In addition, at December 31, 2022, our portfolio was comprised of full or partial ownership interests in 87 operating properties, including 84 self-storage properties, two student housing properties, and one hotel, totaling approximately 6.6 million square feet (unaudited).

Investment Management — Through our TRSs, we manage the real estate investment portfolio for CESH, for which we earn asset management revenue. We may also be entitled to receive certain distributions pursuant to our advisory arrangements with CESH. At December 31, 2022, CESH owned (i) all or a portion of three net-leased properties, totaling approximately 0.4 million square feet (unaudited), all of which were leased to one tenant, with an occupancy rate of 100.0% (unaudited), and (ii) one active build-to-suit project.

Note 2. Summary of Significant Accounting Policies

Critical Accounting Policies and Estimates

Accounting for Acquisitions

In accordance with the guidance for business combinations, we determine whether a transaction or other event is a business combination, which requires that the assets acquired and liabilities assumed constitute a business. If the assets acquired are not a business, we account for the transaction or other event as an asset acquisition. Under both methods, we recognize the

identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquired entity. In addition, for transactions that are business combinations, we evaluate the existence of goodwill or a gain from a bargain purchase. We capitalize acquisition-related costs and fees associated with asset acquisitions. We immediately expense acquisition-related costs and fees associated with business combinations. All transaction costs incurred during the reporting period were capitalized since our acquisitions were classified as asset acquisitions (excluding the CPA:18 Merger).

Purchase Price Allocation of Tangible Assets — When we acquire properties with leases classified as operating leases, we allocate the purchase price to the tangible and intangible assets and liabilities acquired based on their estimated fair values. The tangible assets consist of land, buildings, and site improvements. The intangible assets include the above- and below-market value of leases and the in-place leases, which includes the value of tenant relationships. Land is typically valued utilizing the sales comparison (or market) approach. Buildings are valued, as if vacant, using the cost and/or income approach. Under the cost approach, the fair value of real estate is based on estimated costs to construct a vacant building with similar characteristics. Under the income approach, we use either the discounted cash flow method or the direct capitalization method. For the discounted cash flow method, the fair value of real estate is determined (i) by applying a discounted cash flow analysis to the estimated net operating income for each property in the portfolio during the remaining anticipated lease term and (ii) by the estimated residual value, which is based on a hypothetical sale of the property upon expiration of a lease factoring in the re-tenanting of such property at estimated market rental rates, and applying a selected capitalization rate. For the direct capitalization method, the fair value of real estate is determined (i) by the stabilized estimated net operating income for each property in the portfolio and (ii) a selected capitalization rate.

Assumptions used in the model are property-specific where this information is available; however, when certain necessary information is not available, we use available regional and property-type information. Assumptions and estimates include the following:

- a discount rate or internal rate of return;
- market rents, growth factors of rents, and market lease term;
- capitalization rates to be applied to an estimate of market rent at the beginning and/or the end of the market lease term;
- the marketing period necessary to put a lease in place;
- carrying costs during the marketing period; and
- leasing commissions and tenant improvement allowances.

The discount rates and residual capitalization rates used to value the properties are selected based on several factors, including:

- the creditworthiness of the lessees;
- industry surveys;
- property type;
- property location and age;
- current lease rates relative to market lease rates; and
- anticipated lease duration.

In the case where a tenant has a purchase option deemed to be favorable to the tenant, or the tenant has long-term renewal options at rental rates below estimated market rental rates, we generally include the value of the exercise of such purchase option or long-term renewal options in the determination of residual value.

The remaining economic life of leased assets is estimated by relying in part upon third-party appraisals of the leased assets and industry standards. Different estimates of remaining economic life will affect the depreciation expense that is recorded.

Purchase Price Allocation of Intangible Assets and Liabilities — For acquired properties that do not qualify as sale-leaseback transactions, we record above- and below-market lease intangible assets and liabilities for acquired properties based on the present value (using a discount rate reflecting the risks associated with the leases acquired including consideration of the credit of the lessee) of the difference between (i) the contractual rents to be paid pursuant to the leases negotiated or in place at the time of acquisition of the properties and (ii) our estimate of fair market lease rates for the property or equivalent property, both of which are measured over the estimated lease term, which includes renewal options that have rental rates below estimated market rental rates. We discount the difference between the estimated market rent and contractual rent to a present value using an interest rate reflecting our current assessment of the risk associated with the lease acquired, which includes a consideration of the credit of the lessee. When we enter into sale-leaseback transactions with above- or below-market leases, the intangibles will be accounted for as loan receivables or prepaid rent liabilities, respectively. We measure the fair value of below-market

purchase option liabilities we acquire as the excess of the present value of the fair value of the real estate over the present value of the tenant's exercise price at the option date. We determine these values using our estimates or by relying in part upon third-party valuations conducted by independent appraisal firms.

We amortize the above-market lease intangible as a reduction of lease revenue over the remaining contractual lease term. We amortize the below-market lease intangible as an increase to lease revenue over the initial term and any renewal periods in the respective leases. We include the value of below-market leases in Below-market rent and other intangible liabilities in the consolidated financial statements.

For acquired properties with tenants in place, we record in-place lease intangible assets based on the estimated value ascribed to the avoidance of costs of leasing the properties for the remaining primary in-place lease terms. The cost avoidance is derived first by determining the in-place lease term on the subject lease. Then, based on our review of the market, the cost to be borne by a property owner to replicate a market lease to the remaining in-place term is estimated. These costs consist of: (i) rent lost during downtime (i.e., assumed periods of vacancy), (ii) estimated expenses that would be incurred by the property owner during periods of vacancy, (iii) rent concessions (i.e., free rent), (iv) leasing commissions, and (v) tenant improvements allowances given to tenants. We determine these values using our estimates or by relying in part upon third-party valuations. We amortize the value of in-place lease intangibles to depreciation and amortization expense over the remaining initial term of each lease. The amortization period for intangibles does not exceed the remaining depreciable life of the building.

If a lease is terminated, we charge the unamortized portion of above- and below-market lease values to rental income and in-place lease values to amortization expense. If a lease is amended, we will determine whether the economics of the amended lease continue to support the existence of the above- or below-market lease intangibles.

Purchase Price Allocation of Debt — When we acquire leveraged properties, the fair value of the related debt instruments is determined using a discounted cash flow model with rates that take into account the credit of the tenants, where applicable, and interest rate risk. Such resulting premium or discount is amortized over the remaining term of the obligation. We also consider the value of the underlying collateral, taking into account the quality of the collateral, the credit quality of the tenant, the time until maturity and the current interest rate.

Purchase Price Allocation of Goodwill — In the case of a business combination, after identifying all tangible and intangible assets and liabilities, the excess consideration paid over the fair value of the assets and liabilities acquired and assumed, respectively, represents goodwill. We allocate goodwill to the respective reporting units in which such goodwill arises. Goodwill acquired in certain business combinations was attributed to the Real Estate segment which comprises one reporting unit. In the event we dispose of a property or an investment that constitutes a business under U.S. generally accepted accounting principles ("GAAP") from a reporting unit with goodwill, we allocate a portion of the reporting unit's goodwill to that business in determining the gain or loss on the disposal of the business. The amount of goodwill allocated to the business is based on the relative fair value of the business to the fair value of the reporting unit. As part of purchase accounting for a business, we record any deferred tax assets and/or liabilities resulting from the difference between the tax basis and GAAP basis of the investment in the taxing jurisdiction. Such deferred tax amount will be included in purchase accounting and may impact the amount of goodwill recorded depending on the fair value of all of the other assets and liabilities and the amounts paid.

Financing Arrangements — In accordance with Accounting Standards Codification ("ASC") 310, *Receivables* and ASC 842, *Leases*, real estate assets acquired through a sale-leaseback transaction are accounted for as a financing arrangement if the investment does not meet the criteria for sale-leaseback accounting. We record such investments within Net investments in direct financing leases and loans receivable on the consolidated balance sheets. Rent payments from these investments are included within Income from direct financing leases and loans receivable on the consolidated statements of income.

Impairments

Real Estate — We periodically assess whether there are any indicators that the value of our long-lived real estate and related intangible assets may be impaired or that their carrying value may not be recoverable. These impairment indicators include, but are not limited to, vacancies, an upcoming lease expiration, a tenant with credit difficulty, the termination of a lease by a tenant, or a likely disposition of the property.

For real estate assets held for investment and related intangible assets in which an impairment indicator is identified, we follow a two-step process to determine whether an asset is impaired and to determine the amount of the charge. First, we compare the carrying value of the property's asset group to the estimated future net undiscounted cash flow that we expect the property's asset group will generate, including any estimated proceeds from the eventual sale of the property's asset group. The undiscounted cash flow analysis requires us to make our best estimate of market rents, residual values, and holding periods. We estimate market rents and residual values using market information from outside sources such as third-party market research, external appraisals, broker quotes, or recent comparable sales.

As our investment objective is to hold properties on a long-term basis, holding periods used in the undiscounted cash flow analysis are generally ten years, but may be less if our intent is to hold a property for less than ten years. Depending on the assumptions made and estimates used, the future cash flow projected in the evaluation of long-lived assets and associated intangible assets can vary within a range of outcomes. We consider the likelihood of possible outcomes in determining our estimate of future cash flows and, if warranted, we apply a probability-weighted method to the different possible scenarios. If the future net undiscounted cash flow of the property's asset group is less than the carrying value, the carrying value of the property's asset group is considered not recoverable. We then measure the impairment loss as the excess of the carrying value of the property's asset group over its estimated fair value.

Assets Held for Sale — We generally classify real estate assets that are subject to operating leases as held for sale when we have entered into a contract to sell the property, all material due diligence requirements have been satisfied, we received a non-refundable deposit, and we believe it is probable that the disposition will occur within one year. When we classify an asset as held for sale, we compare the asset's fair value less estimated cost to sell to its carrying value, and if the fair value less estimated cost to sell is less than the property's carrying value, we reduce the carrying value to the fair value less estimated cost to sell. We will continue to review the property for subsequent changes in the fair value, and may recognize an additional impairment charge, if warranted.

Equity Method Investments — We evaluate our equity method investments on a periodic basis to determine if there are any indicators that the value of our equity investment may be impaired and whether or not that impairment is other-than-temporary. To the extent an impairment has occurred and is determined to be other-than-temporary, we measure the charge as the excess of the carrying value of our investment over its estimated fair value, which is determined by calculating our share of the estimated fair market value of the underlying net assets based on the terms of the applicable partnership or joint-venture agreement. For our equity investments in real estate, we calculate the estimated fair value of the underlying investment's real estate as described in Real Estate above. The fair value of the underlying investment's debt, if any, is calculated based on market interest rates and other market information. The fair value of the underlying investment's other financial assets and liabilities (excluding net investment in direct financing leases) have fair values that generally approximate their carrying values.

Goodwill — We evaluate goodwill for possible impairment at least annually or upon the occurrence of a triggering event. Such a triggering event within our Investment Management segment depended on the timing and form of liquidity events for the Managed Programs ([Note 3](#), [Note 4](#)). To identify any impairment, we first assess qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. This assessment is used as a basis to determine whether it is necessary to calculate reporting unit fair values. If necessary, we calculate the estimated fair value of the Investment Management reporting unit by utilizing a discounted cash flow analysis methodology and available net asset values. We calculate the estimated fair value of the Real Estate reporting unit by utilizing our market capitalization and the aforementioned fair value of the Investment Management segment. Impairments, if any, will be the difference between the reporting unit's fair value and carrying amount, not to exceed the carrying amount of goodwill.

Credit Losses

We adopted Accounting Standards Update ("ASU") 2016-13, *Financial Instruments — Credit Losses* on January 1, 2020, which replaces the "incurred loss" model with an "expected loss" model, resulting in the earlier recognition of credit losses even if the risk of loss is remote. This standard applies to financial assets measured at amortized cost and certain other instruments, including net investments in direct financing leases and loans receivable. This standard does not apply to receivables arising from operating leases, which are within the scope of *Topic 842*. We adopted ASU 2016-13 using the modified retrospective method, under which we recorded a cumulative-effect adjustment as a charge to retained earnings of \$14.8 million on January 1, 2020, which is reflected within our consolidated statements of equity.

The allowance for credit losses, which is recorded as a reduction to Net investments in direct financing leases and loans receivable on our consolidated balance sheets, is measured on a pool basis by credit ratings (Note 6), using a probability of default method based on the lessees' respective credit ratings, the expected value of the underlying collateral upon its repossession, and our historical loss experience related to other direct financing leases. Included in our model are factors that incorporate forward-looking information. Allowance for credit losses is included in our consolidated statements of income within Other gains and (losses).

Other Accounting Policies

Basis of Consolidation — Our consolidated financial statements reflect all of our accounts, including those of our controlled subsidiaries. The portions of equity in consolidated subsidiaries that are not attributable, directly or indirectly, to us are presented as noncontrolling interests. All significant intercompany accounts and transactions have been eliminated.

When we obtain an economic interest in an entity, we evaluate the entity to determine if it should be deemed a VIE and, if so, whether we are the primary beneficiary and are therefore required to consolidate the entity. We apply accounting guidance for consolidation of VIEs to certain entities in which the equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. Fixed price purchase and renewal options within a lease, as well as certain decision-making rights within a loan or joint-venture agreement, can cause us to consider an entity a VIE. Limited partnerships and other similar entities that operate as a partnership will be considered a VIE unless the limited partners hold substantive kick-out rights or participation rights. Significant judgment is required to determine whether a VIE should be consolidated. We review the contractual arrangements provided for in the partnership agreement or other related contracts to determine whether the entity is considered a VIE, and to establish whether we have any variable interests in the VIE. We then compare our variable interests, if any, to those of the other variable interest holders to determine which party is the primary beneficiary of the VIE based on whether the entity (i) has the power to direct the activities that most significantly impact the economic performance of the VIE and (ii) has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The liabilities of these VIEs are non-recourse to us and can only be satisfied from each VIE's respective assets.

Upon the closing of the CPA:18 Merger, we acquired five consolidated VIEs and declassified three entities as VIEs.

At December 31, 2022 and 2021, we considered 16 and 14 entities to be VIEs, respectively, of which we consolidated 11 and six, respectively, as we are considered the primary beneficiary. The following table presents a summary of selected financial data of the consolidated VIEs included in our consolidated balance sheets (in thousands):

	December 31,	
	2022	2021
Land, buildings and improvements — net lease and other	\$ 590,390	\$ 426,831
Land, buildings and improvements — operating properties	143,390	—
Net investments in direct financing leases and loans receivable	144,103	144,103
In-place lease intangible assets and other	72,070	42,884
Above-market rent intangible assets	33,634	26,720
Accumulated depreciation and amortization	(176,379)	(154,413)
Total assets	843,500	500,884
Non-recourse mortgages, net	\$ 132,950	\$ 1,485
Below-market rent and other intangible liabilities, net	18,891	20,568
Total liabilities	199,633	46,302

At December 31, 2022 and 2021, our five and eight unconsolidated VIEs included our interests in (i) three and six unconsolidated real estate investments, respectively, which we account for under the equity method of accounting (we do not consolidate these entities because we are not the primary beneficiary and the nature of our involvement in the activities of these entities allows us to exercise significant influence on, but does not give us power over, decisions that significantly affect the economic performance of these entities), and (ii) two unconsolidated investments in equity securities, which we accounted for as investments in shares of the entities at fair value. As of December 31, 2022 and 2021, the net carrying amount of our investments in these entities was \$693.4 million and \$581.3 million, respectively, and our maximum exposure to loss in these entities was limited to our investments.

Leases

As a Lessee: Right-of-use (“ROU”) assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments under the lease. We determine if an arrangement contains a lease at contract inception and determine the classification of the lease at commencement. Operating and financing lease ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. We do not include renewal options in the lease term when calculating the lease liability unless we are reasonably certain we will exercise the option. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. Our variable lease payments consist of increases as a result of the Consumer Price Index (“CPI”) or other comparable indices, taxes, and maintenance costs. Lease expense for lease payments is recognized on a straight-line basis over the term of the lease. Below-market ground lease intangible assets and above-market ground lease intangible liabilities are included as a component of ROU assets. See [Note 5](#) for additional disclosures on the presentation of these amounts in our consolidated balance sheets.

The implicit rate within our operating leases is generally not determinable and, as a result, we use our incremental borrowing rate at the lease commencement date to determine the present value of lease payments. The determination of our incremental borrowing rate requires judgment. We determine our incremental borrowing rate for each lease using estimated baseline mortgage rates. These baseline rates are determined based on a review of current mortgage debt market activity for benchmark securities across domestic and international markets, utilizing a yield curve. The rates are then adjusted for various factors, including level of collateralization and lease term.

As a Lessor: We combine non-lease components (lease arrangements that include common area maintenance services) with related lease components (lease revenues), since both the timing and pattern of transfer are the same for the non-lease component and related lease component, the lease component is the predominant component, and the lease component would otherwise be classified as an operating lease. For (i) operating lease arrangements involving real estate that include common area maintenance services and (ii) all real estate arrangements that include real estate taxes and insurance costs, we present these amounts within lease revenues in our consolidated statements of income. We record amounts reimbursed by the lessee in the period in which the applicable expenses are incurred, if the reimbursements are deemed collectible.

Reclassifications — Certain prior period amounts have been reclassified to conform to the current period presentation.

We currently present Land, buildings and improvements — net lease and other and Land, buildings and improvements — operating properties on separate line items in the consolidated balance sheets. Previously, land, buildings and improvements attributable to net lease properties and operating properties were aggregated within Land, buildings and improvements in the consolidated balance sheets ([Note 5](#)).

Restricted Cash — Restricted cash primarily consists of security deposits and amounts required to be reserved pursuant to lender agreements for debt service, capital improvements, and real estate taxes. The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the consolidated balance sheets to the consolidated statements of cash flows (in thousands):

	December 31,		
	2022	2021	2020
Cash and cash equivalents	\$ 167,996	\$ 165,427	\$ 248,662
Restricted cash ^(a)	56,145	52,523	63,117
Total cash and cash equivalents and restricted cash	<u>\$ 224,141</u>	<u>\$ 217,950</u>	<u>\$ 311,779</u>

(a) Restricted cash is included within Other assets, net on our consolidated balance sheets.

Real Estate and Operating Real Estate — We carry land, buildings, and improvements at cost less accumulated depreciation. We capitalize costs that extend the useful life of properties or increase their value, while we expense maintenance and repairs that do not improve or extend the lives of the respective assets as incurred.

Gain/Loss on Sale — We recognize gains and losses on the sale of properties when the transaction meets the definition of a contract, criteria are met for the sale of one or more distinct assets, and control of the properties is transferred.

Cash and Cash Equivalents — We consider all short-term, highly liquid investments that are both readily convertible to cash and have a maturity of three months or less at the time of purchase to be cash equivalents. Items classified as cash equivalents include commercial paper and money market funds. Our cash and cash equivalents are held in the custody of several financial institutions, and these balances, at times, exceed federally insurable limits. We seek to mitigate this risk by depositing funds only with major financial institutions.

Internal-Use Software Development Costs and Cloud Computing Arrangements — We expense costs associated with the assessment stage of software development projects. Upon completion of the preliminary project assessment stage, we capitalize internal and external costs associated with the application development stage. We expense the personnel-related costs of training and data conversion. We also expense costs associated with the post-implementation and operation stage, including maintenance and specified upgrades; however, we capitalize internal and external costs associated with significant upgrades to existing systems that result in additional functionality. Cloud computing arrangement costs follow the internal-use software accounting guidance to determine which implementation costs to capitalize as assets or expense as incurred. Capitalized internal-use software development costs are amortized on a straight-line basis over the software's estimated useful life, which is three to seven years. Capitalized implementation costs related to a service contract will be amortized over the term of the hosting arrangement beginning when the component of the hosting arrangement is ready for its intended use. Periodically, we reassess the useful life considering technology, obsolescence, and other factors.

Other Assets and Liabilities — We include prepaid expenses, deferred rental income, tenant receivables, deferred charges, escrow balances held by lenders, restricted cash balances, marketable securities, derivative assets, other intangible assets, corporate fixed assets, our investment in shares of Lineage Logistics (a cold storage REIT) (Note 9), our investment in shares of Guggenheim Credit Income Fund ("GCIF") (Note 9), and office lease ROU assets in Other assets, net. We include derivative liabilities, amounts held on behalf of tenants, operating lease liabilities, and deferred revenue in Accounts payable, accrued expenses and other liabilities.

Revenue Recognition, Real Estate Leased to Others — We lease real estate to others primarily on a triple-net leased basis, whereby the tenant is generally responsible for operating expenses relating to the property, including property taxes, insurance, maintenance, repairs, and improvements.

Substantially all of our leases provide for either scheduled rent increases, periodic rent adjustments based on formulas indexed to changes in the CPI or similar indices, or percentage rents. CPI-based adjustments are contingent on future events and are therefore not included as minimum rent in straight-line rent calculations. We recognize rents from percentage rents as reported by the lessees, which is after the level of sales requiring a rental payment to us is reached. Percentage rents were insignificant for the periods presented.

For our operating leases, we recognize future minimum rental revenue on a straight-line basis over the non-cancelable lease term of the related leases and charge expenses to operations as incurred (Note 5). We record leases accounted for under the direct financing method as a net investment in direct financing leases (Note 6). The net investment is equal to the cost of the leased assets. The difference between the cost and the gross investment, which includes the residual value of the leased asset and the future minimum rents, is unearned income. We defer and amortize unearned income to income over the lease term so as to produce a constant periodic rate of return on our net investment in the lease.

Revenue from contracts under ASC 606, *Revenue from Contracts with Customers* is recognized when, or as, control of promised goods or services is transferred to customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. At contract inception, we assess the services promised in our contracts with customers and identify a performance obligation for each promise to transfer to the customer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, we consider all of the services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. ASC 606 does not apply to our lease revenues, which constitute a majority of our revenues, but primarily applies to revenues generated from our hotel operating properties and our Investment Management segment.

Revenue from contracts for our Real Estate segment primarily represented hotel operating property revenues of \$12.0 million, \$7.2 million, and \$5.9 million for the years ended December 31, 2022, 2021, and 2020, respectively. Such operating property revenues are primarily comprised of revenues from room rentals and from food and beverage services at our hotel operating properties during those years. We identified a single performance obligation for each distinct service. Performance obligations are typically satisfied at a point in time, at the time of sale, or at the rendering of the service. Fees are generally determined to be fixed. Payment is typically due immediately following the delivery of the service. Revenue from contracts under ASC 606 from our Investment Management segment is discussed in [Note 4](#).

Lease revenue (including straight-line lease revenue) is only recognized when deemed probable of collection. Collectibility is assessed for each tenant receivable using various criteria including credit ratings ([Note 6](#)), guarantees, past collection issues, and the current economic and business environment affecting the tenant. If collectibility of the contractual rent stream is not deemed probable, revenue will only be recognized upon receipt of cash from the tenant.

Revenue Recognition, Investment Management Operations — We earn asset management revenue in connection with providing services to the Managed Programs. We earn asset management revenue from property management, leasing, and advisory services performed. In addition, we earn subordinated incentive and disposition revenue related to the disposition of properties.

The Managed Programs reimburse us for certain personnel and overhead costs that we incur on their behalf. We record reimbursement income as the expenses are incurred, subject to limitations imposed by the advisory agreements.

Asset Retirement Obligations — Asset retirement obligations relate to the legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development, and/or normal operation of a long-lived asset. The fair value of a liability for an asset retirement obligation is recorded in the period in which it is incurred or at the point of acquisition of an asset with an assumed asset retirement obligation, and the cost of such liability is recorded as an increase in the carrying amount of the related long-lived asset by the same amount. The liability is accreted each period and the capitalized cost is depreciated over the estimated remaining life of the related long-lived asset. Revisions to estimated retirement obligations result in adjustments to the related capitalized asset and corresponding liability.

In order to determine the fair value of the asset retirement obligations, we make certain estimates and assumptions including, among other things, projected cash flows, the borrowing interest rate, and an assessment of market conditions that could significantly impact the estimated fair value. These estimates and assumptions are subjective.

Depreciation — We compute depreciation of building and related improvements using the straight-line method over the estimated remaining useful lives of the properties (not to exceed 40 years) and furniture, fixtures, and equipment. We compute depreciation of tenant improvements using the straight-line method over the lesser of the remaining term of the lease or the estimated useful life.

Stock-Based Compensation — We have granted restricted share awards (“RSAs”), restricted share units (“RSUs”), and performance share units (“PSUs”) to certain employees, independent directors, and nonemployees. Grants were awarded in the name of the recipient subject to certain restrictions of transferability and a risk of forfeiture. Stock-based compensation expense for all equity-classified stock-based compensation awards is based on the grant date fair value estimated in accordance with current accounting guidance for share-based payments, which includes awards granted to certain nonemployees. We recognize these compensation costs for only those shares expected to vest on a straight-line basis over the requisite service or performance period of the award. We include stock-based compensation within Additional paid-in capital in the consolidated statements of equity and Stock-based compensation expense in the consolidated statements of income.

Foreign Currency Translation and Transaction Gains and Losses — We have interests in international real estate investments primarily in Europe, Canada, and Japan, and the primary functional currencies for those investments are the euro, the British pound sterling, the Canadian dollar, and the Japanese yen. We perform the translation from these currencies to the U.S. dollar for assets and liabilities using current exchange rates in effect at the balance sheet date and for revenue and expense accounts using the average exchange rate during the month in which the transaction occurs. We report the gains and losses resulting from such translation as a component of other comprehensive income in equity. These translation gains and losses are released to net income (within Gain on sale of real estate, net, in the consolidated statements of income) when we have substantially exited from all investments in the related currency.

A transaction gain or loss (measured from the transaction date or the most recent intervening balance sheet date, whichever is later), realized upon settlement of a foreign currency transaction generally will be included in net income for the period in which the transaction is settled. Also, foreign currency intercompany transactions that are scheduled for settlement, consisting primarily of accrued interest and the translation to the reporting currency of intercompany debt that is short-term or has scheduled principal payments, are included in the determination of net income (within Other gains and (losses) in the statements of income).

The translation impact of foreign currency transactions of a long-term nature (that is, settlement is not planned or anticipated in the foreseeable future), in which the entities involved in the transactions are consolidated or accounted for by the equity method in our consolidated financial statements, are not included in net income but are reported as a component of other comprehensive income in equity.

Derivative Instruments — We measure derivative instruments at fair value and record them as assets or liabilities, depending on our rights or obligations under the applicable derivative contract. Derivatives that are not designated as hedges must be adjusted to fair value through earnings. For derivatives designated and that qualify as cash flow hedges, the change in fair value of the derivative is recognized in Other comprehensive (loss) income until the hedged transaction affects earnings. Gains and losses on the cash flow hedges representing hedge components excluded from the assessment of effectiveness are recognized in earnings over the life of the hedge on a systematic and rational basis, as documented at hedge inception in accordance with our accounting policy election. Such gains and losses are recorded within Other gains and (losses) or Interest expense in our consolidated statements of income. The earnings recognition of excluded components is presented in the same line item as the hedged transactions. For derivatives designated and that qualify as a net investment hedge, the change in the fair value and/or the net settlement of the derivative is reported in Other comprehensive (loss) income as part of the cumulative foreign currency translation adjustment. Amounts are reclassified out of Other comprehensive (loss) income into earnings (within Gain on sale of real estate, net, in our consolidated statements of income) when the hedged investment is either sold or substantially liquidated. In accordance with fair value measurement guidance, counterparty credit risk is measured on a net portfolio position basis.

Segment Allocation Changes — Beginning with the second quarter of 2020, general and administrative expenses attributed to our Investment Management segment are comprised of the incremental costs of providing services to the Managed Programs, which are fully reimbursed by those funds (resulting in no net expense for us). All other general and administrative expenses are attributed to our Real Estate segment. Previously, general and administrative expenses were allocated based on time incurred by our personnel for the Real Estate and Investment Management segments. In addition, beginning with the second quarter of 2020, stock-based compensation expense and corporate depreciation and amortization expense are fully recognized within our Real Estate segment. In light of the termination of the advisory agreements with CWI 1 and CWI 2 in connection with the Watermark Lodging Trust, Inc. (“WLT”) management internalization ([Note 4](#)), as well as the termination of the advisory agreements with CPA:18 – Global in connection with the CPA:18 Merger ([Note 3](#)), we now view essentially all assets, liabilities, and operational expenses as part of our Real Estate segment, other than incremental activities that are expected to wind down as we manage CESH through the end of its life cycle. These changes between the segments had no impact on our consolidated financial statements.

In addition, our investments in WLT, and income recognized from our investments in WLT, were included within our Real Estate segment following the CWI 1 and CWI 2 Merger, since we were no longer the advisor to that company. Previously, our investments in CWI 1 and CWI 2, and income recognized from our investments in CWI 1 and CWI 2, were included within our Investment Management segment ([Note 4](#)).

Income Taxes — We conduct business in various states and municipalities primarily within North America and Europe, and as a result, we or one or more of our subsidiaries file income tax returns in the United States federal jurisdiction and various state and foreign jurisdictions. We derive most of our REIT income from our real estate operations under our Real Estate segment. Our domestic real estate operations are generally not subject to federal tax, and accordingly, no provision has been made for U.S. federal income taxes in the consolidated financial statements for these operations. These operations may be subject to certain state and local taxes, as applicable. We conduct our Investment Management operations primarily through TRSs. In general, a TRS may perform additional services for our tenants and generally may engage in any real estate or non-real estate-related business. These operations are subject to federal, state, local, and foreign taxes, as applicable. Our financial statements are prepared on a consolidated basis including these TRSs and include a provision for current and deferred taxes on these operations.

Significant judgment is required in determining our tax provision and in evaluating our tax positions. We establish tax reserves based on a benefit recognition model, which could result in a greater amount of benefit (and a lower amount of reserve) being initially recognized in certain circumstances. Provided that the tax position is deemed more likely than not of being sustained, we recognize the largest amount of tax benefit that is greater than 50% likely of being ultimately realized upon settlement. We derecognize the tax position when it is no longer more likely than not of being sustained.

Our earnings and profits, which determine the taxability of distributions to stockholders, differ from net income reported for financial reporting purposes due primarily to differences in depreciation, including hotel properties, and timing differences of rent recognition and certain expense deductions, for federal income tax purposes.

We recognize deferred income taxes in certain of our subsidiaries taxable in the United States or in foreign jurisdictions. Deferred income taxes are generally the result of temporary differences (items that are treated differently for tax purposes than for GAAP purposes as described in [Note 15](#)). In addition, deferred tax assets arise from unutilized tax net operating losses, generated in prior years. Deferred income taxes are computed under the asset and liability method. The asset and liability method requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between tax bases and financial bases of assets and liabilities. We provide a valuation allowance against our deferred income tax assets when we believe that it is more likely than not that all or some portion of the deferred income tax asset may not be realized. Whenever a change in circumstances causes a change in the estimated realizability of the related deferred income tax asset, the resulting increase or decrease in the valuation allowance is included in deferred income tax expense (benefit).

Earnings Per Share — Basic earnings per share is calculated by dividing net income available to common stockholders by the weighted-average number of shares of common stock outstanding during the year. Diluted earnings per share reflects potentially dilutive securities (RSAs, RSUs, PSUs, and shares available for issuance under our Equity Forwards and ATM Forwards) using the treasury stock method, except when the effect would be anti-dilutive.

Use of Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and the disclosure of contingent amounts in our consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

Note 3. Merger with CPA:18 – Global

CPA:18 Merger

On February 27, 2022, we and certain of our subsidiaries entered into a merger agreement with CPA:18 – Global, pursuant to which CPA:18 – Global would merge with and into one of our indirect subsidiaries in exchange for shares of our common stock and cash, subject to approval by the stockholders of CPA:18 – Global. The CPA:18 Merger and related transactions were approved by the stockholders of CPA:18 – Global on July 26, 2022 and completed on August 1, 2022.

At the effective time of the CPA:18 Merger, each share of CPA:18 – Global common stock issued and outstanding immediately prior to the effective time of the CPA:18 Merger was canceled and, in exchange for cancellation of such share, the rights attaching to such share were converted automatically into the right to receive (i) 0.098 shares of our common stock and (ii) \$3.00 in cash, which we refer to herein as the Merger Consideration. Each share of CPA:18 – Global common stock owned by us or any of our subsidiaries immediately prior to the effective time of the CPA:18 Merger was automatically canceled and retired, and ceased to exist, for no Merger Consideration. In exchange for the 141,099,002 shares of CPA:18 – Global common stock that we and our subsidiaries did not previously own, we paid total merger consideration of approximately \$1.6 billion,

consisting of (i) the issuance of 13,786,302 shares of our common stock with a fair value of \$1.2 billion, based on the closing price of our common stock on August 1, 2022 of \$87.46 per share, (ii) cash consideration of \$423.3 million, and (iii) cash of \$0.1 million paid in lieu of issuing any fractional shares of our common stock. Pursuant to the terms of the definitive merger agreement, in connection with the closing of the CPA:18 Merger, we waived certain back-end fees that we would have otherwise been entitled to receive from CPA:18 – Global upon its liquidation pursuant to the terms of our pre-closing advisory agreement with CPA:18 – Global.

Immediately prior to the closing of the CPA:18 Merger, CPA:18 – Global’s portfolio was comprised of full or partial ownership interests in 42 leased properties (including seven properties in which we already owned a partial ownership interest), substantially all of which were net leased with a weighted-average lease term of 7.0 years, an occupancy rate of 99.3% (unaudited), and an estimated contractual minimum annualized base rent (“ABR”) totaling \$81.0 million, as well as 65 self-storage operating properties and two student housing operating properties totaling 5.1 million square feet (unaudited). The related property-level debt was comprised of non-recourse mortgage loans with an aggregate consolidated fair value of approximately \$900.2 million with a weighted-average annual interest rate of 5.1% as of August 1, 2022. From the closing of the CPA:18 Merger through December 31, 2022, lease revenues, operating property revenues, and net income from properties acquired were \$42.7 million, \$39.2 million, and \$12.3 million, respectively.

Two of the net lease properties that we acquired in the CPA:18 Merger were classified as Assets held for sale, with an aggregate fair value of \$85.0 million at acquisition (Note 5). From the closing of the CPA:18 Merger through December 31, 2022, lease revenues from these properties totaled \$4.9 million. We sold one of these properties in August 2022 for total proceeds, net of selling costs, of \$44.5 million, and recognized a loss on sale of \$0.2 million (Note 16).

Purchase Price Allocation

We accounted for the CPA:18 Merger as a business combination under the acquisition method of accounting. After consideration of all applicable factors pursuant to the business combination accounting rules, we were considered the “accounting acquirer” due to various factors, including the fact that our stockholders held the largest portion of the voting rights in the combined company upon completion of the CPA:18 Merger. Costs related to the CPA:18 Merger have been expensed as incurred and classified within Merger and other expenses in the consolidated statements of income, totaling \$17.2 million for the year ended December 31, 2022.

The purchase price was allocated to the assets acquired and liabilities assumed, based upon their preliminary fair values at August 1, 2022. The following tables summarize the preliminary consideration and estimated fair values of the assets acquired and liabilities assumed in the acquisition, based on the current best estimate of management. We are in the process of finalizing our assessment of the fair value of the assets acquired and liabilities assumed. Investments in land, buildings and improvements, net investments in direct financing leases, non-recourse mortgages, and noncontrolling interests were based on preliminary valuation data and estimates.

	Preliminary Purchase Price Allocation (in thousands)
Total Consideration	
Fair value of W. P. Carey shares of common stock issued	\$ 1,205,750
Cash consideration paid	423,297
Cash paid for fractional shares	138
Merger Consideration	1,629,185
Fair value of our equity interest in CPA:18 – Global prior to the CPA:18 Merger	88,299
Fair value of our equity interest in jointly owned investments with CPA:18 – Global prior to the CPA:18 Merger	28,574
	<u>\$ 1,746,058</u>

	Preliminary Purchase Price Allocation (in thousands)
Assets	
Land, buildings and improvements — net lease and other	\$ 881,613
Land, buildings and improvements — operating properties	1,000,447
Net investments in direct financing leases and loans receivable	38,517
In-place lease and other intangible assets	224,458
Above-market rent intangible assets	61,090
Assets held for sale	85,026
Cash and cash equivalents and restricted cash	331,063
Other assets, net (excluding restricted cash)	25,229
Total assets	2,647,443
Liabilities	
Non-recourse mortgages, net	900,173
Accounts payable, accrued expenses and other liabilities	90,035
Below-market rent and other intangible liabilities	16,836
Deferred income taxes	52,320
Total liabilities	1,059,364
Total identifiable net assets	1,588,079
Noncontrolling interests	(14,367)
Goodwill	172,346
	<u>\$ 1,746,058</u>

Goodwill

The \$172.3 million of goodwill recorded in the CPA:18 Merger was primarily due to the premium we paid over CPA:18 – Global’s estimated fair value. Management believes the premium is supported by several factors, including that the CPA:18 Merger (i) concludes our exit from the non-traded REIT business, (ii) adds a high-quality diversified portfolio of net lease assets that is well-aligned with our existing portfolio, (iii) enhances certain portfolio metrics, and (iv) adds an attractive portfolio of self-storage operating properties.

The fair value of the 13,786,302 shares of our common stock issued in the CPA:18 Merger as part of the consideration paid for CPA:18 – Global of \$1.6 billion was derived from the closing market price of our common stock on the acquisition date. As required by GAAP, the fair value related to the assets acquired and liabilities assumed, as well as the shares exchanged, has been computed as of the date we gained control, which was the closing date of the CPA:18 Merger, in a manner consistent with the methodology described above.

Goodwill is not deductible for income tax purposes.

Equity Investments

During the third quarter of 2022, we recognized a gain on change in control of interests of approximately \$22.5 million, which was the difference between the carrying value of approximately \$65.8 million and the fair value of approximately \$88.3 million of our previously held equity interest in 8,556,732 shares of CPA:18 – Global’s common stock.

The CPA:18 Merger also resulted in our acquisition of the remaining interests in four investments in which we already had a joint interest and accounted for under the equity method. Upon acquiring the remaining interests in these investments, we owned 100% of these investments and thus accounted for the acquisitions of these interests utilizing the purchase method of accounting. Due to the change in control of the four jointly owned investments that occurred, we recorded a gain on change in control of interests of approximately \$11.4 million during the third quarter of 2022, which was the difference between our carrying values and the fair values of our previously held equity interests on August 1, 2022 of approximately \$17.2 million and approximately \$28.6 million, respectively. Subsequent to the CPA:18 Merger, we consolidate these wholly owned investments.

The fair values of our previously held equity interests are based on the estimated fair market values of the underlying real estate and related mortgage debt, both of which were determined by management relying in part on a third party. Real estate valuation requires significant judgment. We determined the significant assumptions to be Level 3 with ranges for our previously held equity interests as follows:

- Market rents ranged from \$8.65 per square foot to \$21.00 per square foot;
- Discount rates applied to the estimated net operating income of each property ranged from approximately 5.75% to 9.75%;
- Discount rates applied to the estimated residual value of each property ranged from approximately 6.50% to 8.50%;
- Residual capitalization rates applied to the properties ranged from approximately 5.75% to 8.00%;
- The fair market value of the property level debt was determined based upon available market data for comparable liabilities and by applying selected discount rates to the stream of future debt payments; and
- Discount rates applied to the property level debt cash flows ranged from approximately 2.28% to 5.50%.

Pro Forma Financial Information (Unaudited)

The following consolidated pro forma financial information has been presented as if the CPA:18 Merger had occurred on January 1, 2021 for the years ended December 31, 2022 and 2021. The pro forma financial information is not necessarily indicative of what the actual results would have been had the CPA:18 Merger on that date, nor does it purport to represent the results of operations for future periods.

(in thousands)

	Years Ended December 31,	
	2022	2021
Pro forma total revenues	\$ 1,590,233	\$ 1,509,828

Note 4. Agreements and Transactions with Related Parties

Advisory Agreements and Partnership Agreements with the Managed Programs

We currently have advisory arrangements with CESH, pursuant to which we earn fees and are entitled to receive reimbursement for certain fund management expenses. Upon completion of the CPA:18 Merger on August 1, 2022 ([Note 3](#)), our advisory agreements with CPA:18 – Global were terminated, and we ceased earning revenue from CPA:18 – Global. We no longer raise capital for new or existing funds, but we currently expect to continue to manage CESH and earn various fees (as described below) through the end of its life cycle.

The following tables present a summary of revenue earned, reimbursable costs, and distributions of Available Cash received/accrued from the Managed Programs and WLT for the periods indicated, included in the consolidated financial statements (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Distributions of Available Cash ^(a)	\$ 8,746	\$ 7,345	\$ 7,225
Asset management revenue ^(b)	8,467	15,363	21,973
Reimbursable costs from affiliates ^(b)	2,518	4,035	8,855
Interest income on deferred acquisition fees and loans to affiliates ^(c)	112	120	369
Structuring and other advisory revenue ^(b)	—	—	494
	<u>\$ 19,843</u>	<u>\$ 26,863</u>	<u>\$ 38,916</u>

	Years Ended December 31,		
	2022	2021	2020
CPA:18 – Global	\$ 17,854	\$ 22,867	\$ 22,200
CWI 1	—	—	5,662
CWI 2	—	—	4,668
CESH	1,989	3,713	4,723
WLT (reimbursed transition services)	—	283	1,663
	<u>\$ 19,843</u>	<u>\$ 26,863</u>	<u>\$ 38,916</u>

(a) Included within Earnings (losses) from equity method investments in the consolidated statements of income.

(b) Amounts represent revenues from contracts under ASC 606.

(c) Included within Non-operating income in the consolidated statements of income.

The following table presents a summary of amounts included in Due from affiliates in the consolidated financial statements (in thousands):

	December 31,	
	2022	2021
Asset management fees receivable	\$ 386	\$ 494
Accounts receivable	329	336
Reimbursable costs	204	974
Current acquisition fees receivable	—	19
Deferred acquisition fees receivable, including accrued interest	—	3
	<u>\$ 919</u>	<u>\$ 1,826</u>

Performance Obligations and Significant Judgments

The fees earned pursuant to our advisory agreements are considered variable consideration. For the agreements that include multiple performance obligations, including asset management services, revenue is allocated to each performance obligation based on estimates of the price that we would charge for each promised service if it were sold on a standalone basis.

Judgment is applied in assessing whether there should be a constraint on the amount of fees recognized, such as amounts in excess of certain threshold limits with respect to the contract price or any potential clawback provisions included in certain of our arrangements. We exclude fees subject to such constraints to the extent it is probable that a significant reversal of those amounts will occur.

Asset Management Revenue

Under the advisory agreements with the Managed Programs, we earn asset management revenue for managing their investment portfolios. The following table presents a summary of our asset management fee arrangements with the Managed Programs:

Managed Program	Rate	Payable	Description
CPA:18 – Global	0.5% – 1.5%	In shares of its Class A common stock and/or cash, at the option of CPA:18 – Global; payable 50% in cash and 50% in shares of its Class A common stock for 2021 through February 28, 2022; payable in cash from March 1, 2022 to August 1, 2022 (the date of the completion of the CPA:18 Merger)	Rate depended on the type of investment and was based on the average market or average equity value, as applicable
CESH	1.0%	In cash	Based on gross assets at fair value

The performance obligation for asset management services is satisfied over time as services are rendered. The time-based output method is used to measure progress over time, as this is representative of the transfer of the services. We are compensated for our services on a monthly or quarterly basis. However, these services represent a series of distinct daily services under ASC 606, *Revenue from Contracts with Customers*. Accordingly, we satisfy the performance obligation and resolve the variability associated with our fees on a daily basis. We apply the practical expedient and, as a result, do not disclose variable consideration attributable to wholly or partially unsatisfied performance obligations as of the end of the reporting period.

In providing asset management services, we are reimbursed for certain costs. Direct reimbursement of these costs does not represent a separate performance obligation. Payment for asset management services is typically due on the first business day following the month of the delivery of the service.

Reimbursable Costs from Affiliates

CESH reimburses us in cash for certain personnel and overhead costs that we incur on its behalf, based on actual expenses incurred.

Distributions of Available Cash

We were entitled to receive distributions of up to 10% of the Available Cash (as defined in CPA:18 – Global’s partnership agreement) from the operating partnership of CPA:18 – Global, payable quarterly in arrears. After completion of the CPA:18 Merger on August 1, 2022 ([Note 3](#)), we no longer receive distributions of Available Cash from CPA:18 – Global.

Back-End Fees and Interests in the Managed Programs

Under our advisory arrangements with CESH, we may also receive compensation in connection with providing a liquidity event for its investors. Such back-end fees or interests include or may include interests in disposition proceeds. There can be no assurance as to whether or when any back-end fees or interests will be realized. Pursuant to the terms of the definitive merger agreement, in connection with the closing of the CPA:18 Merger, we waived certain back-end fees that we would have been entitled to receive from CPA:18 – Global upon its liquidation pursuant to the terms of our advisory agreement and partnership agreement with CPA:18 – Global ([Note 3](#)).

Other Transactions with Former Affiliates*CWI 1 and CWI 2 Merger*

On October 22, 2019, Carey Watermark Investors Incorporated (“CWI 1”) and Carey Watermark Investors 2 Incorporated (“CWI 2”), two non-traded REITs that we advised, announced that they had entered into a definitive merger agreement under which the two companies intended to merge in an all-stock transaction, with CWI 2 as the surviving entity (the “CWI 1 and CWI 2 Merger”). The CWI 1 and CWI 2 Merger was approved by the stockholders of CWI 1 and CWI 2 on April 8, 2020 and closed on April 13, 2020. Subsequently, CWI 2 was renamed WLT. In connection with the CWI 1 and CWI 2 Merger, we entered into an internalization agreement and a transition services agreement. Immediately following the closing of the CWI 1 and CWI 2 Merger, (i) the advisory agreements with each of CWI 1 and CWI 2 and each of their respective operating partnerships terminated, (ii) the subadvisory agreements with the subadvisors for CWI 1 and CWI 2 were terminated, (iii) pursuant to the internalization agreement, two of our representatives were appointed to the board of directors of WLT (however both representatives resigned from the board of directors of WLT on April 29, 2020), and (iv) we provided certain transition services at cost to WLT, pursuant to a transition services agreement. On October 13, 2021, all services provided under the transition services agreement were terminated.

In accordance with the merger agreement, at the effective time of the CWI 1 and CWI 2 Merger, each issued and outstanding share of CWI 1’s common stock (or fraction thereof), was converted into the right to receive 0.9106 shares (the “exchange ratio”) of CWI 2 Class A common stock. As a result, we exchanged 6,074,046 shares of CWI 1 common stock for 5,531,025 shares of CWI 2 Class A common stock.

Pursuant to the internalization agreement, the operating partnerships of each of CWI 1 and CWI 2 redeemed the special general partner interests that we previously held, for which we received 1,300,000 shares of CWI 2 preferred stock with a liquidation preference of \$50.00 per share and 2,840,549 shares in CWI 2 Class A common stock (which was a non-cash investing activity). In connection with this redemption, we recognized a non-cash net gain on sale of \$33.0 million, which was included within Earnings (losses) from equity method investments in the consolidated statements of income for the year ended December 31, 2020. This net gain on sale was recorded based on:

- a fair value of \$46.3 million for the 1,300,000 shares of CWI 2 preferred stock that we received ([Note 9](#));
- a fair value of \$11.6 million for the 2,840,549 shares in CWI 2 common stock that we received ([Note 8](#));
- a gain recognized on the redemption of the noncontrolling interest in the special general partner interests previously held by the respective subadvisors for CWI 1 and CWI 2 of \$9.9 million (which is included within Net income attributable to noncontrolling interests in our consolidated statements of income and Redemption of noncontrolling interest in our consolidated statements of equity);
- an allocation of \$34.3 million of goodwill within our Investment Management segment in accordance with ASC 350, *Intangibles—goodwill and other*, since the WLT management internalization resulted in a sale of a portion of our Investment Management business (the allocation of goodwill was based on the relative fair value of the portion of the Investment Management business sold) ([Note 7](#)); and
- the carrying value of our previously held equity investments in the operating partnerships of CWI 1 and CWI 2 ([Note 8](#)), which totaled \$0.5 million on the date of the merger.

In January 2022, WLT redeemed in full our 1,300,000 shares of its preferred stock for gross proceeds of \$65.0 million (based on the liquidation preference of \$50.00 per share, as described above) ([Note 9](#)).

Prior to the closing of the CWI 1 and CWI 2 Merger, we owned 3,836,669 shares of CWI 2 Class A common stock. Following the closing of the CWI 1 and CWI 2 Merger, execution of the internalization agreement, and CWI 2 being renamed WLT, we owned 12,208,243 shares of WLT common stock, which we accounted for as an equity method investment. We recorded our investment in shares of common stock of WLT on a one quarter lag. In January 2022, we reclassified our investment in shares of common stock of WLT from equity method investments to equity securities, since we no longer had significant influence over WLT, following the redemption of our investment in preferred shares of WLT, as described above ([Note 8](#)). As a result, we accounted for this investment, which was included in Other assets, net in the consolidated financial statements, at fair value. WLT completed its previously announced sale to private real estate funds in October 2022 and we received \$82.6 million in cash proceeds. We recognized non-cash unrealized gains of \$49.2 million on our investment in common shares of WLT during the year ended December 31, 2022, which was recorded within Other gains and (losses) in the consolidated financial statements. Upon completion of this transaction, we have no remaining interest in WLT.

Loans to Affiliates

From time to time, our board of directors (our “Board”) has approved the making of secured and unsecured loans or lines of credit from us to certain of the Managed Programs, at our sole discretion, generally for the purpose of facilitating acquisitions or for working capital purposes. No amounts were outstanding on our line of credit to CPA:18 – Global as of December 31, 2021. In July 2022, CPA:18 – Global repaid the \$16.0 million principal outstanding balance in full. The loan agreement with CPA:18 – Global was terminated upon completion of the CPA:18 Merger on August 1, 2022. No such line of credit with CESH existed during the reporting period.

Other

At December 31, 2022, we owned interests in ten jointly owned investments in real estate, with the remaining interests held by third parties. We consolidate six such investments and account for the remaining four investments under the equity method of accounting (Note 8). In addition, we owned limited partnership units of CESH at that date. We elected to account for our investment in CESH under the fair value option (Note 8).

Note 5. Land, Buildings and Improvements, and Assets Held for Sale*Land, Buildings and Improvements — Net Lease and Other*

Land and buildings leased to others, which are subject to operating leases, and real estate under construction, are summarized as follows (in thousands):

	December 31,	
	2022	2021
Land	\$ 2,400,002	\$ 2,151,327
Buildings and improvements	10,916,630	9,525,858
Real estate under construction	22,225	114,549
Less: Accumulated depreciation	(1,672,091)	(1,448,020)
	<u>\$ 11,666,766</u>	<u>\$ 10,343,714</u>

As discussed in Note 3, we acquired 39 consolidated properties subject to existing operating leases in the CPA:18 Merger, which increased the carrying value of our Land, buildings and improvements — net lease and other by \$881.6 million during the year ended December 31, 2022.

During 2022, the U.S. dollar strengthened against the euro, as the end-of-period rate for the U.S. dollar in relation to the euro decreased by 5.8% to \$1.0666 from \$1.1326. As a result of this fluctuation in foreign currency exchange rates, the carrying value of our Land, buildings and improvements — net lease and other decreased by \$250.5 million from December 31, 2021 to December 31, 2022.

In connection with changes in lease classifications due to terminations or extensions of the underlying leases, we reclassified seven properties with an aggregate carrying value of \$67.0 million from Net investments in direct financing leases and loans receivable to Land, buildings and improvements — net lease and other during 2022 (Note 6).

Depreciation expense, including the effect of foreign currency translation, on our buildings and improvements subject to operating leases was \$299.4 million, \$286.4 million, and \$258.9 million for the years ended December 31, 2022, 2021, and 2020, respectively.

Acquisitions of Real Estate During 2022

During 2022, we entered into the following investments, which were deemed to be real estate asset acquisitions, and which excludes properties acquired in the CPA:18 Merger (dollars in thousands):

Property Location(s)	Number of Properties	Date of Acquisition	Property Type	Total Capitalized Costs ^(a)
Pleasant Prairie, Wisconsin	1	1/10/2022	Industrial	\$ 20,024
Various, Spain ^(a)	26	2/3/2022	Funeral Home	146,364
Various, Denmark ^{(a)(b)}	8	2/11/2022	Retail	33,976
Laval, Canada ^(a)	1	2/18/2022	Industrial	21,459
Chattanooga, Tennessee ^(c)	1	3/4/2022	Warehouse	43,198
Various, United States (4 properties), Canada (1 property), and Mexico (1 property)	6	4/27/2022; 5/9/2022	Industrial	80,595
Various, United States	6	5/16/2022	Industrial; Warehouse	110,381
Various, Denmark ^{(a)(b)}	10	6/1/2022; 6/30/2022	Retail	42,635
Medina, Ohio	1	6/17/2022	Industrial	28,913
Bree, Belgium ^(a)	1	6/30/2022	Warehouse	96,697
Various, Spain ^(a)	5	7/21/2022	Retail	19,894
Various, United States	18	7/26/2022	Industrial; Warehouse	262,061
Various, Denmark ^{(a)(b)}	8	8/1/2022; 9/28/2022	Retail	29,644
Westlake, Ohio	1	8/3/2022	Warehouse	29,517
Hebron and Strongsville, Ohio; and Scarborough, Canada	3	8/10/2022	Industrial; Warehouse	20,111
Clifton Park, New York and West Des Moines, Iowa	2	8/12/2022	Specialty	23,317
Orzinuovi, Italy ^(a)	1	8/26/2022	Industrial	14,033
West Chester, Pennsylvania	1	10/1/2022	Outdoor Advertising	1,863
Various, Denmark ^{(a)(b)}	4	11/30/2022	Retail	15,553
Various, United States	19	12/21/2022	Industrial	63,006
Romulus, Michigan	1	12/30/2022	Warehouse	36,569
Salisbury, North Carolina ^(d)	1	12/30/2022	Industrial	16,412
	<u>125</u>			<u>\$ 1,156,222</u>

(a) Amount reflects the applicable exchange rate on the date of transaction.

(b) We also entered into a purchase agreement to acquire one additional retail facility leased to this tenant for \$3.4 million (based on the exchange rate of the Danish krone at December 31, 2022), which is expected to be completed in 2023.

(c) We also committed to fund an additional \$26.6 million for an expansion at the facility, which is expected to be completed in the third quarter of 2023.

(d) We also committed to fund an additional \$13.8 million for an expansion at this facility, which is expected to be completed in the fourth quarter of 2023.

The aggregate purchase price allocation for investments disclosed above is as follows (dollars in thousands):

	Total Capitalized Costs
Land	\$ 145,078
Buildings and improvements	852,991
Intangible assets and liabilities:	
In-place lease (weighted-average expected life of 20.6 years)	152,889
Below-market rent (weighted-average expected life of 10.9 years)	(7,023)
ROU assets:	
Prepaid rent ^(a)	12,287
	<u>\$ 1,156,222</u>

(a) Represents prepaid rent for a land lease. Therefore, there is no future obligation on the land lease asset and no corresponding operating lease liability. This asset is included in In-place lease intangible assets and other in the consolidated balance sheets.

Acquisitions of Real Estate During 2021 — We entered into 28 investments, which were deemed to be real estate asset acquisitions, at a total cost of \$1.3 billion, including land of \$191.0 million, buildings of \$946.9 million, net lease intangibles of \$188.9 million, land lease ROU assets of \$6.0 million, above-market ground lease intangibles, net, of \$4.2 million (included within ROU assets), prepaid rent liabilities of \$15.4 million, and operating lease liabilities of \$6.0 million.

Acquisitions of Real Estate During 2020 — We entered into 14 investments, which were deemed to be real estate asset acquisitions, at a total cost of \$661.4 million, including land of \$105.4 million, buildings of \$449.4 million, and net lease intangibles of \$106.6 million.

Real Estate Under Construction

During 2022, we capitalized real estate under construction totaling \$141.2 million (including \$78.3 million related to a student housing development project acquired in the CPA:18 Merger, as discussed below under *Land, Buildings and Improvements — Operating Properties*). The number of construction projects in progress with balances included in real estate under construction was eight and six as of December 31, 2022 and 2021, respectively. Aggregate unfunded commitments totaled approximately \$61.1 million and \$55.3 million as of December 31, 2022 and 2021, respectively.

During 2022, we completed the following construction projects (dollars in thousands):

Property Location(s)	Primary Transaction Type	Number of Properties	Date of Completion	Property Type	Total Capitalized Costs ^(a)
Hurricane, Utah	Expansion	1	3/8/2022	Warehouse	\$ 20,517
Breda, Netherlands ^(a)	Expansion	1	3/18/2022	Warehouse	4,721
Bowling Green, Kentucky	Renovation	1	4/26/2022	Warehouse	72,971
Wageningen, Netherlands ^(a)	Build-to-Suit	1	7/7/2022	Research and Development	26,054
Radomsko, Poland ^(a)	Expansion	1	8/1/2022	Industrial	23,042
Flemington, New Jersey	Build-to-Suit	1	10/1/2022	Outdoor Advertising	832
		<u>6</u>			<u>\$ 148,137</u>

(a) Amount reflects the applicable exchange rate on the date of transaction.

During 2021, we completed four construction projects, at a total cost of \$88.2 million.

During 2020, we completed five construction projects, at a total cost of \$171.2 million.

In addition to the expansion commitments discussed under *Acquisitions of Real Estate During 2022* above, during 2022, we committed to fund six build-to-suit or redevelopment projects, for an aggregate amount of \$20.3 million. We currently expect to complete the projects in 2023.

Capitalized interest incurred during construction was \$1.3 million, \$2.5 million, and \$2.9 million for the years ended December 31, 2022, 2021, and 2020 respectively, which reduces Interest expense in the consolidated statements of income.

Dispositions of Properties

During 2022, we sold 20 properties, which were classified as Land, buildings and improvements — net lease and other. As a result, the carrying value of our Land, buildings and improvements — net lease and other decreased by \$118.1 million from December 31, 2021 to December 31, 2022 (Note 16).

Other Lease-Related Income

2022 — For the year ended December 31, 2022, Other lease-related income on our consolidated statements of income included: (i) lease termination income totaling \$12.4 million received from two tenants; (ii) other lease-related settlements totaling \$17.6 million; and (iii) income from a parking garage attached to one of our net-leased properties totaling \$1.6 million.

2021 — For the year ended December 31, 2021, Other lease-related income on our consolidated statements of income included: (i) lease termination income of \$41.0 million received from a tenant; (ii) other lease-related settlements totaling \$9.8 million; and (iii) income from a parking garage attached to one of our net-leased properties totaling \$1.9 million.

2020 — For the year ended December 31, 2020, Other lease-related income on our consolidated statements of income included: (i) lease-related settlements totaling \$7.9 million and (ii) income from a parking garage attached to one of our net-leased properties totaling \$2.3 million.

Leases

Operating Lease Income

Lease income related to operating leases recognized and included in the consolidated statements of income is as follows (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Lease income — fixed	\$ 1,160,942	\$ 1,066,250	\$ 981,430
Lease income — variable ^(a)	140,675	111,188	99,193
Total operating lease income	<u>\$ 1,301,617</u>	<u>\$ 1,177,438</u>	<u>\$ 1,080,623</u>

(a) Includes (i) rent increases based on changes in the CPI and other comparable indices and (ii) reimbursements for property taxes, insurance, and common area maintenance services.

Scheduled Future Lease Payments to be Received

Scheduled future lease payments to be received (exclusive of expenses paid by tenants, percentage of sales rents, and future CPI-based adjustments) under non-cancelable operating leases at December 31, 2022 are as follows (in thousands):

Years Ending December 31,	Total
2023	\$ 1,285,481
2024	1,233,058
2025	1,179,250
2026	1,127,974
2027	1,064,061
Thereafter	9,481,009
Total	\$ 15,370,833

See [Note 6](#) for scheduled future lease payments to be received under non-cancelable direct financing leases.

Lease Cost

Lease costs for operating leases are included in (i) General and administrative expenses (office leases), (ii) Property expenses, excluding reimbursable tenant costs (land leases), and (iii) Reimbursable tenant costs (land leases) in the consolidated statements of income. Certain information related to the total lease cost for operating leases is as follows (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Fixed lease cost	\$ 15,087	\$ 16,426	\$ 17,616
Variable lease cost	1,086	1,149	1,089
Total lease cost	\$ 16,173	\$ 17,575	\$ 18,705

During the years ended December 31, 2022, 2021, and 2020, we received sublease income totaling approximately \$4.6 million, \$5.1 million, and \$5.5 million, respectively, which is included in Lease revenues in the consolidated statements of income.

Other Information

Supplemental balance sheet information related to ROU assets and lease liabilities is as follows (dollars in thousands):

	Location on Consolidated Balance Sheets	December 31,	
		2022	2021
Operating ROU assets — land leases	In-place lease intangible assets and other	\$ 123,834	\$ 106,095
Finance ROU assets — land leases	In-place lease intangible assets and other	12,598	—
Operating ROU assets — office leases	Other assets, net	56,674	59,902
Total operating ROU assets		\$ 193,106	\$ 165,997
Operating lease liabilities	Accounts payable, accrued expenses and other liabilities	\$ 146,302	\$ 146,437
Weighted-average remaining lease term — operating leases		25.8 years	26.1 years
Weighted-average discount rate — operating leases		6.8 %	6.8 %
Number of land lease arrangements — operating leases		72	66
Number of land lease arrangements — finance leases		1	—
Number of office space arrangements		4	4
Lease term range (excluding extension options not reasonably certain of being exercised)		<1 – 99 years	<1 – 100 years

Cash paid for operating lease liabilities included in Net cash provided by operating activities totaled \$15.8 million, \$13.9 million, and \$15.5 million for the years ended December 31, 2022, 2021, and 2020, respectively.

We assumed seven land lease arrangements in the CPA:18 Merger, for which we are the lessee. As a result, we capitalized (i) ROU assets totaling \$24.5 million (comprised of below-market ground lease intangibles totaling \$17.9 million and land lease ROU assets totaling \$6.6 million), which are included within In-place lease intangible assets and other on our consolidated balance sheets, and (ii) operating lease liabilities totaling \$6.6 million, which are included within Accounts payable, accrued expenses and other liabilities on our consolidated balance sheets.

During the year ended December 31, 2022, we entered into a land lease agreement for 99 years, which we account for as a finance lease. Upon entering into the lease, we prepaid the full ground rent of \$12.3 million, which is included in Net cash used in investing activities on the consolidated statements of cash flows. During the year ended December 31, 2022, we recognized \$0.1 million of rent expense for this finance lease, which is included in Depreciation and amortization on our consolidated statements of income.

Undiscounted Cash Flows

A reconciliation of the undiscounted cash flows for operating leases recorded on the consolidated balance sheet within Accounts payable, accrued expenses and other liabilities as of December 31, 2022 is as follows (in thousands):

Years Ending December 31,	Total
2023	\$ 14,486
2024	13,856
2025	13,851
2026	13,721
2027	13,911
Thereafter	269,848
Total lease payments	339,673
Less: amount of lease payments representing interest	(193,371)
Present value of future lease payments/lease obligations	\$ 146,302

Land, Buildings and Improvements — Operating Properties

At December 31, 2022, Land, buildings and improvements — operating properties consisted of our investments in 75 consolidated self-storage properties, two consolidated student housing properties, and one consolidated hotel. We acquired 65 self-storage properties, one student housing property, and one student housing development project with an aggregate fair value of \$1.0 billion in the CPA:18 Merger (including \$78.3 million within real estate under construction) (Note 3). In September 2022, we partially placed into service the student housing development project for total capitalized costs of \$66.8 million. At December 31, 2021, Land, buildings and improvements — operating properties consisted of our investments in ten consolidated self-storage properties and one consolidated hotel. Below is a summary of our Land, buildings and improvements — operating properties (in thousands):

	December 31,	
	2022	2021
Land	\$ 122,317	\$ 10,452
Buildings and improvements	955,009	73,221
Real estate under construction	18,566	—
Less: Accumulated depreciation	(28,295)	(16,750)
	\$ 1,067,597	\$ 66,923

Depreciation expense on our buildings and improvements attributable to operating properties was \$11.6 million, \$2.7 million, and \$2.8 million for the years ended December 31, 2022, 2021, and 2020, respectively.

For the year ended December 31, 2022, Land, buildings and improvements — operating properties revenues totaling \$59.2 million were comprised of \$54.4 million in lease revenues and \$4.8 million in other income (such as food and beverage

revenue) from 75 consolidated self-storage properties, two student housing properties, and one consolidated hotel. For the year ended December 31, 2021, Land, buildings and improvements — operating properties revenues totaling \$13.5 million were comprised of \$11.2 million in lease revenues and \$2.3 million in other income from ten consolidated self-storage properties and one consolidated hotel. For the year ended December 31, 2020, Land, buildings and improvements — operating properties revenues totaling \$11.4 million were comprised of \$9.5 million in lease revenues and \$1.9 million in other income from ten consolidated self-storage properties and one consolidated hotel. We derive self-storage revenue primarily from rents received from customers who rent storage space under month-to-month leases for personal or business use. We earn student housing operating revenue primarily from leases of one year or less with individual students. We derive hotel revenue primarily from room rentals, as well as food, beverage, and other services.

Assets Held for Sale, Net

Below is a summary of our properties held for sale (in thousands):

	December 31,	
	2022	2021
Land, buildings and improvements — net lease and other	\$ 47,134	\$ 10,628
In-place lease intangible assets and other	10,854	—
Above-market rent intangible assets	3,210	—
Accumulated depreciation and amortization	(3,254)	(2,359)
Assets held for sale, net	<u>\$ 57,944</u>	<u>\$ 8,269</u>

At December 31, 2022, we had three properties classified as Assets held for sale, net, with an aggregate carrying value of \$57.9 million. We sold one of these properties in January 2023 for gross proceeds of \$11.2 million (Note 18). We acquired two properties classified as Assets held for sale, net, with a fair value of \$85.0 million in the CPA:18 Merger (Note 3), one of which was sold in August 2022 (Note 16). At December 31, 2021, we had two properties classified as Assets held for sale, net, with an aggregate carrying value of \$8.3 million. These properties were sold in the first quarter of 2022.

Note 6. Finance Receivables

Assets representing rights to receive money on demand or at fixed or determinable dates are referred to as finance receivables. Our finance receivables portfolio consists of our Net investments in direct financing leases and loans receivable (net of allowance for credit losses). Operating leases are not included in finance receivables. See Note 2 and Note 5 for information on ROU operating lease assets recognized in our consolidated balance sheets.

Finance Receivables

Net investments in direct financing leases and loans receivable are summarized as follows (in thousands):

	Maturity Date	December 31,	
		2022	2021
Net investments in direct financing leases ^(a)	2023 – 2036	\$ 498,313	\$ 572,205
Sale-leaseback transactions accounted for as loans receivable ^(b)	2038 – 2052	234,198	217,229
Secured loans receivable ^(a)	2023 – 2024	39,250	24,143
		<u>\$ 771,761</u>	<u>\$ 813,577</u>

(a) Amounts are net of allowance for credit losses, as disclosed below under *Net Investments in Direct Financing Leases*.

(b) These investments are accounted for as loans receivable in accordance with ASC 310, *Receivables* and ASC 842, *Leases*. Maturity dates reflect the current lease maturity dates.

(c) Amounts are net of allowance for credit losses of \$2.1 million and \$12.6 million as of December 31, 2022 and 2021, respectively.

Net Investments in Direct Financing Leases

Net investments in direct financing leases is summarized as follows (in thousands):

	December 31,	
	2022	2021
Lease payments receivable	\$ 332,618	\$ 414,002
Unguaranteed residual value	470,839	545,896
	803,457	959,898
Less: unearned income	(296,411)	(370,353)
Less: allowance for credit losses ^(a)	(8,733)	(17,340)
	<u>\$ 498,313</u>	<u>\$ 572,205</u>

(a) During the years ended December 31, 2022 and 2021, we recorded a net release of allowance for credit losses of \$3.9 million and a net allowance for credit losses of \$0.3 million, respectively, on our net investments in direct financing leases due to changes in expected economic conditions and improved credit quality for certain tenants, which was included within Other gains and (losses) in our consolidated statements of income. In addition, during the year ended December 31, 2022, we reduced the allowance for credit losses balance by \$4.7 million, in connection with the reclassifications of properties from Net investments in direct financing leases and loans receivable to Real estate, as described below.

2022 — Income from direct financing leases, which is included in Income from direct financing leases and loans receivable in the consolidated financial statements, was \$53.0 million for the year ended December 31, 2022.

As discussed in [Note 3](#), we acquired one consolidated property subject to a direct financing lease in the CPA:18 Merger, which increased the carrying value of our Net investments in direct financing leases and loans receivable by \$10.5 million during the year ended December 31, 2022. During the year ended December 31, 2022, we reclassified seven properties with a carrying value of \$67.0 million from Net investments in direct financing leases and loans receivable to Real estate in connection with changes in lease classifications due to terminations or extensions of the underlying leases ([Note 5](#)). During the year ended December 31, 2022, the U.S. dollar strengthened against the euro, resulting in a \$23.5 million decrease in the carrying value of Net investments in direct financing leases and loans receivable from December 31, 2021 to December 31, 2022.

2021 — Income from direct financing leases, which is included in Income from direct financing leases and loans receivable in the consolidated financial statements, was \$63.2 million for the year ended December 31, 2021.

2020 — Income from direct financing leases, which was included in Income from direct financing leases and loans receivable in the consolidated financial statements, was \$73.9 million for the year ended December 31, 2020.

Scheduled Future Lease Payments to be Received

Scheduled future lease payments to be received (exclusive of expenses paid by tenants, percentage of sales rents, and future CPI-based adjustments) under non-cancelable direct financing leases at December 31, 2022 are as follows (in thousands):

Years Ending December 31,	Total
2023	50,273
2024	48,146
2025	43,897
2026	42,578
2027	41,370
Thereafter	106,354
Total	<u>\$ 332,618</u>

See [Note 5](#) for scheduled future lease payments to be received under non-cancelable operating leases.

Loans Receivable

During the year ended December 31, 2022, we entered into the following sale-leaseback, which was deemed to be a loan receivable in accordance with ASC 310, *Receivables* and ASC 842, *Leases* (dollars in thousands):

Property Location(s)	Number of Properties	Date of Acquisition	Property Type	Total Investment
Various, Belgium ^(a)	5	6/22/2022	Retail	\$ 19,795
	5			\$ 19,795

(a) Amount reflects the applicable exchange rate on the date of transaction.

During the year ended December 31, 2021, we entered into three sale-leasebacks, which were deemed to be loans receivable, at a total cost of \$217.0 million.

As discussed in [Note 3](#), we acquired one secured loan receivable in the CPA:18 Merger for \$28.0 million, which pays interest at 10% per annum with a maturity date of July 2024.

In September 2022, one of our secured loans receivable was repaid to us for \$34.0 million. In connection with this repayment, we recorded a release of allowance for credit losses of \$10.5 million since the loan principal was fully repaid. In addition, in the first quarter of 2021, we entered into an agreement with the borrowers for certain of our secured loans receivable, who agreed to pay us at maturity a total of \$3.7 million of unpaid interest due over the previous year. In connection with the repayment of the secured loan receivable in September 2022, we collected \$2.3 million of this interest, which was included in Income from direct financing leases and loans receivable on the consolidated statements of income for the year ended December 31, 2022. The remaining \$1.4 million of unpaid interest is related to a secured loan receivable that we still own, and has not been recognized in the consolidated financial statements due to uncertainty of collectibility.

Earnings from our loans receivable are included in Income from direct financing leases and loans receivable in the consolidated financial statements, and totaled \$21.2 million, \$4.3 million, and \$1.0 million for the years ended December 31, 2022, 2021, and 2020, respectively.

Credit Quality of Finance Receivables

We generally invest in facilities that we believe are critical to a tenant's business and therefore have a lower risk of tenant default. At both December 31, 2022 and 2021, other than uncollected income from our secured loans receivable (as noted above), no material balances of our finance receivables were past due. Other than the lease terminations and extensions noted under *Net Investments in Direct Financing Leases* above, there were no material modifications of finance receivables during the year ended December 31, 2022.

We evaluate the credit quality of our finance receivables utilizing an internal five-point credit rating scale, with one representing the highest credit quality and five representing the lowest. A credit quality of one through three indicates a range of investment grade to stable. A credit quality of four through five indicates a range of inclusion on the watch list to risk of default. The credit quality evaluation of our finance receivables is updated quarterly.

A summary of our finance receivables by internal credit quality rating, excluding our allowance for credit losses, is as follows (dollars in thousands):

Internal Credit Quality Indicator	Number of Tenants / Obligors at December 31,		Carrying Value at December 31,	
	2022	2021	2022	2021
1 – 3	19	17	\$ 664,761	\$ 703,280
4	8	9	117,833	140,230
5	—	—	—	—
			\$ 782,594	\$ 843,510

Note 7. Goodwill and Other Intangibles

We have recorded lease, internal-use software development, and trade name intangibles that are being amortized over periods ranging from one year to 48 years. In-place lease intangibles, at cost are included in In-place lease intangible assets and other in the consolidated financial statements. Above-market rent intangibles, at cost are included in Above-market rent intangible assets in the consolidated financial statements. Accumulated amortization of in-place lease and above-market rent intangibles is included in Accumulated depreciation and amortization in the consolidated financial statements. Internal-use software development and trade name intangibles are included in Other assets, net in the consolidated financial statements. Below-market rent and below-market purchase option intangibles are included in Below-market rent and other intangible liabilities, net in the consolidated financial statements.

Net lease intangibles recorded in connection with property acquisitions during the year ended December 31, 2022 are described in [Note 5](#). In connection with the CPA:18 Merger ([Note 3](#)), we recorded net lease intangibles comprised as follows (life in years, dollars in thousands):

	Weighted-Average Life	Amount
Finite-Lived Intangible Assets		
In-place lease	7.4	\$ 199,913
Above-market rent	11.9	61,090
		<u>\$ 261,003</u>
Finite-Lived Intangible Liabilities		
Below-market rent	8.5	\$ (16,836)

In connection with certain business combinations, including the CPA:18 Merger ([Note 3](#)), we recorded goodwill as a result of consideration exceeding the fair values of the assets acquired and liabilities assumed ([Note 2](#)). The goodwill was attributed to our Real Estate reporting unit as it relates to the real estate assets we acquired in such business combinations. The following table presents a reconciliation of our goodwill (in thousands):

	Real Estate	Investment Management	Total
Balance at January 1, 2020	\$ 871,081	\$ 63,607	\$ 934,688
Foreign currency translation adjustments	10,403	—	10,403
Allocation of goodwill based on portion of Investment Management business sold (Note 4)	—	(34,273)	(34,273)
Balance at December 31, 2020	881,484	29,334	910,818
Foreign currency translation adjustments	(9,289)	—	(9,289)
Balance at December 31, 2021	872,195	29,334	901,529
Acquisition of CPA:18 – Global (Note 3)	172,346	—	172,346
Foreign currency translation adjustments	(7,129)	—	(7,129)
Impairment charges (Note 9)	—	(29,334)	(29,334)
Balance at December 31, 2022	<u>\$ 1,037,412</u>	<u>\$ —</u>	<u>\$ 1,037,412</u>

Current accounting guidance requires that we test for the recoverability of goodwill at the reporting unit level. The test for recoverability must be conducted at least annually, or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable. In connection with the completion of the CPA:18 Merger in August 2022 ([Note 3](#)), we performed a test for impairment during the third quarter of 2022 for goodwill recorded in both segments and recognized an impairment charge of \$29.3 million on goodwill within our Investment Management segment ([Note 9](#)). We also performed our annual test for impairment in October 2022 for goodwill recorded in our Real Estate segment and found no impairment indicated.

Intangible assets, intangible liabilities, and goodwill are summarized as follows (in thousands):

	December 31,					
	2022			2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Finite-Lived Intangible Assets						
Internal-use software development costs	\$ 19,812	\$ (19,144)	\$ 668	\$ 19,553	\$ (18,682)	\$ 871
Trade name	—	—	—	3,975	(3,581)	394
	19,812	(19,144)	668	23,528	(22,263)	1,265
Lease Intangibles:						
In-place lease	2,523,318	(1,061,235)	1,462,083	2,279,905	(934,663)	1,345,242
Above-market rent	833,751	(507,436)	326,315	843,410	(489,861)	353,549
	3,357,069	(1,568,671)	1,788,398	3,123,315	(1,424,524)	1,698,791
Goodwill						
Goodwill	1,037,412	—	1,037,412	901,529	—	901,529
Total intangible assets	\$ 4,414,293	\$ (1,587,815)	\$ 2,826,478	\$ 4,048,372	\$ (1,446,787)	\$ 2,601,585
Finite-Lived Intangible Liabilities						
Below-market rent	\$ (293,160)	\$ 125,287	\$ (167,873)	\$ (272,483)	\$ 105,908	\$ (166,575)
Indefinite-Lived Intangible Liabilities						
Below-market purchase option	(16,711)	—	(16,711)	(16,711)	—	(16,711)
Total intangible liabilities	\$ (309,871)	\$ 125,287	\$ (184,584)	\$ (289,194)	\$ 105,908	\$ (183,286)

During 2022, the U.S. dollar strengthened against the euro, resulting in an decrease of \$42.3 million in the carrying value of our net intangible assets from December 31, 2021 to December 31, 2022. Net amortization of intangibles, including the effect of foreign currency translation, was \$229.2 million, \$236.6 million, and \$226.2 million for the years ended December 31, 2022, 2021, and 2020, respectively. Amortization of below-market rent and above-market rent intangibles is recorded as an adjustment to Lease revenues and amortization of internal-use software development, trade name, and in-place lease intangibles is included in Depreciation and amortization.

Based on the intangible assets and liabilities recorded at December 31, 2022, scheduled annual net amortization of intangibles for each of the next five calendar years and thereafter is as follows (in thousands):

Years Ending December 31,	Net Decrease in Lease Revenues	Increase to Amortization	Total
2023	\$ 34,878	\$ 213,525	\$ 248,403
2024	30,783	158,641	189,424
2025	27,047	144,395	171,442
2026	21,196	128,578	149,774
2027	17,100	115,105	132,205
Thereafter	27,438	702,507	729,945
Total	\$ 158,442	\$ 1,462,751	\$ 1,621,193

Note 8. Equity Method Investments

We own interests in the Managed Programs and certain unconsolidated real estate investments with third parties. We account for our interests in these investments under the equity method of accounting (i.e., at cost, increased or decreased by our share of earnings or losses, less distributions, plus contributions and other adjustments required by equity method accounting, such as basis differences) or at fair value by electing the equity method fair value option available under GAAP.

We classify distributions received from equity method investments using the cumulative earnings approach. In general, distributions received are considered returns on the investment and classified as cash inflows from operating activities. If, however, the investor's cumulative distributions received, less distributions received in prior periods determined to be returns of investment, exceeds cumulative equity in earnings recognized, the excess is considered a return of investment and is classified as cash inflows from investing activities.

Managed Programs

We own interests in the Managed Programs and account for these interests under the equity method because, as their advisor, we do not exert control over, but we do have the ability to exercise significant influence over, the Managed Programs. Operating results of the Managed Programs are included in the Investment Management segment.

The following table sets forth certain information about our investments in the Managed Programs (dollars in thousands):

Fund	% of Outstanding Shares Owned at		Carrying Amount of Investment at	
	December 31,		December 31,	
	2022	2021	2022	2021
CPA:18 – Global ^(a)	100.000 %	5.578 %	\$ —	\$ 60,836
CPA:18 – Global operating partnership	100.000 %	0.034 %	—	209
CESH ^(b)	2.430 %	2.430 %	2,225	3,689
			\$ 2,225	\$ 64,734

(a) On August 1, 2022, we acquired all of the remaining interests in CPA:18 – Global and the CPA:18 – Global operating partnership in the CPA:18 Merger ([Note 3](#)).

(b) Investment is accounted for at fair value.

CPA:18 – Global — We received distributions from this investment during the years ended December 31, 2022, 2021, and 2020 of \$1.6 million, \$3.5 million, and \$2.6 million, respectively. We received distributions from our investment in the CPA:18 – Global operating partnership during the years ended December 31, 2022, 2021, and 2020 of \$8.7 million, \$7.3 million, and \$7.2 million, respectively ([Note 4](#)).

CESH — We have elected to account for our investment in CESH at fair value by selecting the equity method fair value option available under GAAP. We record our investment in CESH on a one quarter lag; therefore, the balance of our equity method investment in CESH recorded as of December 31, 2022 is based on the estimated fair value of our investment as of September 30, 2022. We received distributions from this investment during the years ended December 31, 2022 and 2021 of \$1.2 million and \$1.3 million, respectively. We did not receive distributions from this investment during the year ended December 31, 2020.

At December 31, 2021, the aggregate unamortized basis differences on our equity method investments in the Managed Programs were \$23.3 million. During the third quarter of 2022, we recognized a gain on change in control of interests of approximately \$22.5 million, which was the difference between the carrying value and the fair value of our previously held equity interest in shares of CPA:18 – Global's common stock ([Note 3](#)). Following the close of the CPA:18 Merger, there are no such unamortized basis differences on our equity method investments in the Managed Programs.

Interests in Other Unconsolidated Real Estate Investments and WLT

We own equity interests in properties that are generally leased to companies through noncontrolling interests in partnerships and limited liability companies that we do not control but over which we exercise significant influence. The underlying investments are jointly owned with affiliates or third parties. We account for these investments under the equity method of accounting. In addition, we owned shares of WLT common stock, which we accounted for under the equity method of accounting as of December 31, 2021, but was reclassified to equity securities at fair value within Other assets, net on our consolidated balance sheets in January 2022, as described in [Note 9](#). Operating results of our unconsolidated real estate investments are included in the Real Estate segment.

The following table sets forth our ownership interests in our equity method investments in real estate, excluding the Managed Programs, and their respective carrying values (dollars in thousands):

Lessee/Fund/Description	Co-owner	Ownership Interest at December 31, 2022	Carrying Value at December 31,	
			2022	2021
Existing Equity Method Investments				
Las Vegas Retail Complex ^(a)	Third Party	N/A	\$ 196,352	\$ 104,114
Johnson Self Storage	Third Party	90%	65,707	67,573
Kesko Senukai ^(b)	Third Party	70%	38,569	41,955
Harmon Retail Corner ^(c)	Third Party	15%	24,649	24,435
WLT ^(d)	WLT	N/A	—	33,392
Equity Method Investments Consolidated After the CPA:18 Merger ^(e)				
State Farm Mutual Automobile Insurance Co.	CPA:18 – Global	100%	—	7,129
Apply Sørco AS ^(f)	CPA:18 – Global	N/A	—	5,909
Bank Pekao ^{(b)(g)}	CPA:18 – Global	100%	—	4,460
Fortenova Grupa d.d. ^(b)	CPA:18 – Global	100%	—	2,936
			<u>\$ 325,277</u>	<u>\$ 291,903</u>

(a) See “Las Vegas Retail Complex” below for discussion of this equity method investment in real estate.

(b) The carrying value of this investment is affected by fluctuations in the exchange rate of the euro.

(c) This investment is reported using the hypothetical liquidation at book value model, which may be different than pro rata ownership percentages, primarily due to the capital structure of the partnership agreement.

(d) At December 31, 2021, we owned 12,208,243 shares of common stock of WLT, which we accounted for as an equity method investment in real estate, but was reclassified to equity securities at fair value within Other assets, net on our consolidated balance sheets in January 2022 ([Note 9](#)). WLT completed its previously announced sale to private real estate funds in October 2022 ([Note 9](#)).

(e) We acquired the remaining interests in these investments from CPA:18 – Global in the CPA:18 Merger, subsequent to which we consolidated these wholly owned investments ([Note 3](#)).

(f) The carrying value of this investment is affected by fluctuations in the exchange rate of the Norwegian krone. We sold this investment in December 2022, which was consolidated and wholly owned at the time of disposition.

(g) We recognized our \$4.6 million proportionate share of an impairment charge recorded on this investment during the year ended December 31, 2022, which was reflected within Earnings (losses) from equity method investments in our consolidated statements of income. The estimated fair value of the investment is based on the estimated selling price of the international office facility owned by the investment, and the fair value of the non-recourse mortgage encumbering the property also approximates the fair value of the property.

We received aggregate distributions of \$27.8 million, \$18.6 million, and \$17.8 million from our other unconsolidated real estate investments for the years ended December 31, 2022, 2021, and 2020, respectively. At December 31, 2022 and 2021, the aggregate unamortized basis differences on our unconsolidated real estate investments were \$19.1 million and \$7.9 million, respectively. During the third quarter of 2022, we recorded a gain on change in control of interests of approximately \$11.4 million, which was the difference between our carrying values and the fair values of our previously held equity method investments in real estate consolidated after the CPA:18 Merger ([Note 3](#)).

Las Vegas Retail Complex

On June 10, 2021, we entered into an agreement to fund a construction loan of approximately \$261.9 million for a retail complex in Las Vegas, Nevada, at an interest rate of 6.0% and term of 36 months. Through December 31, 2022, we funded \$193.2 million, with the remaining amount expected to be funded in 2023. We hold a purchase option for two net-leased units at the complex upon its completion, as well as an equity purchase option to acquire a 47.5% equity interest in the partnership that owns the borrower. As of the agreement date, we did not deem the exercise of the purchase options to be reasonably certain.

In accordance with ASC 810, *Consolidation*, we determined that this loan will not be consolidated, but due to the characteristics of the arrangement (including our participation in expected residual profits), the risks and rewards of the agreement are similar to those associated with an investment in real estate rather than a loan. Therefore, the loan will be treated as an implied investment in real estate (i.e., an equity method investment in real estate) for accounting purposes in accordance with the acquisition, development and construction arrangement sub-section of ASC 310, *Receivables*. Equity income from this investment was \$10.1 million and \$3.0 million for the years ended December 31, 2022 and 2021, respectively, which was recognized within Earnings (losses) from equity method investments in our consolidated statements of income.

Note 9. Fair Value Measurements

The fair value of an asset is defined as the exit price, which is the amount that would either be received when an asset is sold or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance establishes a three-tier fair value hierarchy based on the inputs used in measuring fair value. These tiers are: Level 1, for which quoted market prices for identical instruments are available in active markets, such as money market funds, equity securities, and U.S. Treasury securities; Level 2, for which there are inputs other than quoted prices included within Level 1 that are observable for the instrument, such as certain derivative instruments including interest rate caps, interest rate swaps, and foreign currency collars; and Level 3, for securities that do not fall into Level 1 or Level 2 and for which little or no market data exists, therefore requiring us to develop our own assumptions.

Items Measured at Fair Value on a Recurring Basis

The methods and assumptions described below were used to estimate the fair value of each class of financial instrument. For significant Level 3 items, we have also provided the unobservable inputs.

Derivative Assets and Liabilities — Our derivative assets and liabilities, which are included in Other assets, net and Accounts payable, accrued expenses and other liabilities, respectively, in the consolidated financial statements, are comprised of foreign currency collars, interest rate swaps, interest rate caps, and stock warrants ([Note 10](#)).

The valuation of our derivative instruments (excluding stock warrants) is determined using a discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, as well as observable market-based inputs, including interest rate curves, spot and forward rates, and implied volatilities. We incorporate credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative instruments for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees. These derivative instruments were classified as Level 2 as these instruments are custom, over-the-counter contracts with various bank counterparties that are not traded in an active market.

The stock warrants were measured at fair value using valuation models that incorporate market inputs and our own assumptions about future cash flows. We classified these assets as Level 3 because these assets are not traded in an active market.

Equity Method Investment in CESH — We have elected to account for our investment in CESH, which is included in Equity method investments in the consolidated financial statements, at fair value by selecting the equity method fair value option available under GAAP ([Note 8](#)). We classified this investment as Level 3 because we primarily used valuation models that incorporate unobservable inputs to determine its fair value.

Investment in Shares of Lineage Logistics — We have elected to apply the measurement alternative under *ASU 2016-01, Financial Instruments — Overall (Subtopic 825-10)* to account for our investment in shares of Lineage Logistics (a cold storage REIT), which is included in Other assets, net in the consolidated financial statements. Under this alternative, the carrying value is adjusted for any impairments or changes in fair value resulting from observable transactions for similar or identical investments in the issuer. We classified this investment as Level 3 because it is not traded in an active market. During the years ended December 31, 2022, 2021, and 2020, we recognized non-cash unrealized gains on our investment in shares of Lineage Logistics totaling \$38.6 million, \$76.3 million, and \$48.3 million, respectively, due to secondary market transactions at a higher price per share, which was recorded within Other gains and (losses) in the consolidated financial statements. In addition, during the years ended December 31, 2022 and 2021, we received cash dividends of \$4.3 million and \$6.4 million, respectively, from our investment in shares of Lineage Logistics, which was recorded within Non-operating income in the consolidated financial statements. See [Note 15](#) for further discussion of the impact of Lineage Logistics’s conversion to a REIT during the first quarter of 2020. In addition, in October 2020, we purchased additional shares of Lineage Logistics for \$95.5 million. The fair value of this investment was \$404.9 million and \$366.3 million at December 31, 2022 and 2021, respectively.

Investment in Shares of GCIF — We account for our investment in shares of GCIF, which is included in Other assets, net in the consolidated financial statements, at fair value. We classified this investment as Level 2 because we used a quoted price from an inactive market to determine its fair value. During the year ended December 31, 2022, we received liquidating distributions from our investment in shares of GCIF totaling \$2.6 million, which reduced the cost basis of our investment (in March 2021, GCIF announced its intention to liquidate and to distribute substantially all of its assets). The fair value of our investment in shares of GCIF was \$1.7 million and \$4.3 million at December 31, 2022 and 2021, respectively.

Investment in Preferred Shares of WLT — In January 2022, WLT redeemed in full our 1,300,000 shares of its preferred stock for gross proceeds of \$65.0 million (based on the liquidation preference of \$50.00 per share). Since this redemption was based on market conditions that existed as of December 31, 2021, during the year ended December 31, 2021, we recognized an unrealized gain on our investment in preferred shares of WLT of \$18.7 million, which was recognized within Other comprehensive (loss) income in the consolidated financial statements. In January 2022, in connection with this redemption, we reclassified this \$18.7 million unrealized gain from Accumulated other comprehensive loss to Other gains and (losses) in the consolidated financial statements ([Note 13](#)). During the years ended December 31, 2022 and 2021, we received cash dividends of \$0.9 million and \$4.9 million, respectively, from our investment in preferred shares of WLT, which was recorded within Non-operating income in the consolidated financial statements. The fair value of our investment in preferred shares of WLT approximated its carrying value, which was \$65.0 million as of December 31, 2021.

Investment in Common Shares of WLT — In January 2022, we reclassified our investment in 12,208,243 shares of common stock of WLT from equity method investments to equity securities, since we no longer had significant influence over WLT, following the redemption of our investment in preferred shares of WLT, as described above. As a result, we accounted for this investment, which was included in Other assets, net in the consolidated financial statements, at fair value. We classified this investment as Level 3 because it is not traded in an active market. The carrying value of this investment was \$33.4 million as of December 31, 2021, which was included within Equity method investments in the consolidated financial statements. WLT completed its previously announced sale to private real estate funds in October 2022 and we received \$82.6 million in cash proceeds. As a result, we recognized non-cash unrealized gains of \$49.2 million on our investment in common shares of WLT during the year ended December 31, 2022, which was recorded within Other gains and (losses) in the consolidated financial statements. Upon completion of this transaction, we have no remaining interest in WLT.

We did not have any transfers into or out of Level 1, Level 2, and Level 3 category of measurements during either the years ended December 31, 2022 or 2021. Gains and losses (realized and unrealized) recognized on items measured at fair value on a recurring basis included in earnings are reported within Other gains and (losses) on our consolidated financial statements.

Our other material financial instruments had the following carrying values and fair values as of the dates shown (dollars in thousands):

	Level	December 31, 2022		December 31, 2021	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Senior Unsecured Notes, net ^{(a) (b) (c)}	2 and 3	\$ 5,916,400	\$ 5,238,588	\$ 5,701,913	\$ 5,984,228
Non-recourse mortgages, net ^{(a) (b) (d)}	3	1,132,417	1,109,449	368,524	369,841

- (a) The carrying value of Senior Unsecured Notes, net ([Note 11](#)) includes unamortized deferred financing costs of \$25.9 million and \$28.7 million at December 31, 2022 and 2021, respectively. The carrying value of Non-recourse mortgages, net includes unamortized deferred financing costs of less than \$0.1 million at both December 31, 2022 and 2021.
- (b) The carrying value of Senior Unsecured Notes, net includes unamortized discount of \$24.1 million and \$29.2 million at December 31, 2022 and 2021, respectively. The carrying value of Non-recourse mortgages, net includes unamortized discount of \$10.3 million and \$0.8 million at December 31, 2022 and 2021, respectively.
- (c) For those Senior Unsecured Notes for which there are no observable market prices (specifically, our private placement Senior Unsecured Notes ([Note 11](#))), we used a discounted cash flow model that estimates the present value of future loan payments by discounting such payments at current estimated market interest rates. We consider these notes to be within the Level 3 category. For all other Senior Unsecured Notes, we determined the estimated fair value using observed market prices in an open market, which may experience limited trading volume. We consider these notes to be within the Level 2 category.
- (d) We determined the estimated fair value of our non-recourse mortgage loans using a discounted cash flow model that estimates the present value of the future loan payments by discounting such payments at current estimated market interest rates. The estimated market interest rates consider interest rate risk and the value of the underlying collateral, which includes quality of the collateral, the credit quality of the tenant/obligor, and the time until maturity.

We estimated that our other financial assets and liabilities, including amounts outstanding under our Senior Unsecured Credit Facility ([Note 11](#)), but excluding finance receivables ([Note 6](#)), had fair values that approximated their carrying values at both December 31, 2022 and 2021.

Items Measured at Fair Value on a Non-Recurring Basis (Including Impairment Charges)

We periodically assess whether there are any indicators that the value of our real estate investments may be impaired or that their carrying value may not be recoverable. Our impairment policies are described in [Note 2](#).

The following table presents information about assets for which we recorded an impairment charge and that were measured at fair value on a non-recurring basis (in thousands):

	Years Ended December 31,					
	2022		2021		2020	
	Fair Value Measurements	Impairment Charges	Fair Value Measurements	Impairment Charges	Fair Value Measurements	Impairment Charges
Impairment Charges						
Real estate and intangibles	\$ 32,497	\$ 39,119	\$ 29,494	\$ 24,246	\$ 31,350	\$ 35,830
Investment Management goodwill	—	29,334	—	—	—	—
Equity method investments	—	—	8,175	6,830	55,245	55,387
		<u>\$ 68,453</u>		<u>\$ 31,076</u>		<u>\$ 91,217</u>

Impairment charges, and their related triggering events and fair value measurements, recognized during 2022, 2021, and 2020 were as follows:

Real Estate and Intangibles

The impairment charges described below are reflected within Impairment charges — real estate in our consolidated statements of income.

2022 — During the year ended December 31, 2022, we recognized impairment charges totaling \$39.1 million on 11 properties in order to reduce their carrying values to their estimated fair values, as follows:

- \$12.4 million on three properties based on their estimated selling prices; we sold one of these properties in August 2022;
- \$10.9 million on a property due to changes in expected cash flows related to the existing tenant's lease expiration in 2023. The fair value measurement was determined by estimating discounted cash flows using two significant unobservable inputs, which were the cash flow discount rate (14.0%) and terminal capitalization rate (11.0%);

- \$9.3 million on six Pendragon PLC properties in order to reduce the carrying values of the properties to their estimated fair values. The fair value measurements for the properties were determined using a direct capitalization rate analysis; the capitalization rate for the various scenarios ranged from 4.75% to 10.00%. In March 2022, we entered into a transaction to restructure certain leases with Pendragon PLC (a tenant at certain automotive dealerships in the United Kingdom). Under this restructuring, we extended the leases on 30 properties by 11 years (no change to rent) and entered into an agreement to dispose of 12 properties, with the tenant continuing to pay rent until the earlier of sale date or certain specified dates over the following 12 months; and
- \$6.5 million on a property due to a potential property vacancy.

2021 — During the year ended December 31, 2021, we recognized impairment charges totaling \$24.2 million on two properties in order to reduce the carrying values of the properties to their estimated fair values, as follows:

- \$16.3 million on a property due to the former tenant's non-renewal of its lease expiring in 2022; the fair value measurement was determined by estimating discounted cash flows using four significant unobservable inputs, which were the cash flow discount rate (range of 7.00% to 9.00%), terminal capitalization rate (range of 6.00% to 7.00%), estimated market rents (range of \$10 to \$11 per square foot), and estimated capital expenditures (\$100 per square foot); we sold this property in September 2022; and
- \$7.9 million on a property due to a lease termination and resulting vacancy; the fair value measurement for the property was based on the sales prices for comparable properties.

2020 — During the year ended December 31, 2020, we recognized impairment charges totaling \$35.8 million on six properties in order to reduce the carrying values of the properties to their estimated fair values, as follows:

- \$16.0 million on two properties leased to the same tenant, due to potential property vacancies; the fair value measurements for the properties were determined using a direct capitalization rate analysis based on the probability of vacancy versus the tenant continuing in the lease; the capitalization rate for the various scenarios ranged from 6% to 11%;
- \$12.6 million on an international property due to a tenant bankruptcy; the fair value measurement for the property was determined by using a probability-weighted approach of lease restructure and vacancy scenarios;
- \$3.4 million on an international property based on its estimated selling price; we sold this property in September 2020;
- \$2.8 million on an international property due to a lease expiration and resulting vacancy; the fair value measurement for the property approximated its estimated selling price; we sold this property in May 2022; and
- \$1.0 million on a property based on its estimated selling price; we sold this property in September 2021.

Investment Management Goodwill

The impairment charges described below are reflected within Impairment charges — Investment Management goodwill in our consolidated statements of income.

2022 — During the year ended December 31, 2022, we recognized an impairment charge of \$29.3 million on goodwill within our Investment Management segment in order to reduce its carrying value to its estimated fair value of \$0, since future Investment Management cash flows are expected to be minimal following the CPA:18 Merger ([Note 3](#)).

Equity Method Investments

The other-than-temporary impairment charges described below are reflected within Earnings (losses) from equity method investments in our consolidated statements of income.

2021 — During the year ended December 31, 2021, we recognized an other-than-temporary impairment charge of \$6.8 million on a jointly owned real estate investment to reduce the carrying value of our investment to its estimated fair value, which declined due to changes in expected cash flows related to the existing tenant's lease expiration in 2028. The fair value measurement was determined by estimating discounted cash flows using three significant unobservable inputs, which were the cash flow discount rate (5.75%), residual discount rate (7.50%), and residual capitalization rate (6.75%).

2020 — During the year ended December 31, 2020, we recognized other-than-temporary impairment charges of \$27.8 million and \$19.3 million on our equity method investments in CWI 1 and CWI 2, respectively, to reduce the carrying values of our investments to their estimated fair values, due to the COVID-19 pandemic, which had an adverse effect on the operations of CWI 1 and CWI 2. The fair value measurements were estimated based on implied asset value changes and changes in market capitalizations for publicly traded lodging REITs, all of which was obtained from third-party market data.

During the year ended December 31, 2020, we recognized an other-than-temporary impairment charge of \$8.3 million on a jointly owned real estate investment to reduce the carrying value of our investment to its estimated fair value, which declined due to an uncertain probability of lease renewal with the tenant at the international office facility owned by the investment (lease expiration is in May 2023). The fair value measurement was determined by relying on an estimate of the fair market value of the property and the related mortgage loan, both provided by a third party.

Note 10. Risk Management and Use of Derivative Financial Instruments

Risk Management

In the normal course of our ongoing business operations, we encounter economic risk. There are four main components of economic risk that impact us: interest rate risk, credit risk, market risk, and foreign currency risk. We are primarily subject to interest rate risk on our interest-bearing liabilities, including our Senior Unsecured Credit Facility ([Note 11](#)) and unhedged variable-rate non-recourse mortgage loans. Credit risk is the risk of default on our operations and our tenants' inability or unwillingness to make contractually required payments. Market risk includes changes in the value of our properties and related loans, Senior Unsecured Notes, other securities, and the limited partnership units we hold in CESH, due to changes in interest rates or other market factors. We own investments in North America, Europe, and Japan and are subject to risks associated with fluctuating foreign currency exchange rates.

Derivative Financial Instruments

When we use derivative instruments, it is generally to reduce our exposure to fluctuations in interest rates and foreign currency exchange rate movements. We have not entered into, and do not plan to enter into, financial instruments for trading or speculative purposes. In addition to entering into derivative instruments on our own behalf, we may also be a party to derivative instruments that are embedded in other contracts, and we may be granted common stock warrants by lessees when structuring lease transactions, which are considered to be derivative instruments. The primary risks related to our use of derivative instruments include a counterparty to a hedging arrangement defaulting on its obligation and a downgrade in the credit quality of a counterparty to such an extent that our ability to sell or assign our side of the hedging transaction is impaired. While we seek to mitigate these risks by entering into hedging arrangements with large financial institutions that we deem to be creditworthy, it is possible that our hedging transactions, which are intended to limit losses, could adversely affect our earnings. Furthermore, if we terminate a hedging arrangement, we may be obligated to pay certain costs, such as transaction or breakage fees. We have established policies and procedures for risk assessment and the approval, reporting, and monitoring of derivative financial instrument activities.

We measure derivative instruments at fair value and record them as assets or liabilities, depending on our rights or obligations under the applicable derivative contract. Derivatives that are not designated as hedges must be adjusted to fair value through earnings. For derivatives designated and that qualify as cash flow hedges, the change in fair value of the derivative is recognized in Other comprehensive (loss) income until the hedged item is recognized in earnings. Gains and losses on the cash flow hedges representing hedge components excluded from the assessment of effectiveness are recognized in earnings over the life of the hedge on a systematic and rational basis, as documented at hedge inception in accordance with our accounting policy election. Such gains and losses are recorded within Other gains and (losses) or Interest expense in our consolidated statements of income. The earnings recognition of excluded components is presented in the same line item as the hedged transactions. For derivatives designated and that qualify as a net investment hedge, the change in the fair value and/or the net settlement of the derivative is reported in Other comprehensive (loss) income as part of the cumulative foreign currency translation adjustment. Amounts are reclassified out of Other comprehensive (loss) income into earnings (within Gain on sale of real estate, net, in our consolidated statements of income) when the hedged net investment is either sold or substantially liquidated.

All derivative transactions with an individual counterparty are governed by a master International Swap and Derivatives Association agreement, which can be considered as a master netting arrangement; however, we report all our derivative instruments on a gross basis on our consolidated financial statements. At both December 31, 2022 and 2021, no cash collateral had been posted nor received for any of our derivative positions.

The following table sets forth certain information regarding our derivative instruments (in thousands):

Derivatives Designated as Hedging Instruments	Balance Sheet Location	Asset Derivatives Fair Value at		Liability Derivatives Fair Value at	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Foreign currency collars	Other assets, net	\$ 32,631	\$ 19,484	\$ —	\$ —
Interest rate swaps ^(a)	Other assets, net	2,679	—	—	—
Interest rate caps	Other assets, net	14	1	—	—
Foreign currency collars	Accounts payable, accrued expenses and other liabilities	—	—	(1,445)	(1,311)
Interest rate swaps	Accounts payable, accrued expenses and other liabilities	—	—	—	(908)
		<u>35,324</u>	<u>19,485</u>	<u>(1,445)</u>	<u>(2,219)</u>
Derivatives Not Designated as Hedging Instruments					
Stock warrants	Other assets, net	3,950	4,600	—	—
Foreign currency collars	Accounts payable, accrued expenses and other liabilities	—	—	(248)	—
		<u>3,950</u>	<u>4,600</u>	<u>(248)</u>	<u>—</u>
Total derivatives		<u>\$ 39,274</u>	<u>\$ 24,085</u>	<u>\$ (1,693)</u>	<u>\$ (2,219)</u>

(a) In connection with the CPA:18 Merger on August 1, 2022, we acquired five interest rate swaps, which had an aggregate fair value of \$0.4 million on the date of acquisition.

The following tables present the impact of our derivative instruments in the consolidated financial statements (in thousands):

Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) Recognized on Derivatives in Other Comprehensive (Loss) Income ^(a)		
	Years Ended December 31,		
	2022	2021	2020
Foreign currency collars	\$ 13,013	\$ 29,805	\$ (24,818)
Interest rate swaps	3,068	4,198	(1,553)
Interest rate caps	16	6	6
Foreign currency forward contracts	—	—	(5,272)
Derivatives in Net Investment Hedging Relationships ^(b)			
Foreign currency collars	—	—	9
Total	<u>\$ 16,097</u>	<u>\$ 34,009</u>	<u>\$ (31,628)</u>

Derivatives in Cash Flow Hedging Relationships	Location of Gain (Loss) Recognized in Income	Amount of Gain (Loss) on Derivatives Reclassified from Other Comprehensive (Loss) Income		
		Years Ended December 31,		
		2022	2021	2020
Foreign currency collars	Non-operating income	\$ 17,483	\$ 854	\$ 4,956
Interest rate swaps and caps ^(c)	Interest expense	(167)	(932)	(1,818)
Foreign currency forward contracts	Non-operating income	—	—	5,716
Total		<u>\$ 17,316</u>	<u>\$ (78)</u>	<u>\$ 8,854</u>

(a) Excludes net gains of \$3.6 million, net gains of \$1.3 million, and net losses of \$0.3 million recognized on unconsolidated jointly owned investments for the years ended December 31, 2022, 2021, and 2020, respectively.

- (b) The changes in fair value of these contracts are reported in the foreign currency translation adjustment section of Other comprehensive (loss) income.
- (c) Amount for the year ended December 31, 2021 excludes other comprehensive income totaling \$3.1 million that was released from the consolidated financial statements (along with the related liability balances) upon the termination of interest rate swaps in connection with certain prepayments of non-recourse mortgage loans during the period (Note 11).

Amounts reported in Other comprehensive (loss) income related to interest rate derivative contracts will be reclassified to Interest expense as interest is incurred on our variable-rate debt. Amounts reported in Other comprehensive (loss) income related to foreign currency derivative contracts will be reclassified to Non-operating income when the hedged foreign currency contracts are settled. As of December 31, 2022, we estimate that an additional \$1.6 million and \$14.6 million will be reclassified as Interest expense and Non-operating income, respectively, during the next 12 months.

The following table presents the impact of our derivative instruments in the consolidated financial statements (in thousands):

Derivatives in Cash Flow Hedging Relationships	Location of Gain (Loss) Recognized in Income	Amount of Gain (Loss) on Derivatives Recognized in Income		
		Years Ended December 31,		
		2022	2021	2020
Foreign currency collars	Non-operating income	\$ 6,574	\$ 1,503	\$ (2,477)
Interest rate swaps	Interest expense	171	1,592	2,132
Foreign currency forward contracts	Non-operating income	—	—	(43)
Derivatives Not in Cash Flow Hedging Relationships				
Stock warrants	Other gains and (losses)	(650)	(1,200)	800
Foreign currency collars	Other gains and (losses)	(248)	—	—
Interest rate swaps	Other gains and (losses)	—	—	106
Total		\$ 5,847	\$ 1,895	\$ 518

See below for information on our purposes for entering into derivative instruments.

Interest Rate Swaps and Caps

We are exposed to the impact of interest rate changes primarily through our borrowing activities. To limit this exposure, we generally seek long-term debt financing on a fixed-rate basis. However, from time to time, we or our investment partners have obtained, and may in the future obtain, variable-rate, non-recourse mortgage loans and, as a result, we have entered into, and may continue to enter into, interest rate swap agreements or interest rate cap agreements with counterparties. Interest rate swaps, which effectively convert the variable-rate debt service obligations of a loan to a fixed rate, are agreements in which one party exchanges a stream of interest payments for a counterparty's stream of cash flow over a specific period. The notional, or face, amount on which the swaps are based is not exchanged. Interest rate caps limit the effective borrowing rate of variable-rate debt obligations while allowing participants to share in downward shifts in interest rates. Our objective in using these derivatives is to limit our exposure to interest rate movements.

The interest rate swaps and caps that our consolidated subsidiaries had outstanding at December 31, 2022 are summarized as follows (currency in thousands):

Interest Rate Derivatives	Number of Instruments	Notional Amount	Fair Value at December 31, 2022 ^(a)
Designated as Cash Flow Hedging Instruments			
Interest rate swaps	5	34,918 USD	\$ 1,399
Interest rate swaps	2	45,970 EUR	1,280
Interest rate cap	1	10,452 EUR	14
			\$ 2,693

- (a) Fair value amounts are based on the exchange rate of the euro at December 31, 2022, as applicable.

Foreign Currency Collars

We are exposed to foreign currency exchange rate movements, primarily in the euro and, to a lesser extent, the British pound sterling and certain other currencies. In order to hedge certain of our foreign currency cash flow exposures, we enter into foreign currency collars. A foreign currency collar consists of a written call option and a purchased put option to sell the foreign currency at a range of predetermined exchange rates. A foreign currency collar guarantees that the exchange rate of the currency will not fluctuate beyond the range of the options' strike prices. Our foreign currency collars have maturities of 62 months or less.

The following table presents the foreign currency derivative contracts we had outstanding at December 31, 2022 (currency in thousands):

Foreign Currency Derivatives	Number of Instruments	Notional Amount	Fair Value at December 31, 2022
Designated as Cash Flow Hedging Instruments			
Foreign currency collars	75	295,400 EUR	\$ 25,578
Foreign currency collars	69	44,520 GBP	5,608
Not Designated as Cash Flow Hedging Instruments			
Foreign currency collars	4	29,500 EUR	(248)
			\$ 30,938

Credit Risk-Related Contingent Features

We measure our credit exposure on a counterparty basis as the net positive aggregate estimated fair value of our derivatives, net of any collateral received. No collateral was received as of December 31, 2022. At December 31, 2022, our total credit exposure and the maximum exposure to any single counterparty was \$33.8 million and \$6.0 million, respectively.

Some of the agreements we have with our derivative counterparties contain cross-default provisions that could trigger a declaration of default on our derivative obligations if we default, or are capable of being declared in default, on certain of our indebtedness. At December 31, 2022, we had not been declared in default on any of our derivative obligations. The estimated fair value of our derivatives in a net liability position was \$1.7 million and \$2.2 million at December 31, 2022 and 2021, respectively, which included accrued interest and any nonperformance risk adjustments. If we had breached any of these provisions at December 31, 2022 or 2021, we could have been required to settle our obligations under these agreements at their aggregate termination value of \$1.7 million and \$2.3 million, respectively.

Net Investment Hedges

Borrowings under our Senior Unsecured Notes, Unsecured Revolving Credit Facility, and Unsecured Term Loans (all as defined in [Note 11](#)) denominated in euro, British pounds sterling, or Japanese yen are designated as, and are effective as, economic hedges of our net investments in foreign entities.

Exchange rate variations impact our financial results because the financial results of our foreign subsidiaries are translated to U.S. dollars each period, with the effect of exchange rate variations being recorded in Other comprehensive (loss) income as part of the cumulative foreign currency translation adjustment. As a result, changes in the value of our borrowings under our euro-denominated senior notes and changes in the value of our euro, Japanese yen, and British pound sterling borrowings under our Senior Unsecured Credit Facility, related to changes in the spot rates, will be reported in the same manner as foreign currency translation adjustments, which are recorded in Other comprehensive (loss) income as part of the cumulative foreign currency translation adjustment. Such gains (losses) related to non-derivative net investment hedges were \$214.3 million, \$255.9 million, and \$(280.4) million for the years ended December 31, 2022, 2021, and 2020, respectively.

Note 11. Debt**Senior Unsecured Credit Facility**

On February 20, 2020, we entered into the Fourth Amended and Restated Credit Facility, which has capacity of approximately \$2.1 billion, comprised of (i) a \$1.8 billion unsecured revolving credit facility for our working capital needs, acquisitions, and other general corporate purposes (our “Unsecured Revolving Credit Facility”), (ii) a £150.0 million term loan (our “Term Loan”), and (iii) a €96.5 million delayed draw term loan (our “Delayed Draw Term Loan”). We refer to our Term Loan and Delayed Draw Term Loan collectively as the “Unsecured Term Loans” and the entire facility collectively as our “Senior Unsecured Credit Facility.” In December 2021, the Senior Unsecured Credit Facility was amended to transition certain London Inter-bank Offered Rate (“LIBOR”)-based rates that were discontinued after December 31, 2021 to successor alternative reference rates. The updated reference rates are included in the Senior Unsecured Credit Facility table below. As of December 31, 2022 and 2021, this reference rate transition impacted only our Senior Unsecured Credit Facility.

In April 2022, we entered into a Second Amendment to the Credit Agreement to increase the Term Loan to £270.0 million and the Delayed Draw Term Loan to €215.0 million, thereby increasing the total capacity of our Senior Unsecured Credit Facility to approximately \$2.4 billion. There were no other changes to the terms of our Credit Agreement. We used the approximately \$300 million of proceeds from this increase in the capacity of our Unsecured Term Loans to partially repay amounts outstanding under our Unsecured Revolving Credit Facility.

The Senior Unsecured Credit Facility includes the ability to borrow in certain currencies other than U.S. dollars and has a maturity date of February 20, 2025. As of December 31, 2022, the aggregate principal amount (of revolving and term loans) available under the Senior Unsecured Credit Facility was able to be increased up to an amount not to exceed the U.S. dollar equivalent of \$2.75 billion, subject to the conditions to increase set forth in the Credit Agreement. In January 2023, we entered into a Third Amendment to the Credit Agreement to (i) transition from LIBOR to the Secured Overnight Financing Rate (“SOFR”) and (ii) increase the aggregate principal amount (of revolving and term loans) available under the Senior Unsecured Credit Facility to an amount not to exceed the U.S. dollar equivalent of \$3.05 billion, subject to the conditions to increase set forth in the Credit Agreement. See [Note 18](#), Subsequent Events for more information about this amendment.

At December 31, 2022, our Unsecured Revolving Credit Facility had available capacity of approximately \$1.5 billion (net of amounts reserved for standby letters of credit totaling \$0.6 million). We incur an annual facility fee of 0.20% of the total commitment on our Unsecured Revolving Credit Facility, which is included within Interest expense in our consolidated statements of income.

The following table presents a summary of our Senior Unsecured Credit Facility (dollars in thousands):

Senior Unsecured Credit Facility	Interest Rate at December 31, 2022 ^(a)	Maturity Date at December 31, 2022	Principal Outstanding Balance at December 31,	
			2022	2021
Unsecured Term Loans:				
Term Loan — borrowing in British pounds sterling ^(b)	SONIA + 0.85%	2/20/2025	\$ 324,695	\$ 202,183
Delayed Draw Term Loan — borrowing in euros ^(c)	EURIBOR + 0.85%	2/20/2025	229,319	109,296
			<u>554,014</u>	<u>311,479</u>
Unsecured Revolving Credit Facility:				
Borrowing in euros ^(c)	EURIBOR + 0.775%	2/20/2025	258,117	205,001
Borrowing in Japanese yen ^(d)	TIBOR + 0.775%	2/20/2025	18,275	20,935
Borrowing in British pounds sterling	N/A	2/20/2025	—	184,660
			<u>276,392</u>	<u>410,596</u>
			<u>\$ 830,406</u>	<u>\$ 722,075</u>

(a) The applicable interest rate at December 31, 2022 was based on the credit rating for our Senior Unsecured Notes of BBB/Baa1.

(b) Balance excludes unamortized discount of \$1.5 million and \$0.9 million at December 31, 2022 and 2021, respectively.

(c) SONIA means Sterling Overnight Index Average.

- (d) Interest rate includes both a spread adjustment to the base rate and a credit spread.
(e) EURIBOR means Euro Interbank Offered Rate.
(f) TIBOR means Tokyo Interbank Offered Rate.

Senior Unsecured Notes

As set forth in the table below, we have euro and U.S. dollar-denominated senior unsecured notes outstanding with an aggregate principal balance outstanding of \$6.0 billion at December 31, 2022 (the “Senior Unsecured Notes”).

On September 28, 2022, we completed a private placement of (i) €150 million of 3.41% Senior Notes due 2029, which have a 7-year term and are scheduled to mature on September 28, 2029, and (ii) €200 million of 3.70% Senior Notes due 2032, which have a 10-year term and are scheduled to mature on September 28, 2032.

We redeemed the €500.0 million of 2.0% Senior Notes due 2023 in March 2021. In connection with this redemption, we paid a “make-whole” amount of \$26.2 million (based on the exchange rate of the euro as of the date of redemption) and recognized a loss on extinguishment of \$28.2 million, which is included within Other gains and (losses) on our consolidated statements of income for the year ended December 31, 2021.

Interest on the Senior Unsecured Notes is payable annually in arrears for our euro-denominated senior notes and semi-annually for U.S. dollar-denominated senior notes. The Senior Unsecured Notes can be redeemed at par within three months of their respective maturities, or we can call the notes at any time for the principal, accrued interest, and a make-whole amount based upon the applicable government bond yield plus 20 to 35 basis points. The following table presents a summary of our Senior Unsecured Notes outstanding at December 31, 2022 (currency in thousands):

Senior Unsecured Notes, net ^(a)	Issue Date	Principal Amount	Coupon Rate	Maturity Date	Principal Outstanding Balance at December 31,	
					2022	2021
4.6% Senior Notes due 2024	3/14/2014	\$ 500,000	4.6 %	4/1/2024	\$ 500,000	\$ 500,000
2.25% Senior Notes due 2024	1/19/2017	€ 500,000	2.25 %	7/19/2024	533,300	566,300
4.0% Senior Notes due 2025	1/26/2015	\$ 450,000	4.0 %	2/1/2025	450,000	450,000
2.250% Senior Notes due 2026	10/9/2018	€ 500,000	2.250 %	4/9/2026	533,300	566,300
4.25% Senior Notes due 2026	9/12/2016	\$ 350,000	4.25 %	10/1/2026	350,000	350,000
2.125% Senior Notes due 2027	3/6/2018	€ 500,000	2.125 %	4/15/2027	533,300	566,300
1.350% Senior Notes due 2028	9/19/2019	€ 500,000	1.350 %	4/15/2028	533,300	566,300
3.850% Senior Notes due 2029	6/14/2019	\$ 325,000	3.850 %	7/15/2029	325,000	325,000
3.41% Senior Notes due 2029	9/28/2022	€ 150,000	3.41 %	9/28/2029	159,990	—
0.950% Senior Notes due 2030	3/8/2021	€ 525,000	0.950 %	6/1/2030	559,965	594,615
2.400% Senior Notes due 2031	10/14/2020	\$ 500,000	2.400 %	2/1/2031	500,000	500,000
2.450% Senior Notes due 2032	10/15/2021	\$ 350,000	2.450 %	2/1/2032	350,000	350,000
3.70% Senior Notes due 2032	9/28/2022	€ 200,000	3.70 %	9/28/2032	213,320	—
2.250% Senior Notes due 2033	2/25/2021	\$ 425,000	2.250 %	4/1/2033	425,000	425,000
					<u>\$ 5,966,475</u>	<u>\$ 5,759,815</u>

- (a) Aggregate balance excludes unamortized deferred financing costs totaling \$25.9 million and \$28.7 million, and unamortized discount totaling \$24.1 million and \$29.2 million at December 31, 2022 and 2021, respectively.

In connection with the private placement of the €150 million of 3.41% Senior Notes due 2029 and the €200 million of 3.70% Senior Notes due 2032 in September 2022, we incurred financing costs totaling \$2.6 million during the year ended December 31, 2022, which are included in the Senior Unsecured Notes, net in the consolidated financial statements and are being amortized to Interest expense over the term of their respective Senior Notes.

Covenants

The Credit Agreement, each of the Senior Unsecured Notes, and certain of our non-recourse mortgage loan agreements include customary financial maintenance covenants that require us to maintain certain ratios and benchmarks at the end of each quarter. The Credit Agreement also contains various customary affirmative and negative covenants applicable to us and our subsidiaries, subject to materiality and other qualifications, baskets, and exceptions as outlined in the Credit Agreement. We were in compliance with all of these covenants at December 31, 2022.

We may make unlimited Restricted Payments (as defined in the Credit Agreement), as long as no non-payment default or financial covenant default has occurred before, or would on a pro forma basis occur as a result of, the Restricted Payment. In addition, we may make Restricted Payments in an amount required to (i) maintain our REIT status and (ii) as a result of that status, not pay federal or state income or excise tax, as long as the loans under the Credit Agreement have not been accelerated and no bankruptcy or event of default has occurred.

Obligations under the Unsecured Revolving Credit Facility may be declared immediately due and payable upon the occurrence of certain events of default as defined in the Credit Agreement, including failure to pay any principal when due and payable, failure to pay interest within five business days after becoming due, failure to comply with any covenant, representation or condition of any loan document, any change of control, cross-defaults, and certain other events as set forth in the Credit Agreement, with grace periods in some cases.

Non-Recourse Mortgages

Non-recourse mortgages consist of mortgage notes payable, which are collateralized by the assignment of real estate properties. For a list of our encumbered properties, please see [Schedule III — Real Estate and Accumulated Depreciation](#). At December 31, 2022, the weighted-average interest rate for our total non-recourse mortgage notes payable was 4.3% (fixed-rate and variable-rate non-recourse mortgage notes payable were 4.4% and 4.1%, respectively), with maturity dates ranging from January 2023 to April 2039.

CPA:18 Merger

In connection with the CPA:18 Merger on August 1, 2022 ([Note 3](#)), we assumed property-level debt comprised of non-recourse mortgage loans with fair values totaling \$900.2 million and recorded an aggregate fair market value net discount of \$13.1 million. The fair market value net discount will be amortized to interest expense over the remaining lives of the related loans. These non-recourse mortgage loans had a weighted-average annual interest rate of 5.1% on the merger date.

Repayments During 2022

During the year ended December 31, 2022, we (i) repaid non-recourse mortgage loans at or close to maturity with an aggregate principal balance of approximately \$104.7 million, and (ii) prepaid non-recourse mortgage loans totaling \$10.4 million. We recognized an aggregate net loss on extinguishment of debt of \$1.3 million on these repayments, which is included within Other gains and (losses) on our consolidated statements of income. The weighted-average interest rate for these non-recourse mortgage loans on their respective dates of repayment was 4.4%.

Repayments During 2021

During the year ended December 31, 2021, we (i) prepaid non-recourse mortgage loans totaling \$745.1 million, and (ii) repaid non-recourse mortgage loans at or close to maturity with an aggregate principal balance of approximately \$32.7 million. We recognized an aggregate net loss on extinguishment of debt of \$47.2 million on these repayments, primarily comprised of prepayment penalties totaling \$45.2 million, which is included within Other gains and (losses) on our consolidated statements of income. The weighted-average interest rate for these non-recourse mortgage loans on their respective dates of repayment was 4.8%.

Interest Paid

For the years ended December 31, 2022, 2021, and 2020, interest paid was \$191.0 million, \$190.8 million, and \$190.6 million, respectively.

Foreign Currency Exchange Rate Impact

During the year ended December 31, 2022, the U.S. dollar strengthened against the euro, resulting in an aggregate decrease of \$224.4 million in the aggregate carrying values of our Non-recourse mortgages, net, Senior Unsecured Credit Facility, and Senior Unsecured Notes, net from December 31, 2021 to December 31, 2022.

Scheduled Debt Principal Payments

Scheduled debt principal payments as of December 31, 2022 are as follows (in thousands):

Years Ending December 31,	Total
2023	\$ 456,708
2024	1,231,468
2025	1,664,276
2026	983,425
2027	533,760
Thereafter through 2039	3,070,039
Total principal payments	7,939,676
Unamortized discount, net	(35,936)
Unamortized deferred financing costs	(25,992)
Total	\$ 7,877,748

Certain amounts are based on the applicable foreign currency exchange rate at December 31, 2022.

Note 12. Commitments and Contingencies

At December 31, 2022, we were not involved in any material litigation. Various claims and lawsuits arising in the normal course of business are pending against us. The results of these proceedings are not expected to have a material adverse effect on our consolidated financial position or results of operations.

Note 13. Equity**Common Stock**

Dividends paid to stockholders consist of ordinary income, capital gains, return of capital or a combination thereof for income tax purposes. Our dividends per share are summarized as follows:

	Dividends Paid		
	During the Years Ended December 31,		
	2022	2021	2020
Ordinary income	\$ 4.0329	\$ 3.3300	\$ 3.3112
Return of capital	0.1718	0.5407	—
Capital gains	0.0273	0.3253	0.8528
Total dividends paid	\$ 4.2320	\$ 4.1960	\$ 4.1640

During the fourth quarter of 2022, our Board declared a quarterly dividend of \$1.065 per share, which was paid on January 13, 2023 to stockholders of record as of December 30, 2022.

Earnings Per Share

The following table summarizes basic and diluted earnings (dollars in thousands):

	Years Ended December 31,		
	2022	2021	2020
Net income – basic and diluted	\$ 599,139	\$ 409,988	\$ 455,359
Weighted-average shares outstanding – basic	199,633,802	182,486,476	174,504,406
Effect of dilutive securities	793,322	640,622	335,022
Weighted-average shares outstanding – diluted	200,427,124	183,127,098	174,839,428

For the years ended December 31, 2022, 2021, and 2020, potentially dilutive securities excluded from the computation of diluted earnings per share were insignificant.

ATM Program

On May 2, 2022, we established a continuous “at-the-market” offering program (“ATM Program”) with a syndicate of banks, pursuant to which shares of our common stock having an aggregate gross sales price of up to \$1.0 billion may be sold (i) directly through or to the banks acting as sales agents or as principal for their own accounts or (ii) through or to participating banks or their affiliates acting as forward sellers on behalf of any forward purchasers pursuant to a forward sale agreement (our “ATM Forwards”). Effective as of that date, we terminated a prior ATM Program that was established on August 9, 2019, under which we were able to offer and sell shares of our common stock from time to time, up to an aggregate gross sales price of \$750.0 million, with a syndicate of banks.

The following table sets forth certain information regarding the issuance of shares of our common stock under our prior ATM Program during the periods presented (net proceeds in thousands):

	Years Ended December 31,		
	2022	2021	2020
Shares of common stock issued	2,740,295	4,690,073	2,500
Weighted-average price per share	\$ 80.79	\$ 73.42	\$ 72.05
Net proceeds	\$ 218,081	\$ 339,968	\$ 159

Forward Equity

We expect to settle the ATM Forwards in full on or prior to the maturity date of each ATM Forward via physical delivery of the outstanding shares of common stock in exchange for cash proceeds. However, subject to certain exceptions, we may also elect to cash settle or net share settle all or any portion of our obligations under any ATM Forwards. The forward sale price that we will receive upon physical settlement of the ATM Forwards will be (i) subject to adjustment on a daily basis based on a floating interest rate factor equal to a specified daily rate less a spread (i.e., if the specified daily rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the applicable forward sale price) and (ii) decreased based on amounts related to expected dividends on shares of our common stock during the term of the ATM Forwards.

We determined that our ATM Forwards meet the criteria for equity classification and are therefore exempt from derivative accounting. We recorded the ATM Forwards at fair value at inception, which we determined to be zero. Subsequent changes to fair value are not required under equity classification.

From time to time, we have entered into underwriting agreements and forward sale agreements with syndicates of banks acting as underwriters, forward sellers, and/or forward purchasers in connection with public offerings of our common stock. At the closing of these transactions, the offered shares were borrowed from third parties by the banks acting as forward purchasers and sold to the underwriters for distribution at the respective gross offering prices. As a result of this forward construct, we did not receive any proceeds from the sale of shares at the closing of each offering, but rather at later settlement dates. We have determined that the forward sale agreements meet the criteria for equity classification and are therefore exempt from derivative accounting. We recorded the forward sale agreements at fair value at inception, which we determined to be zero. Subsequent changes to fair value are not required under equity classification.

We refer to our three forward equity offerings presented below as the June 2020 Equity Forwards, June 2021 Equity Forwards, and August 2021 Equity Forwards (collectively, the “Equity Forwards”). Our ATM Forwards are also presented below (gross offering proceeds at closing in thousands):

	Agreement Date ^(a)	Shares Offered ^(b)	Gross Offering Price	Gross Offering Proceeds at Closing	Outstanding Shares as of December 31, 2022
June 2020 Equity Forwards ^(c)	6/17/2020	5,462,500	\$ 70.00	\$ 382,375	—
June 2021 Equity Forwards ^(c)	6/7/2021	6,037,500	75.30	454,624	—
August 2021 Equity Forwards ^(d)	8/9/2021	5,175,000	78.00	403,650	—
ATM Forwards ^(e)	5/2/2022	6,524,437	84.09	548,626	6,524,437
					<u>6,524,437</u>

- (a) We expect to settle the Equity Forwards in full within 18 months of the respective agreement dates via physical delivery of the outstanding shares of common stock in exchange for cash proceeds, although we may elect cash settlement or net share settlement for all or a portion of our obligations under the Equity Forwards, subject to certain conditions.
- (b) Includes 712,500, 787,500, and 675,000 shares of common stock purchased by certain underwriters in connection with the June 2020 Equity Forwards, June 2021 Equity Forwards, and August 2021 Equity Forwards, respectively, upon the exercise of 30-day options to purchase additional shares.
- (c) All remaining outstanding shares were settled during the year ended December 31, 2021.
- (d) All remaining outstanding shares were settled during the year ended December 31, 2022.
- (e) We sold shares under our ATM Forwards during the year ended December 31, 2022. We did not settle any of the shares sold and therefore did not receive any proceeds from such sales. See [Note 18](#), Subsequent Events for sales through our ATM Forwards subsequent to December 31, 2022 and through the date of this Report.

The following table sets forth certain information regarding the settlement of our Equity Forwards during the periods presented (dollars in thousands):

	Years Ended December 31,		
	2022	2021	2020
Shares of common stock delivered	3,925,000	9,798,209	2,951,791
Net proceeds	\$ 284,259	\$ 697,044	\$ 199,716

Reclassifications Out of Accumulated Other Comprehensive Loss

The following tables present a reconciliation of changes in Accumulated other comprehensive loss by component for the periods presented (in thousands):

	Gains and (Losses) on Derivative Instruments	Foreign Currency Translation Adjustments	Gains and (Losses) on Investments	Total
Balance at January 1, 2020	\$ 13,048	\$ (268,715)	\$ —	\$ (255,667)
Other comprehensive income before reclassifications	(23,124)	47,746	—	24,622
Amounts reclassified from accumulated other comprehensive loss to:				
Non-operating income	(10,672)	—	—	(10,672)
Interest expense	1,818	—	—	1,818
Total	(8,854)	—	—	(8,854)
Net current period other comprehensive income	(31,978)	47,746	—	15,768
Net current period other comprehensive income attributable to noncontrolling interests	(7)	—	—	(7)
Balance at December 31, 2020	(18,937)	(220,969)	—	(239,906)
Other comprehensive income before reclassifications	35,227	(35,736)	18,688	18,179
Amounts reclassified from accumulated other comprehensive loss to:				
Interest expense	932	—	—	932
Non-operating income	(854)	—	—	(854)
Total	78	—	—	78
Net current period other comprehensive income	35,305	(35,736)	18,688	18,257
Net current period other comprehensive income attributable to noncontrolling interests	(21)	—	—	(21)
Balance at December 31, 2021	16,347	(256,705)	18,688	(221,670)
Other comprehensive loss before reclassifications	37,048	(63,149)	—	(26,101)
Amounts reclassified from accumulated other comprehensive loss to:				
Non-operating income	(17,483)	—	—	(17,483)
Interest expense	167	—	—	167
Other gains and (losses) (Note 9)	—	—	(18,688)	(18,688)
Total	(17,316)	—	(18,688)	(36,004)
Net current period other comprehensive loss	19,732	(63,149)	(18,688)	(62,105)
Net current period other comprehensive income attributable to noncontrolling interests	—	(5)	—	(5)
Balance at December 31, 2022	\$ 36,079	\$ (319,859)	\$ —	\$ (283,780)

See [Note 10](#) for additional information on our derivatives activity recognized within Other comprehensive (loss) income for the periods presented.

Note 14. Stock-Based and Other Compensation**Stock-Based Compensation**

At December 31, 2022, we maintained several stock-based compensation plans as described below. The total compensation expense (net of forfeitures) for awards issued under these plans was \$32.8 million, \$24.9 million, and \$15.9 million for the years ended December 31, 2022, 2021, and 2020, respectively, which was included in Stock-based compensation expense in the consolidated financial statements. The tax (expense) benefit recognized by us related to these awards totaled \$(4.3) million, \$0.8 million, and \$4.7 million for the years ended December 31, 2022, 2021, and 2020, respectively. The tax benefits for the years ended December 31, 2022, 2021, and 2020 were reflected as a deferred tax benefit within (Provision for) benefit from income taxes in the consolidated financial statements.

2017 Share Incentive Plan

We maintain the 2017 Share Incentive Plan, which authorizes the issuance of up to 4,000,000 shares of our common stock. The 2017 Share Incentive Plan provides for the grant of various stock- and cash-based awards, including (i) share options, (ii) RSUs, (iii) PSUs, (iv) RSAs, and (v) dividend equivalent rights. At December 31, 2022, 2,186,067 shares remained available for issuance under the 2017 Share Incentive Plan, which is more fully described in the 2019 Annual Report.

Employee Share Purchase Plan

We sponsor an employee share purchase plan (“ESPP”) pursuant to which eligible employees may contribute up to 10% of compensation, subject to certain limits, to purchase our common stock semi-annually at a price equal to 90% of the fair market value at certain plan defined dates. Compensation expense under this plan for each of the years ended December 31, 2022, 2021, and 2020 was less than \$0.1 million. Cash received from purchases under the ESPP during the years ended December 31, 2022, 2021, and 2020 was \$0.2 million, \$0.3 million, and \$0.4 million, respectively.

Restricted and Conditional Awards

Nonvested RSAs, RSUs, and PSUs at December 31, 2022 and changes during the years ended December 31, 2022, 2021, and 2020 were as follows:

	RSA and RSU Awards		PSU Awards	
	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Nonvested at January 1, 2020	283,977	\$ 68.51	331,242	\$ 80.90
Granted	146,162	81.02	90,518	104.65
Vested ^(a)	(163,607)	69.62	(156,838)	80.42
Forfeited	(5,555)	71.69	(6,715)	88.94
Adjustment ^(b)	—	—	3,806	62.07
Nonvested at December 31, 2020	260,977	74.75	262,013	88.99
Granted	194,940	66.40	134,290	86.19
Vested ^(a)	(137,267)	71.99	(151,678)	76.04
Forfeited	(11,656)	60.98	(16,463)	93.91
Adjustment ^(b)	—	—	170,093	71.17
Nonvested at December 31, 2021	306,994	71.21	398,255	86.86
Granted ^(c)	235,348	80.28	144,311	104.97
Vested ^(a)	(154,028)	72.80	(165,615)	92.16
Forfeited	(12,016)	75.93	(4,262)	98.26
Adjustment ^(b)	—	—	159,092	80.90
Nonvested at December 31, 2022 ^(d)	<u>376,298</u>	<u>\$ 74.78</u>	<u>531,781</u>	<u>\$ 89.14</u>

- (a) The grant date fair value of shares vested during the years ended December 31, 2022, 2021, and 2020 was \$26.5 million, \$21.4 million, and \$24.0 million, respectively. Employees have the option to take immediate delivery of the shares upon vesting or defer receipt to a future date pursuant to previously made deferral elections. At December 31, 2022 and 2021, we had an obligation to issue 1,181,947 and 1,104,020 shares, respectively, of our common stock underlying such deferred awards, which is recorded within Total stockholders' equity as a Deferred compensation obligation of \$57.0 million and \$49.8 million, respectively.
- (b) Vesting and payment of the PSUs is conditioned upon certain company and/or market performance goals being met during the relevant three-year performance period. The ultimate number of PSUs to be vested will depend on the extent to which the performance goals are met and can range from zero to three times the original awards. As a result, we recorded adjustments to reflect the number of shares expected to be issued when the PSUs vest.
- (c) The grant date fair value of RSAs and RSUs reflect our stock price on the date of grant on a one-for-one basis. The grant date fair value of PSUs was determined utilizing (i) a Monte Carlo simulation model to generate an estimate of our future stock price over the three-year performance period and (ii) future financial performance projections. To estimate the fair value of PSUs granted during the year ended December 31, 2022, we used a risk-free interest rate of 1.2%, an expected volatility rate of 36.7%, and assumed a dividend yield of zero.
- (d) At December 31, 2022, total unrecognized compensation expense related to these awards was approximately \$34.4 million, with an aggregate weighted-average remaining term of 1.8 years.

At the end of each reporting period, we evaluate the ultimate number of PSUs we expect to vest (based upon the extent to which we have met and expect to meet the performance goals) and where appropriate, revise our estimate and associated expense. We do not revise the associated expense on PSUs expected to vest based on market performance. Upon vesting, the RSUs and PSUs may be converted into shares of our common stock. Both the RSUs and PSUs carry dividend equivalent rights. Dividend equivalent rights on RSUs issued under the predecessor employee plan are paid in cash on a quarterly basis, whereas dividend equivalent rights on RSUs issued under the 2017 Share Incentive Plan are accrued and paid in cash only when the underlying shares vest, which is generally on an annual basis. Dividend equivalents on PSUs accrue during the performance period and are converted into additional shares of common stock at the conclusion of the performance period to the extent the PSUs vest. Dividend equivalent rights are accounted for as a reduction to retained earnings to the extent that the awards are expected to vest.

Profit-Sharing Plan

We sponsor a qualified profit-sharing plan and trust that generally permits all employees, as defined by the plan, to make pre-tax contributions into the plan. We are under no obligation to contribute to the plan and the amount of any contribution is determined by and at the discretion of our Board. In December 2022, 2021, and 2020, our Board determined that the contribution to the plan for each of those respective years would be 10% of an eligible participant's cash compensation, up to the legal maximum allowable in each of those years of \$30,500 for 2022, \$29,000 for 2021, and \$28,500 for 2020. For the years ended December 31, 2022, 2021, and 2020, amounts expensed for contributions to the trust were \$2.3 million, \$2.2 million, and \$1.9 million, respectively, which were included in General and administrative expenses in the consolidated financial statements. The profit-sharing plan is a deferred compensation plan and is therefore considered to be outside the scope of current accounting guidance for stock-based compensation.

Note 15. Income Taxes*Income Tax Provision*

The components of our provision for (benefit from) income taxes for the periods presented are as follows (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Federal			
Current	\$ 5,329	\$ (405)	\$ (1,118)
Deferred ^(a)	13	17	(33,040)
	<u>5,342</u>	<u>(388)</u>	<u>(34,158)</u>
State and Local			
Current	3,388	3,008	3,284
Deferred ^(a)	—	(30)	(7,756)
	<u>3,388</u>	<u>2,978</u>	<u>(4,472)</u>
Foreign			
Current	27,077	30,599	26,137
Deferred	(8,083)	(4,703)	(8,266)
	<u>18,994</u>	<u>25,896</u>	<u>17,871</u>
Total Provision for (Benefit from) Income Taxes	<u>\$ 27,724</u>	<u>\$ 28,486</u>	<u>\$ (20,759)</u>

A reconciliation of effective income tax for the periods presented is as follows (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Pre-tax income (loss) attributable to taxable subsidiaries ^{(a)(b)}	\$ 55,604	\$ 37,861	\$ (56,789)
Federal provision at statutory tax rate (21%)	\$ 11,677	\$ 7,951	\$ (11,926)
Change in valuation allowance	8,082	13,178	13,946
Non-deductible expense	6,972	3,148	6,303
State and local taxes, net of federal benefit	2,920	2,713	2,336
Windfall tax benefit	(1,896)	(1,375)	(2,132)
Rate differential	(387)	(232)	(632)
Revocation of TRS Status ^(c)	—	—	(37,249)
Tax expense related to allocation of goodwill based on portion of Investment Management business sold (Note 4)	—	—	7,203
Non-taxable income	—	—	(2)
Other	356	3,103	1,394
Total provision for (benefit from) income taxes	<u>\$ 27,724</u>	<u>\$ 28,486</u>	<u>\$ (20,759)</u>

(a) Pre-tax loss attributable to taxable subsidiaries for 2020 was primarily driven by: (i) a portion of the other-than-temporary impairment charges totaling \$47.1 million recognized on our equity method investments in CWI 1 and CWI 2 [\(Note 9\)](#), (ii) the allocation of \$34.3 million of goodwill within our Investment Management segment as a result of the WLT management internalization [\(Note 4\)](#), and (iii) an impairment charge of \$12.6 million recognized on an international property [\(Note 9\)](#).

(b) Pre-tax income attributable to taxable subsidiaries for 2022 includes taxable income, recognized in connection with the CPA:18 Merger, associated with the accelerated vesting of shares previously issued by CPA:18 – Global to us for asset management services performed.

- (c) Amount for the year ended December 31, 2020 includes an aggregate deferred tax benefit of \$37.2 million as a result of the release of a deferred tax liability relating to our investment in shares of Lineage Logistics (Note 9), which converted to a REIT during the year and is therefore no longer subject to federal and state income taxes

Benefit from income taxes for the year ended December 31, 2020 includes a deferred tax benefit of \$6.3 million as a result of the other-than-temporary impairment charges that we recognized on our equity method investments in CWI 1 and CWI 2 during the year (Note 9).

In light of the COVID-19 outbreak during the first quarter of 2020, we continue to monitor domestic and international tax considerations and the potential impact on our consolidated financial statements. The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) (U.S. federal legislation enacted on March 27, 2020 in response to the COVID-19 pandemic) provides that net operating losses incurred in 2018, 2019, or 2020 may be carried back to offset taxable income earned during the five-year period prior to the year in which the net operating loss was incurred. As a result, we recognized a \$4.7 million current tax benefit during the year ended December 31, 2020 by carrying back certain net operating losses, which is included in Benefit from income taxes disclosed in the tables above.

Deferred Income Taxes

Deferred income taxes at December 31, 2022 and 2021 consist of the following (in thousands):

	December 31,	
	2022	2021
Deferred Tax Assets		
Net operating loss and other tax credit carryforwards	\$ 63,454	\$ 55,147
Basis differences — foreign investments	62,099	52,705
Unearned and deferred compensation	643	15,895
Lease liabilities ^(a)	—	14,752
Other	1,242	374
Total deferred tax assets	127,438	138,873
Valuation allowance	(106,185)	(108,812)
Net deferred tax assets	21,253	30,061
Deferred Tax Liabilities		
Basis differences — foreign investments	(179,761)	(145,524)
ROU assets ^(a)	—	(12,637)
Basis differences — equity investees	—	(1,195)
Total deferred tax liabilities	(179,761)	(159,356)
Net Deferred Tax Liability	\$ (158,508)	\$ (129,295)

- (a) Balances represent our basis differences for our office leases on domestic taxable subsidiaries. Basis differences on our foreign ground leases are included within the line item Basis differences — foreign investments.

Our deferred tax assets and liabilities are primarily the result of temporary differences related to the following:

- Basis differences between tax and GAAP for certain international real estate investments. For income tax purposes, in certain acquisitions, we assume the seller’s basis, or the carry-over basis, in the acquired assets. The carry-over basis is typically lower than the purchase price, or the GAAP basis, resulting in a deferred tax liability with an offsetting increase to goodwill or the acquired tangible or intangible assets;
- Timing differences generated by differences in the GAAP basis and the tax basis of assets such as those related to capitalized acquisition costs, straight-line rent, prepaid rents, and intangible assets, as well as unearned and deferred compensation;
- Basis differences in equity investments represents fees earned in shares recognized under GAAP into income and deferred for U.S. taxes based upon a share vesting schedule; and

- Tax net operating losses in certain subsidiaries, including those domiciled in foreign jurisdictions, that may be realized in future periods if the respective subsidiary generates sufficient taxable income. Certain net operating losses and interest carryforwards were subject to limitations as a result of the CPA:18 Merger, and thus could not be applied to reduce future income tax liabilities.

As of December 31, 2022, U.S. federal and state net operating loss carryforwards were \$17.5 million and \$11.4 million, respectively, which will begin to expire in 2033. As of December 31, 2022, net operating loss carryforwards in foreign jurisdictions were \$90.6 million, which will begin to expire in 2023.

The net deferred tax liability in the table above is comprised of deferred tax asset balances, net of certain deferred tax liabilities and valuation allowances, of \$20.5 million and \$16.3 million at December 31, 2022 and 2021, respectively, which are included in Other assets, net in the consolidated balance sheets, and other deferred tax liability balances of \$179.0 million and \$145.6 million at December 31, 2022 and 2021, respectively, which are included in Deferred income taxes in the consolidated balance sheets.

Our taxable subsidiaries recognize tax positions in the financial statements only when it is more likely than not that the position will be sustained on examination by the relevant taxing authority based on the technical merits of the position. A position that meets this standard is measured at the largest amount of benefit that will more likely than not be realized on settlement. A liability is established for differences between positions taken in a tax return and amounts recognized in the financial statements.

The following table presents a reconciliation of the beginning and ending amount of unrecognized tax benefits (in thousands):

	Years Ended December 31,	
	2022	2021
Beginning balance	\$ 5,994	\$ 6,312
Decrease due to lapse in statute of limitations	(2,847)	(508)
Increase due to CPA:18 Merger	2,694	—
Addition based on tax positions related to the prior year	543	315
Foreign currency translation adjustments	(407)	(451)
Addition based on tax positions related to the current year	241	326
Ending balance	<u>\$ 6,218</u>	<u>\$ 5,994</u>

At December 31, 2022 and 2021, we had unrecognized tax benefits as presented in the table above that, if recognized, would have a favorable impact on our effective income tax rate in future periods. These unrecognized tax benefits are recorded as liabilities within Accounts payable, accrued expenses and other liabilities on our consolidated balance sheets. We recognize interest and penalties related to uncertain tax positions in income tax expense. At December 31, 2022 and 2021, we had approximately \$1.6 million and \$2.1 million, respectively, of accrued interest related to uncertain tax positions.

Income Taxes Paid

Income taxes paid were \$42.6 million, \$44.3 million, and \$43.5 million for the years ended December 31, 2022, 2021, and 2020, respectively.

Real Estate Operations

We elected to be taxed as a REIT under Section 856 through 860 of the Internal Revenue Code effective as of February 15, 2012. In order to maintain our qualification as a REIT, we are required, among other things, to distribute at least 90% of our REIT net taxable income to our stockholders and meet certain tests regarding the nature of our income and assets. As a REIT, we are not subject to federal income taxes on our income and gains that we distribute to our stockholders as long as we satisfy certain requirements, principally relating to the nature of our income and the level of our distributions, as well as other factors. We believe that we have operated, and we intend to continue to operate, in a manner that allows us to continue to qualify as a REIT. We conduct business primarily in North America and Europe, and as a result, we or one or more of our subsidiaries file income tax returns in the United States federal jurisdiction and various state, local, and foreign jurisdictions.

Investment Management Operations

We conduct our investment management services in our Investment Management segment through TRSs. Our use of TRSs enables us to engage in certain businesses while complying with the REIT qualification requirements and also allows us to retain income generated by these businesses for reinvestment without the requirement to distribute those earnings. Certain of our inter-company transactions that have been eliminated in consolidation for financial accounting purposes are also subject to taxation.

Tax authorities in the relevant jurisdictions may select our tax returns for audit and propose adjustments before the expiration of the statute of limitations. Our tax returns filed for tax years 2017 through 2021 or any ongoing audits remain open to adjustment in the major tax jurisdictions.

Note 16. Property Dispositions

We have an active capital recycling program, with a goal of extending the average lease term through reinvestment, improving portfolio credit quality through dispositions and acquisitions of assets, increasing the asset criticality factor in our portfolio, and/or executing strategic dispositions of assets. We may decide to dispose of a property when it is vacant as a result of tenants vacating space, tenants electing not to renew their leases, tenant insolvency, or lease rejection in the bankruptcy process. In such cases, we assess whether we can obtain the highest value from the property by selling it, as opposed to re-leasing it. We may also sell a property when we receive an unsolicited offer or negotiate a price for an investment that is consistent with our strategy for that investment. When it is appropriate to do so, we classify the property as an asset held for sale on our consolidated balance sheet. All property dispositions are recorded within our Real Estate segment and are also discussed in [Note 5](#) and [Note 6](#).

2022 — During the year ended December 31, 2022, we sold 23 properties for total proceeds, net of selling costs, of \$234.7 million, and recognized a net gain on these sales totaling \$43.5 million (inclusive of income taxes totaling \$5.3 million recognized upon sale). This disposition activity included two properties acquired in the CPA:18 Merger, one of which was classified as assets held for sale and sold in August 2022 ([Note 3](#), [Note 5](#)).

2021 — During the year ended December 31, 2021, we sold 24 properties for total proceeds, net of selling costs, of \$163.6 million, and recognized a net gain on these sales totaling \$40.4 million (inclusive of income taxes totaling \$4.7 million recognized upon sale).

2020 — During the year ended December 31, 2020, we sold 22 properties for total proceeds, net of selling costs, of \$366.5 million (inclusive of \$4.7 million attributable to a noncontrolling interest), and recognized a net gain on these sales totaling \$109.4 million (inclusive of income taxes totaling \$3.0 million recognized upon sale and \$0.6 million attributable to a noncontrolling interest). Disposition activity included the sale of one of our two hotel operating properties in January 2020 for total proceeds, net of selling costs, of \$103.5 million (inclusive of \$4.7 million attributable to a noncontrolling interest).

Note 17. Segment Reporting

We evaluate our results from operations by our two major business segments: Real Estate and Investment Management ([Note 1](#)). The following tables present a summary of comparative results and assets for these business segments (in thousands):

Real Estate

	Years Ended December 31,		
	2022	2021	2020
Revenues			
Lease revenues	\$ 1,301,617	\$ 1,177,438	\$ 1,080,623
Income from direct financing leases and loans receivable	74,266	67,555	74,893
Operating property revenues ^(a)	59,230	13,478	11,399
Other lease-related income	32,988	53,655	11,082
	<u>1,468,101</u>	<u>1,312,126</u>	<u>1,177,997</u>
Operating Expenses			
Depreciation and amortization ^(b)	503,403	475,989	441,948
General and administrative ^(b)	88,952	81,888	70,127
Reimbursable tenant costs	73,622	62,417	56,409
Property expenses, excluding reimbursable tenant costs	50,753	47,898	44,067
Impairment charges	39,119	24,246	35,830
Stock-based compensation expense ^(b)	32,841	24,881	15,247
Operating property expenses	27,054	9,848	9,901
Merger and other expenses	19,384	(4,597)	(937)
	<u>835,128</u>	<u>722,570</u>	<u>672,592</u>
Other Income and Expenses			
Interest expense	(219,160)	(196,831)	(210,087)
Other gains and (losses)	97,149	(13,676)	37,104
Gain on sale of real estate, net	43,476	40,425	109,370
Non-operating income	30,289	13,778	8,970
Earnings (losses) from equity method investments in real estate	16,221	(19,649)	(9,017)
Gain on change in control of interests	11,405	—	—
	<u>(20,620)</u>	<u>(175,953)</u>	<u>(63,660)</u>
Income before income taxes	612,353	413,603	441,745
(Provision for) benefit from income taxes	(21,407)	(28,703)	18,498
Net Income from Real Estate	590,946	384,900	460,243
Net loss (income) attributable to noncontrolling interests	657	(134)	(731)
Net Income from Real Estate Attributable to W. P. Carey	<u>\$ 591,603</u>	<u>\$ 384,766</u>	<u>\$ 459,512</u>

Investment Management

	Years Ended December 31,		
	2022	2021	2020
Revenues			
Asset management revenue	\$ 8,467	\$ 15,363	\$ 22,467
Reimbursable costs from affiliates	2,518	4,035	8,855
	10,985	19,398	31,322
Operating Expenses			
Impairment charges — Investment Management goodwill	29,334	—	—
Reimbursable costs from affiliates	2,518	4,035	8,855
Merger and other expenses	3	51	1,184
General and administrative ^(b)	—	—	5,823
Subadvisor fees	—	—	1,469
Depreciation and amortization ^(b)	—	—	987
Stock-based compensation expense ^(b)	—	—	691
	31,855	4,086	19,009
Other Income and Expenses			
Gain on change in control of interests	22,526	—	—
Earnings (losses) from equity method investments in the Managed Programs	13,288	8,820	(9,540)
Other gains and (losses)	(1,111)	791	61
Non-operating income	20	82	617
	34,723	9,693	(8,862)
Income before income taxes	13,853	25,005	3,451
(Provision for) benefit from income taxes	(6,317)	217	2,261
Net Income from Investment Management	7,536	25,222	5,712
Net income attributable to noncontrolling interests	—	—	(9,865)
Net Income (Loss) from Investment Management Attributable to W. P. Carey	\$ 7,536	\$ 25,222	\$ (4,153)

Total Company

	Years Ended December 31,		
	2022	2021	2020
Revenues	\$ 1,479,086	\$ 1,331,524	\$ 1,209,319
Operating expenses	866,983	726,656	691,601
Other income and expenses	14,103	(166,260)	(72,522)
(Provision for) benefit from income taxes	(27,724)	(28,486)	20,759
Net loss (income) attributable to noncontrolling interests	657	(134)	(10,596)
Net income attributable to W. P. Carey	\$ 599,139	\$ 409,988	\$ 455,359
		Total Assets at December 31,	
		2022	2021
Real Estate		\$ 18,077,155	\$ 15,344,703
Investment Management ^(c)		24,880	135,927
Total Company		\$ 18,102,035	\$ 15,480,630

- (a) Operating property revenues from our hotels include (i) \$12.0 million, \$7.2 million, and \$4.0 million for the years ended December 31, 2022, 2021, and 2020, respectively, generated from a hotel in Bloomington, Minnesota (revenues reflect higher occupancy as the hotel's business recovered from the COVID-19 pandemic), and (ii) \$1.9 million for the year ended December 31, 2020 generated from a hotel in Miami, Florida, which was sold in January 2020 (Note 16).

- (b) Beginning with the second quarter of 2020, general and administrative expenses attributed to our Investment Management segment are comprised of the incremental costs of providing services to the Managed Programs, which are fully reimbursed by those funds (resulting in no net expense for us). All other general and administrative expenses are attributed to our Real Estate segment. Previously, general and administrative expenses were allocated based on time incurred by our personnel for the Real Estate and Investment Management segments. In addition, beginning with the second quarter of 2020, stock-based compensation expense and corporate depreciation and amortization expense are fully recognized within our Real Estate segment. In light of the termination of the advisory agreements with CWI 1 and CWI 2 in connection with the WLT management internalization (Note 4), as well as the termination of the advisory agreements with CPA:18 – Global in connection with the CPA:18 Merger (Note 3), we now view essentially all assets, liabilities, and operational expenses as part of our Real Estate segment, other than incremental activities that are expected to wind down as we manage CESH through the end of its life cycle (Note 2). These changes between the segments had no impact on our consolidated financial statements.
- (c) Following the CPA:18 Merger on August 1, 2022, we no longer own an equity investment in CPA:18 – Global, which was previously included within our Investment Management segment (Note 3, Note 8). In addition, during the year ended December 31, 2022, we recorded an impairment charge of \$29.3 million on goodwill within our Investment Management segment (Note 7, Note 9).

Our portfolio is comprised of domestic and international investments. At December 31, 2022, our international investments within our Real Estate segment were comprised of investments in Poland, Germany, the Netherlands, Spain, the United Kingdom, France, Italy, Denmark, Croatia, Canada, Norway, Mexico, Finland, Lithuania, Hungary, Portugal, Slovakia, the Czech Republic, Belgium, Austria, Sweden, Japan, Mauritius, Latvia, and Estonia. No tenant or international country individually comprised at least 10% of our total lease revenues for the years ended December 31, 2022, 2021, or 2020, or at least 10% of our total long-lived assets at December 31, 2022 or 2021. Revenues and assets within our Investment Management segment are entirely domestic. The following tables present the geographic information for our Real Estate segment (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Revenues			
Domestic	\$ 985,763	\$ 860,961	\$ 756,763
International	482,338	451,165	421,234
Total	<u>\$ 1,468,101</u>	<u>\$ 1,312,126</u>	<u>\$ 1,177,997</u>
	December 31,		
	2022	2021	
Long-lived Assets			
Domestic	\$ 10,053,422	\$ 8,170,448	
International	5,435,476	4,866,921	
Total	<u>\$ 15,488,898</u>	<u>\$ 13,037,369</u>	
Equity Investments in Real Estate			
Domestic	\$ 286,708	\$ 236,643	
International	38,569	55,260	
Total	<u>\$ 325,277</u>	<u>\$ 291,903</u>	

Note 18. Subsequent Events***Acquisition***

In January 2023, we completed one acquisition for approximately \$64.8 million.

Disposition

In January 2023, we sold one property for gross proceeds of \$11.2 million, which was classified as held for sale as of December 31, 2022 ([Note 5](#)).

Issuances Under our ATM Program

In January 2023, we sold 353,264 shares of our common stock through our ATM Forwards at a weighted-average price of \$81.94 per share for anticipated net proceeds of approximately \$29 million ([Note 13](#)).

Amended Credit Facility

In January 2023, we entered into a Third Amendment to the Credit Agreement ([Note 11](#)) to (i) replace the benchmark rate at which U.S.-dollar-denominated borrowings bear interest from LIBOR to the forward-looking SOFR and (ii) increase the aggregate principal amount (of revolving and term loans) available under the Senior Unsecured Credit Facility from an amount not to exceed the U.S. dollar equivalent of \$2.75 billion to \$3.05 billion, subject to the conditions to increase set forth in the Credit Agreement.

W. P. CAREY INC.
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
Years Ended December 31, 2022, 2021, and 2020
(in thousands)

Description	Balance at Beginning of Year	Other Additions	Deductions	Balance at End of Year
Year Ended December 31, 2022				
Valuation reserve for deferred tax assets	\$ 108,812	\$ 34,894	\$ (37,521)	\$ 106,185
Year Ended December 31, 2021				
Valuation reserve for deferred tax assets	\$ 86,069	\$ 40,895	\$ (18,152)	\$ 108,812
Year Ended December 31, 2020				
Valuation reserve for deferred tax assets	\$ 73,643	\$ 31,470	\$ (19,044)	\$ 86,069

W. P. CAREY INC.
SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2022
(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}			Accumulated Depreciation ^(e)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Real Estate Subject to Operating Leases												
Industrial facilities in Erlanger, KY	\$ —	\$ 1,526	\$ 21,427	\$ 2,966	\$ (84)	\$ 1,526	\$ 24,309	\$ 25,835	\$ 15,406	1979; 1987	Jan. 1998	40 yrs.
Industrial facilities in Thurmont, MD and Farmington, NY	—	729	5,903	—	—	729	5,903	6,632	3,420	1964; 1983	Jan. 1998	15 yrs.
Warehouse facility in Commerce, CA	—	4,905	11,898	—	(3,043)	4,573	9,187	13,760	5,820	1948	Jan. 1998	40 yrs.
Industrial facility in Toledo, OH	—	224	2,408	—	—	224	2,408	2,632	2,007	1966	Jan. 1998	40 yrs.
Industrial facility in Goshen, IN	—	239	940	—	—	239	940	1,179	604	1973	Jan. 1998	40 yrs.
Office facility in Raleigh, NC	—	1,638	2,844	187	(2,554)	828	1,287	2,115	1,085	1983	Jan. 1998	20 yrs.
Office facility in King of Prussia, PA	—	1,219	6,283	1,295	—	1,219	7,578	8,797	4,627	1968	Jan. 1998	40 yrs.
Industrial facility in Pinconning, MI	—	32	1,692	—	—	32	1,692	1,724	1,057	1948	Jan. 1998	40 yrs.
Industrial facilities in Sylmar, CA	—	2,052	5,322	—	(1,889)	1,494	3,991	5,485	2,504	1962; 1979	Jan. 1998	40 yrs.
Retail facilities in the United States	—	9,382	—	238	14,696	9,025	15,291	24,316	10,071	Various	Jan. 1998	15 yrs.
Land in Glendora, CA	—	1,135	—	—	17	1,152	—	1,152	—	N/A	Jan. 1998	N/A
Warehouse facility in Doraville, GA	—	3,288	9,864	17,079	(11,410)	3,288	15,533	18,821	2,797	2016	Jan. 1998	40 yrs.
Office facility in Collierville, TN and warehouse facility in Corpus Christi, TX	—	3,490	72,497	3,513	(15,608)	288	63,604	63,892	24,648	1989; 1999	Jan. 1998	40 yrs.
Land in Irving and Houston, TX	—	9,795	—	—	—	9,795	—	9,795	—	N/A	Jan. 1998	N/A
Industrial facility in Chandler, AZ	—	5,035	18,957	8,373	516	5,035	27,846	32,881	16,742	1989	Jan. 1998	40 yrs.
Office facility in Bridgeton, MO	—	842	4,762	2,523	(196)	842	7,089	7,931	4,307	1972	Jan. 1998	40 yrs.
Warehouse facility in Memphis, TN	—	1,882	3,973	294	(3,892)	328	1,929	2,257	1,591	1969	Jan. 1998	15 yrs.
Industrial facility in Romulus, MI	—	454	6,411	525	—	454	6,936	7,390	2,766	1970	Jan. 1998	10 yrs.
Retail facility in Bellevue, WA	—	4,125	11,812	393	(123)	4,371	11,836	16,207	7,149	1994	Apr. 1998	40 yrs.
Office facility in Rio Rancho, NM	—	1,190	9,353	5,866	(238)	2,287	13,884	16,171	7,639	1999	Jul. 1998	40 yrs.
Office facility in Moorestown, NJ	—	351	5,981	1,690	1	351	7,672	8,023	4,887	1964	Feb. 1999	40 yrs.
Industrial facility in Winston-Salem, NC	—	1,860	12,539	3,075	(7,325)	925	9,224	10,149	5,591	1980	Sep. 2002	40 yrs.
Office facilities in Playa Vista and Venice, CA	19,523	2,032	10,152	52,817	1	5,889	59,113	65,002	20,644	1991; 1999	Sep. 2004; Sep. 2012	40 yrs.
Warehouse facility in Greenfield, IN	—	2,807	10,335	223	(8,383)	967	4,015	4,982	2,288	1995	Sep. 2004	40 yrs.
Warehouse facilities in Apopka, FL	—	362	10,855	1,195	(155)	337	11,920	12,257	4,891	1969	Sep. 2004	40 yrs.
Land in San Leandro, CA	—	1,532	—	—	—	1,532	—	1,532	—	N/A	Dec. 2006	N/A
Fitness facility in Austin, TX	—	1,725	5,168	—	—	1,725	5,168	6,893	2,917	1995	Dec. 2006	29 yrs.
Retail facility in Wroclaw, Poland	—	3,600	10,306	—	(4,260)	2,667	6,979	9,646	2,596	2007	Dec. 2007	40 yrs.
Office facility in Fort Worth, TX	—	4,600	37,580	367	—	4,600	37,947	42,547	12,191	2003	Feb. 2010	40 yrs.
Warehouse facility in Mallorca, Spain	—	11,109	12,636	—	(2,543)	9,901	11,301	21,202	3,553	2008	Jun. 2010	40 yrs.
Net-lease hotels in the United States	—	32,680	198,999	—	(10,651)	30,099	190,929	221,028	56,001	1989; 1990	Sep. 2012	34 - 37 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)
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(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c)(d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Industrial facilities in Auburn, IN; Clinton Township, MI; and Bluffton, OH	—	4,403	20,298	—	(3,870)	2,589	18,242	20,831	5,915	1968; 1975; 1995	Sep. 2012; Jan. 2014	30 yrs.
Office facility in Irvine, CA	—	4,173	—	—	13,766	4,173	13,766	17,939	665	1981	Sep. 2012	31 yrs.
Industrial facility in Alpharetta, GA	—	2,198	6,349	1,247	—	2,198	7,596	9,794	2,675	1997	Sep. 2012	30 yrs.
Office facilities in St. Petersburg, FL	—	3,280	24,627	4,627	—	3,280	29,254	32,534	9,207	1996; 1999	Sep. 2012	30 yrs.
Movie theater in Baton Rouge, LA	—	4,168	5,724	3,200	—	4,168	8,924	13,092	3,105	2003	Sep. 2012	30 yrs.
Industrial and office facility in San Diego, CA	—	7,804	16,729	5,939	(832)	7,804	21,836	29,640	7,626	2002	Sep. 2012	30 yrs.
Industrial facility in Richmond, CA	—	895	1,953	—	—	895	1,953	2,848	669	1999	Sep. 2012	30 yrs.
Warehouse facilities in the United States	—	16,386	84,668	10,959	—	16,386	95,627	112,013	29,926	Various	Sep. 2012	30 yrs.
Industrial facilities in Rocky Mount, NC and Lewisville, TX	—	2,163	17,715	609	(8,389)	1,132	10,966	12,098	3,725	1948; 1989	Sep. 2012	30 yrs.
Industrial facilities in Chattanooga, TN	—	558	5,923	—	—	558	5,923	6,481	2,006	1974; 1989	Sep. 2012	30 yrs.
Industrial facility in Mooresville, NC	—	756	9,775	—	—	756	9,775	10,531	3,302	1997	Sep. 2012	30 yrs.
Industrial facility in McCalla, AL	—	960	14,472	42,662	(254)	2,076	55,764	57,840	12,717	2004	Sep. 2012	31 yrs.
Office facility in Yardley, PA	—	1,726	12,781	4,378	—	1,726	17,159	18,885	5,555	2002	Sep. 2012	30 yrs.
Industrial facility in Fort Smith, AZ	—	1,063	6,159	—	—	1,063	6,159	7,222	2,058	1982	Sep. 2012	30 yrs.
Retail facilities in Greenwood, IN and Buffalo, NY	2,519	—	19,990	—	—	—	19,990	19,990	6,608	2000; 2003	Sep. 2012	30 - 31 yrs.
Industrial facilities in Bowling Green, KY and Jackson, TN	—	1,492	8,182	600	—	1,492	8,782	10,274	2,771	1989; 1995	Sep. 2012	31 yrs.
Education facilities in Rancho Cucamonga, CA and Exton, PA	—	14,006	33,683	9,428	(20,142)	6,638	30,337	36,975	8,207	2004	Sep. 2012	31 - 32 yrs.
Industrial facilities in St. Petersburg, FL; Buffalo Grove, IL; West Lafayette, IN; Excelsior Springs, MO; and North Versailles, PA	—	6,559	19,078	3,285	—	6,559	22,363	28,922	6,657	Various	Sep. 2012	31 yrs.
Industrial and warehouse facility in Mesquite, TX	—	2,702	13,029	—	—	2,702	13,029	15,731	507	1972	Sep. 2012	31 yrs.
Industrial facilities in Tolleson, AZ; Alsip, IL; and Solvay, NY	—	6,080	23,424	546	—	6,080	23,970	30,050	7,690	1990; 1994; 2000	Sep. 2012	31 yrs.
Fitness facility in Memphis, TN	—	4,877	4,258	5,215	(2,353)	2,027	9,970	11,997	4,415	1990	Sep. 2012	31 yrs.
Warehouse facilities in Oceanside, CA and Concordville, PA	1,045	3,333	8,270	—	—	3,333	8,270	11,603	2,719	1989; 1996	Sep. 2012	31 yrs.
Net-lease self-storage facilities in the United States	—	74,551	319,186	—	(50)	74,501	319,186	393,687	103,823	Various	Sep. 2012	31 yrs.
Warehouse facility in La Vista, NE	17,095	4,196	23,148	—	—	4,196	23,148	27,344	7,095	2005	Sep. 2012	33 yrs.
Office facility in Pleasanton, CA	—	3,675	7,468	—	—	3,675	7,468	11,143	2,423	2000	Sep. 2012	31 yrs.
Office facility in San Marcos, TX	—	440	688	—	—	440	688	1,128	223	2000	Sep. 2012	31 yrs.
Office facility in Chicago, IL	—	2,169	19,010	83	(72)	2,169	19,021	21,190	6,125	1910	Sep. 2012	31 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)
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(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c), (d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Industrial facilities in Hollywood and Orlando, FL	—	3,639	1,269	—	—	3,639	1,269	4,908	409	1996	Sep. 2012	31 yrs.
Warehouse facility in Golden, CO	—	808	4,304	77	—	808	4,381	5,189	1,551	1998	Sep. 2012	30 yrs.
Industrial facility in Texarkana, TX	—	1,755	4,493	—	(2,783)	216	3,249	3,465	1,046	1997	Sep. 2012	31 yrs.
Industrial facility in South Jordan, UT	—	2,183	11,340	1,642	—	2,183	12,982	15,165	4,093	1995	Sep. 2012	31 yrs.
Warehouse facility in Ennis, TX	—	478	4,087	145	(145)	478	4,087	4,565	1,316	1989	Sep. 2012	31 yrs.
Office facility in Paris, France	—	23,387	43,450	703	(11,450)	19,397	36,693	56,090	11,375	1975	Sep. 2012	32 yrs.
Retail facilities in Poland	—	26,564	72,866	—	(17,002)	21,993	60,435	82,428	26,047	Various	Sep. 2012	23 - 34 yrs.
Industrial facilities in Danbury, CT and Bedford, MA	—	3,519	16,329	—	—	3,519	16,329	19,848	5,608	1965; 1980	Sep. 2012	29 yrs.
Industrial facility in Brownwood, TX	—	722	6,268	—	—	722	6,268	6,990	1,671	1964	Sep. 2012	15 yrs.
Industrial facility in Rochester, MN	—	809	14,236	1,200	—	809	15,436	16,245	673	1997	Sep. 2012	31 yrs.
Industrial and office facility in Tampere, Finland	—	2,309	37,153	—	(7,176)	1,865	30,421	32,286	9,311	2012	Jun. 2013	40 yrs.
Office facility in Quincy, MA	—	2,316	21,537	127	—	2,316	21,664	23,980	5,594	1989	Jun. 2013	40 yrs.
Office facility in Salford, United Kingdom	—	—	30,012	—	(6,940)	—	23,072	23,072	5,484	1997	Sep. 2013	40 yrs.
Office facility in Lone Tree, CO	—	4,761	28,864	3,381	—	4,761	32,245	37,006	8,768	2001	Nov. 2013	40 yrs.
Office facility in Mönchengladbach, Germany	27,642	2,154	6,917	50,626	(4,660)	2,048	52,989	55,037	9,449	2015	Dec. 2013	40 yrs.
Fitness facility in Houston, TX	—	2,430	2,270	—	—	2,430	2,270	4,700	903	1995	Jan. 2014	23 yrs.
Fitness facility in St. Charles, MO	—	1,966	1,368	1,658	—	1,966	3,026	4,992	1,140	1987	Jan. 2014	27 yrs.
Office facility in Scottsdale, AZ	—	22,300	42,329	89	—	22,300	42,418	64,718	3,052	1977	Jan. 2014	34 yrs.
Industrial facility in Aurora, CO	—	737	2,609	—	—	737	2,609	3,346	736	1985	Jan. 2014	32 yrs.
Warehouse facility in Burlington, NJ	—	3,989	6,213	377	—	3,989	6,590	10,579	2,323	1999	Jan. 2014	26 yrs.
Industrial facility in Albuquerque, NM	—	2,467	3,476	606	—	2,467	4,082	6,549	1,382	1993	Jan. 2014	27 yrs.
Industrial facility in North Salt Lake, UT	—	10,601	17,626	—	(16,936)	4,388	6,903	11,291	2,352	1981	Jan. 2014	26 yrs.
Industrial facility in Lexington, NC	—	2,185	12,058	—	(2,519)	494	11,230	11,724	3,608	2003	Jan. 2014	28 yrs.
Industrial facility in Dallas, TX	—	3,190	10,010	—	—	3,190	10,010	13,200	133	1968	Jan. 2014	32 yrs.
Land in Welcome, NC	—	980	11,230	—	(11,724)	486	—	486	—	N/A	Jan. 2014	N/A
Industrial facilities in Evansville, IN; Lawrence, KS; and Baltimore, MD	—	4,005	44,192	—	—	4,005	44,192	48,197	16,530	1911; 1967; 1982	Jan. 2014	24 yrs.
Industrial facilities in Colton, CA; Bonner Springs, KS; and Dallas, TX and land in Eagan, MN	—	8,451	25,457	—	298	8,451	25,755	34,206	7,996	1978; 1979; 1986	Jan. 2014	17 - 34 yrs.
Retail facility in Torrance, CA	—	8,412	12,241	2,227	(77)	8,335	14,468	22,803	5,219	1973	Jan. 2014	25 yrs.
Office facility in Houston, TX	—	6,578	424	560	—	6,578	984	7,562	640	1978	Jan. 2014	27 yrs.
Land in Doncaster, United Kingdom	—	4,257	4,248	—	(8,146)	359	—	359	—	N/A	Jan. 2014	N/A
Warehouse facility in Norwich, CT	—	3,885	21,342	—	2	3,885	21,344	25,229	6,736	1960	Jan. 2014	28 yrs.

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(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c)(d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Warehouse facility in Norwich, CT	—	1,437	9,669	—	—	1,437	9,669	11,106	3,052	2005	Jan. 2014	28 yrs.
Warehouse facility in Whitehall, PA	—	7,435	9,093	27,148	(9,545)	6,983	27,148	34,131	971	2021	Jan. 2014	40 yrs.
Retail facility in York, PA	—	3,776	10,092	—	(6,413)	527	6,928	7,455	1,830	2005	Jan. 2014	34 yrs.
Warehouse facilities in Atlanta, GA and Elkwood, VA	—	5,356	4,121	—	(2,104)	4,284	3,089	7,373	989	1975	Jan. 2014	28 yrs.
Warehouse facility in Harrisburg, NC	—	1,753	5,840	781	(111)	1,642	6,621	8,263	2,071	2000	Jan. 2014	26 yrs.
Industrial facility in Chandler, AZ; industrial, office, and warehouse facility in Englewood, CO; and land in Englewood, CO	1,552	4,306	7,235	—	3	4,306	7,238	11,544	2,133	1978; 1987	Jan. 2014	30 yrs.
Industrial facility in Cynthiana, KY	831	1,274	3,505	525	(107)	1,274	3,923	5,197	1,257	1967	Jan. 2014	31 yrs.
Industrial facilities in Albemarle and Old Fort, NC and Holmesville, OH	—	5,507	18,653	—	—	5,507	18,653	24,160	722	1955; 1966; 1970	Jan. 2014	32 yrs.
Industrial facility in Columbia, SC	—	2,843	11,886	—	—	2,843	11,886	14,729	4,692	1962	Jan. 2014	23 yrs.
Movie theater in Midlothian, VA	—	2,824	16,618	—	—	2,824	16,618	19,442	2,355	2000	Jan. 2014	40 yrs.
Net-lease student housing facility in Laramie, WY	—	1,966	18,896	—	—	1,966	18,896	20,862	5,920	2007	Jan. 2014	33 yrs.
Warehouse facilities in Mendota, IL; Toppenish, WA; and Plover, WI	—	1,444	21,208	—	(623)	1,382	20,647	22,029	8,212	1996	Jan. 2014	23 yrs.
Land in Sunnyvale, CA	—	9,297	24,086	—	(26,077)	7,306	—	7,306	—	N/A	Jan. 2014	N/A
Industrial facilities in Hampton, NH	—	8,990	7,362	—	—	8,990	7,362	16,352	2,164	1976	Jan. 2014	30 yrs.
Industrial facilities in France	—	36,306	5,212	337	3,123	24,411	20,567	44,978	2,904	Various	Jan. 2014	23 yrs.
Retail facility in Fairfax, VA	—	3,402	16,353	—	(6,219)	1,914	11,622	13,536	5,536	1998	Jan. 2014	26 yrs.
Retail facility in Lombard, IL	—	5,087	8,578	—	—	5,087	8,578	13,665	2,904	1999	Jan. 2014	26 yrs.
Warehouse facility in Plainfield, IN	—	1,578	29,415	1,674	—	1,578	31,089	32,667	8,786	1997	Jan. 2014	30 yrs.
Retail facility in Kennesaw, GA	—	2,849	6,180	5,530	(76)	2,773	11,710	14,483	3,966	1999	Jan. 2014	26 yrs.
Retail facility in Leawood, KS	—	1,487	13,417	—	—	1,487	13,417	14,904	4,542	1997	Jan. 2014	26 yrs.
Office facility in Tolland, CT	—	1,817	5,709	—	11	1,817	5,720	7,537	1,860	1968	Jan. 2014	28 yrs.
Warehouse facilities in Lincolnton, NC and Mauldin, SC	—	1,962	9,247	—	—	1,962	9,247	11,209	2,936	1988; 1996	Jan. 2014	28 yrs.
Retail facilities in Germany	—	81,109	153,927	10,510	(142,195)	26,287	77,064	103,351	22,737	Various	Jan. 2014	Various
Office facility in Southfield, MI	—	1,726	4,856	89	—	1,726	4,945	6,671	1,425	1985	Jan. 2014	31 yrs.
Office facility in The Woodlands, TX	—	3,204	24,997	—	—	3,204	24,997	28,201	7,075	1997	Jan. 2014	32 yrs.
Warehouse facilities in Valdosta, GA and Johnson City, TN	—	1,080	14,998	1,841	—	1,080	16,839	17,919	5,395	1978; 1998	Jan. 2014	27 yrs.
Industrial facility in Amherst, NY	5,893	674	7,971	—	—	674	7,971	8,645	3,170	1984	Jan. 2014	23 yrs.
Industrial and warehouse facilities in Westfield, MA	—	1,922	9,755	7,435	9	1,922	17,199	19,121	5,850	1954; 1997	Jan. 2014	28 yrs.
Office facility in Bloomington, MN	—	2,942	7,155	—	(3,257)	1,740	5,100	6,840	2,200	1988	Jan. 2014	28 yrs.

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(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Warehouse facility in Gorinchem, Netherlands	—	1,143	5,648	—	(1,470)	896	4,425	5,321	1,393	1995	Jan. 2014	28 yrs.
Retail facility in Cresskill, NJ	—	2,366	5,482	—	19	2,366	5,501	7,867	1,574	1975	Jan. 2014	31 yrs.
Retail facility in Livingston, NJ	—	2,932	2,001	—	14	2,932	2,015	4,947	661	1966	Jan. 2014	27 yrs.
Retail facility in Montclair, NJ	—	1,905	1,403	—	6	1,905	1,409	3,314	462	1950	Jan. 2014	27 yrs.
Retail facility in Morristown, NJ	—	3,258	8,352	—	26	3,258	8,378	11,636	2,750	1973	Jan. 2014	27 yrs.
Retail facility in Summit, NJ	—	1,228	1,465	—	8	1,228	1,473	2,701	483	1950	Jan. 2014	27 yrs.
Industrial facilities in Georgetown, TX and Woodland, WA	—	965	4,113	—	—	965	4,113	5,078	1,087	1998; 2001	Jan. 2014	33 - 35 yrs.
Education facilities in Union, NJ; Allentown and Philadelphia, PA; and Grand Prairie, TX	—	5,365	7,845	—	5	5,365	7,850	13,215	2,514	Various	Jan. 2014	28 yrs.
Industrial facility in Salisbury, NC	—	1,499	8,185	—	—	1,499	8,185	9,684	2,629	2000	Jan. 2014	28 yrs.
Industrial facility in Twinsburg, OH and office facility in Plymouth, MI	—	2,831	10,565	386	(2,244)	2,501	9,037	11,538	2,898	1991; 1995	Jan. 2014	27 yrs.
Industrial facility in Cambridge, Canada	—	1,849	7,371	—	(1,607)	1,526	6,087	7,613	1,737	2001	Jan. 2014	31 yrs.
Industrial facilities in Peru, IL; Huber Heights, Lima, and Sheffield, OH; and Lebanon, TN	—	2,962	17,832	—	—	2,962	17,832	20,794	5,087	Various	Jan. 2014	31 yrs.
Industrial facility in Ramos Arizpe, Mexico	—	1,059	2,886	—	—	1,059	2,886	3,945	821	2000	Jan. 2014	31 yrs.
Industrial facilities in Salt Lake City, UT	—	2,783	3,773	—	—	2,783	3,773	6,556	1,076	1983; 2002	Jan. 2014	31 - 33 yrs.
Net-lease student housing facility in Blairsville, PA	—	1,631	23,163	—	—	1,631	23,163	24,794	7,052	2005	Jan. 2014	33 yrs.
Education facility in Mooresville, NC	397	1,795	15,955	—	—	1,795	15,955	17,750	983	2002	Jan. 2014	33 yrs.
Warehouse facilities in Atlanta, Doraville, and Rockmart, GA	—	6,488	77,192	—	—	6,488	77,192	83,680	24,122	1959; 1962; 1991	Jan. 2014	23 - 33 yrs.
Warehouse facility in Muskogee, OK	—	554	4,353	—	(3,437)	158	1,312	1,470	357	1992	Jan. 2014	33 yrs.
Industrial facility in Richmond, MO	—	2,211	8,505	747	—	2,211	9,252	11,463	2,938	1996	Jan. 2014	28 yrs.
Industrial facility in Tuusula, Finland	—	6,173	10,321	—	(3,570)	4,837	8,087	12,924	2,828	1975	Jan. 2014	26 yrs.
Office facility in Turku, Finland	—	5,343	34,106	3,792	325	5,052	38,514	43,566	11,238	1981	Jan. 2014	28 yrs.
Warehouse facility in Phoenix, AZ	—	6,747	21,352	380	—	6,747	21,732	28,479	7,056	1996	Jan. 2014	28 yrs.
Land in Calgary, Canada	—	3,721	—	—	(649)	3,072	—	3,072	—	N/A	Jan. 2014	N/A
Industrial facilities in Kearney, MO; York, NE; Walbridge, OH; Rocky Mount, VA; and Martinsburg, WV	—	4,816	31,712	—	—	4,816	31,712	36,528	114	Various	Jan. 2014	31 yrs.
Industrial facilities in Sandersville, GA; Erwin, TN; and Gainesville, TX	739	955	4,779	—	—	955	4,779	5,734	1,374	1950; 1986; 1996	Jan. 2014	31 yrs.
Industrial facility in Buffalo Grove, IL	2,763	1,492	12,233	—	—	1,492	12,233	13,725	3,527	1996	Jan. 2014	31 yrs.

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		Land	Buildings			Land	Buildings	Total				
Industrial facilities in West Jordan, UT and Tacoma, WA; office facility in Eugene, OR; and warehouse facility in Perris, CA	—	8,989	5,435	—	8	8,989	5,443	14,432	1,728	Various	Jan. 2014	28 yrs.
Office facility in Carlsbad, CA	—	3,230	5,492	—	—	3,230	5,492	8,722	2,076	1999	Jan. 2014	24 yrs.
Movie theater in Pensacola, FL	—	1,746	—	—	5,181	1,746	5,181	6,927	361	2001	Jan. 2014	33 yrs.
Movie theater in Port St. Lucie, FL	—	4,654	2,576	—	—	4,654	2,576	7,230	840	2000	Jan. 2014	27 yrs.
Industrial facility in Nurieux-Volognat, France	—	121	5,328	—	(1,085)	94	4,270	4,364	1,177	2000	Jan. 2014	32 yrs.
Industrial facility in Monheim, Germany	—	2,500	5,727	—	(664)	2,303	5,260	7,563	209	1992	Jan. 2014	32 yrs.
Warehouse facility in Suwanee, GA	—	2,330	8,406	—	—	2,330	8,406	10,736	2,215	1995	Jan. 2014	34 yrs.
Retail facilities in Wichita, KS and Oklahoma City, OK and warehouse facility in Wichita, KS	—	1,878	8,579	3,128	(89)	1,878	11,618	13,496	3,434	1954; 1975; 1984	Jan. 2014	24 yrs.
Industrial facilities in Fort Dodge, IA and Menomonie and Oconomowoc, WI	—	1,403	11,098	—	—	1,403	11,098	12,501	6,089	1996	Jan. 2014	16 yrs.
Industrial facility in Mesa, AZ	—	2,888	4,282	—	—	2,888	4,282	7,170	1,401	1991	Jan. 2014	27 yrs.
Industrial facility in North Amityville, NY	—	3,486	11,413	—	—	3,486	11,413	14,899	3,913	1981	Jan. 2014	26 yrs.
Industrial facility in Fort Collins, CO	—	821	7,236	—	—	821	7,236	8,057	1,965	1993	Jan. 2014	33 yrs.
Warehouse facility in Elk Grove Village, IL	—	4,037	7,865	—	—	4,037	7,865	11,902	1,160	1980	Jan. 2014	22 yrs.
Office facility in Washington, MI	—	4,085	7,496	—	—	4,085	7,496	11,581	2,040	1990	Jan. 2014	33 yrs.
Office facility in Houston, TX	—	522	7,448	227	—	522	7,675	8,197	2,610	1999	Jan. 2014	27 yrs.
Industrial facilities in Conroe, Odessa, and Weimar, TX and industrial and office facility in Houston, TX	—	4,049	13,021	—	133	4,049	13,154	17,203	6,282	Various	Jan. 2014	12 - 22 yrs.
Education facility in Sacramento, CA	23,843	—	13,715	—	—	—	13,715	13,715	3,659	2005	Jan. 2014	34 yrs.
Industrial facility in Sankt Ingbert, Germany	—	2,226	17,460	—	(380)	2,183	17,123	19,306	1,358	1960	Jan. 2014	34 yrs.
Industrial facilities in City of Industry, CA; Chelmsford, MA; and Lancaster, TX	—	5,138	8,387	—	43	5,138	8,430	13,568	2,712	1969; 1974; 1984	Jan. 2014	27 yrs.
Office facility in Tinton Falls, NJ	—	1,958	7,993	725	—	1,958	8,718	10,676	2,476	2001	Jan. 2014	31 yrs.
Industrial facility in Woodland, WA	—	707	1,562	—	—	707	1,562	2,269	395	2009	Jan. 2014	35 yrs.
Warehouse facilities in Gyál and Hecseghalom, Hungary	—	14,601	21,915	—	(7,903)	11,441	17,172	28,613	7,499	2002; 2004	Jan. 2014	21 yrs.
Industrial facility in Windsor, CT	—	453	637	3,422	(83)	453	3,976	4,429	671	1999	Jan. 2014	33 yrs.
Industrial facility in Aurora, CO	—	574	3,999	—	—	574	3,999	4,573	908	2012	Jan. 2014	40 yrs.
Office facility in Chandler, AZ	—	5,318	27,551	105	—	5,318	27,656	32,974	7,032	2000	Mar. 2014	40 yrs.
Warehouse facility in University Park, IL	—	7,962	32,756	221	—	7,962	32,977	40,939	8,126	2008	May 2014	40 yrs.
Office facility in Stavanger, Norway	—	10,296	91,744	—	(37,742)	6,550	57,748	64,298	12,287	1975	Aug. 2014	40 yrs.

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Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}			Accumulated Depreciation ^(a)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Laboratory facility in Westborough, MA	—	3,409	37,914	53,065	—	3,409	90,979	94,388	12,853	1992	Aug. 2014	40 yrs.
Office facility in Andover, MA	—	3,980	45,120	323	—	3,980	45,443	49,423	9,939	2013	Oct. 2014	40 yrs.
Office facility in Newport, United Kingdom	—	—	22,587	—	(5,695)	—	16,892	16,892	3,512	2014	Oct. 2014	40 yrs.
Industrial facility in Lewisburg, OH	—	1,627	13,721	—	—	1,627	13,721	15,348	3,141	2014	Nov. 2014	40 yrs.
Industrial facility in Opole, Poland	—	2,151	21,438	—	(3,354)	1,845	18,390	20,235	4,338	2014	Dec. 2014	38 yrs.
Office facilities in Spain	—	51,778	257,624	10	(39,234)	47,944	222,234	270,178	46,368	Various	Dec. 2014	Various
Retail facilities in the United Kingdom	—	66,319	230,113	277	(92,573)	43,593	160,543	204,136	42,766	Various	Jan. 2015	20 - 40 yrs.
Warehouse facility in Rotterdam, Netherlands	—	—	33,935	20,767	(3,270)	—	51,432	51,432	8,516	2014	Feb. 2015	40 yrs.
Retail facility in Bad Fischau, Austria	—	2,855	18,829	—	(221)	2,826	18,637	21,463	4,112	1998	Apr. 2015	40 yrs.
Industrial facility in Oskarshamn, Sweden	—	3,090	18,262	—	(4,435)	2,447	14,470	16,917	2,999	2015	Jun. 2015	40 yrs.
Office facility in Sunderland, United Kingdom	—	2,912	30,140	—	(7,546)	2,247	23,259	25,506	4,949	2007	Aug. 2015	40 yrs.
Industrial facilities in Gersthofen and Senden, Germany and Leopoldsdorf, Austria	—	9,449	15,838	—	(1,059)	9,053	15,175	24,228	3,354	2008; 2010	Aug. 2015	40 yrs.
Net-lease hotels in the United States	—	—	49,190	17,396	—	17,396	49,190	66,586	10,402	1988; 1989; 1990	Oct. 2015	38 - 40 yrs.
Retail facilities in the Netherlands	—	5,698	38,130	79	(306)	5,658	37,943	43,601	8,397	Various	Nov. 2015	30 - 40 yrs.
Office facility in Irvine, CA	—	7,626	16,137	—	—	7,626	16,137	23,763	2,974	1977	Dec. 2015	40 yrs.
Education facility in Windermere, FL	—	5,090	34,721	15,333	—	5,090	50,054	55,144	11,366	1998	Apr. 2016	38 yrs.
Industrial facilities in the United States	—	66,845	87,575	65,400	(56,517)	49,680	113,623	163,303	28,399	Various	Apr. 2016	Various
Industrial facilities in North Dumfries and Ottawa, Canada	—	17,155	10,665	—	(18,593)	5,723	3,504	9,227	1,626	1967; 1974	Apr. 2016	28 yrs.
Education facilities in Coconut Creek, FL and Houston, TX	—	15,550	83,862	63,830	—	15,550	147,692	163,242	26,642	1979; 1984	May 2016	37 - 40 yrs.
Office facility in Southfield, MI and warehouse facilities in London, KY and Gallatin, TN	—	3,585	17,254	—	—	3,585	17,254	20,839	3,006	1969; 1987; 2000	Nov. 2016	35 - 36 yrs.
Industrial facilities in Brampton, Toronto, and Vaughan, Canada	—	28,759	13,998	—	—	28,759	13,998	42,757	2,906	Various	Nov. 2016	28 - 35 yrs.
Industrial facilities in Queretaro and San Juan del Rio, Mexico	—	5,152	12,614	—	—	5,152	12,614	17,766	2,136	Various	Dec. 2016	28 - 40 yrs.
Industrial facility in Chicago, IL	—	2,222	2,655	3,511	—	2,222	6,166	8,388	1,722	1985	Jun. 2017	30 yrs.
Industrial facility in Zawiercie, Poland	—	395	102	10,378	(931)	361	9,583	9,944	1,124	2018	Aug. 2017	40 yrs.
Office facility in Roseville, MN	—	2,560	16,025	809	—	2,560	16,834	19,394	2,340	2001	Nov. 2017	40 yrs.
Industrial facility in Radomsko, Poland	—	1,718	59	37,496	(442)	1,573	37,258	38,831	1,686	2018	Nov. 2017	40 yrs.
Warehouse facility in Sellersburg, IN	—	1,016	3,838	—	—	1,016	3,838	4,854	648	2000	Feb. 2018	36 yrs.
Retail and warehouse facilities in Appleton, Madison, and Waukesha, WI	—	5,512	61,230	—	—	5,465	61,277	66,742	9,046	1995; 2004	Mar. 2018	36 - 40 yrs.

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Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Office and warehouse facilities in Denmark	—	20,304	185,481	—	(15,928)	18,733	171,124	189,857	24,289	Various	Jun. 2018	25 - 41 yrs.
Retail facilities in the Netherlands	—	38,475	117,127	—	(13,057)	35,246	107,299	142,545	16,996	Various	Jul. 2018	26 - 30 yrs.
Industrial facility in Oostburg, WI	—	786	6,589	—	—	786	6,589	7,375	1,318	2002	Jul. 2018	35 yrs.
Warehouse facility in Kampen, Netherlands	—	3,251	12,858	126	(1,288)	2,992	11,955	14,947	2,145	1976	Jul. 2018	26 yrs.
Warehouse facility in Azambuja, Portugal	—	13,527	35,631	28,051	(6,533)	12,463	58,213	70,676	6,890	1994	Sep. 2018	28 yrs.
Retail facilities in Amsterdam, Moordrecht, and Rotterdam, Netherlands	—	2,582	18,731	11,338	(2,036)	2,420	28,195	30,615	3,550	Various	Oct. 2018	27 - 37 yrs.
Office and warehouse facilities in Bad Wönnenberg and Soest, Germany	—	2,916	39,687	—	(2,718)	2,730	37,155	39,885	4,152	1982; 1986	Oct. 2018	40 yrs.
Industrial facility in Norfolk, NE	—	802	3,686	—	—	802	3,686	4,488	521	1975	Oct. 2018	40 yrs.
Education facility in Chicago, IL	—	7,720	17,266	—	(7,945)	5,113	11,928	17,041	1,764	1912	Oct. 2018	40 yrs.
Fitness facilities in Phoenix, AZ and Columbia, MD	—	18,286	33,030	—	—	18,286	33,030	51,316	3,655	2006	Oct. 2018	40 yrs.
Retail facility in Gorzow, Poland	—	1,736	8,298	—	(640)	1,625	7,769	9,394	932	2008	Oct. 2018	40 yrs.
Industrial facilities in Sergeant Bluff, IA; Bossier City, LA; and Alvarado, TX	8,986	6,460	49,462	—	—	6,460	49,462	55,922	5,927	Various	Oct. 2018	40 yrs.
Industrial facility in Glendale Heights, IL	—	4,237	45,484	—	—	4,237	45,484	49,721	3,008	1991	Oct. 2018	38 yrs.
Industrial facilities in Mayodan, Sanford, and Stoneville, NC	—	3,505	20,913	—	—	3,505	20,913	24,418	2,157	1992; 1997; 1998	Oct. 2018	29 yrs.
Warehouse facility in Dillon, SC	—	3,424	43,114	—	—	3,424	43,114	46,538	5,166	2001	Oct. 2018	40 yrs.
Office facility in Birmingham, United Kingdom	—	7,383	7,687	—	(1,044)	6,872	7,154	14,026	783	2009	Oct. 2018	40 yrs.
Retail facilities in Spain	—	17,626	44,501	—	(3,964)	16,502	41,661	58,163	4,702	Various	Oct. 2018	40 yrs.
Warehouse facility in Gadki, Poland	—	1,376	6,137	—	(480)	1,288	5,745	7,033	655	2011	Oct. 2018	40 yrs.
Office facility in The Woodlands, TX	—	1,697	52,289	—	—	1,697	52,289	53,986	5,583	2009	Oct. 2018	40 yrs.
Office facility in Hoffman Estates, IL	—	5,550	14,214	—	—	5,550	14,214	19,764	1,574	2009	Oct. 2018	40 yrs.
Warehouse facility in Zagreb, Croatia	—	15,789	33,287	—	(3,132)	14,781	31,163	45,944	5,163	2001	Oct. 2018	26 yrs.
Industrial facilities in Middleburg Heights and Union Township, OH	3,899	1,295	13,384	—	—	1,295	13,384	14,679	1,468	1990; 1997	Oct. 2018	40 yrs.
Retail facility in Las Vegas, NV	—	—	79,720	—	—	—	79,720	79,720	8,322	2012	Oct. 2018	40 yrs.
Industrial facilities in the United States	—	20,517	14,135	—	30,060	22,585	42,127	64,712	3,476	Various	Oct. 2018	40 yrs.
Warehouse facility in Bowling Green, KY	—	2,652	51,915	72,976	—	2,652	124,891	127,543	7,605	2011	Oct. 2018	40 yrs.
Warehouse facilities in the United Kingdom	—	6,791	2,315	—	(631)	6,321	2,154	8,475	264	Various	Oct. 2018	40 yrs.
Industrial facility in Evansville, IN	—	180	22,095	—	—	180	22,095	22,275	2,362	2009	Oct. 2018	40 yrs.

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Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}			Accumulated Depreciation ^(a)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Office facilities in Tampa, FL	—	3,889	49,843	1,498	—	3,889	51,341	55,230	5,585	1985; 2000	Oct. 2018	40 yrs.
Warehouse facility in Elorrio, Spain	—	7,858	12,728	—	(1,313)	7,357	11,916	19,273	1,503	1996	Oct. 2018	40 yrs.
Industrial and office facilities in Elberton, GA	—	879	2,014	—	—	879	2,014	2,893	303	1997; 2002	Oct. 2018	40 yrs.
Office facility in Tres Cantos, Spain	47,277	24,344	39,646	—	(4,084)	22,790	37,116	59,906	4,209	2002	Oct. 2018	40 yrs.
Office facility in Hartland, WI	2,228	1,454	6,406	—	—	1,454	6,406	7,860	752	2001	Oct. 2018	40 yrs.
Retail facilities in Dugo Selo, Kutina, Samobor, Spansko, and Zagreb, Croatia	—	5,549	12,408	1,625	5,048	6,373	18,257	24,630	2,841	2000; 2002; 2003	Oct. 2018	26 yrs.
Office and warehouse facilities in the United States	—	42,793	193,666	—	—	42,793	193,666	236,459	22,416	Various	Oct. 2018	40 yrs.
Warehouse facilities in Breda, Elst, Gieten, Raalte, and Woerden, Netherlands	—	37,755	91,666	4,787	(8,402)	35,346	90,460	125,806	9,515	Various	Oct. 2018	40 yrs.
Warehouse facilities in Oxnard and Watsonville, CA	—	22,453	78,814	—	—	22,453	78,814	101,267	8,695	1975; 1994; 2002	Oct. 2018	40 yrs.
Retail facilities in Italy	—	75,492	138,280	7,242	(14,891)	70,675	135,448	206,123	15,617	Various	Oct. 2018	40 yrs.
Land in Hudson, NY	—	2,405	—	—	—	2,405	—	2,405	—	N/A	Oct. 2018	N/A
Office facility in Houston, TX	—	2,136	2,344	—	—	2,136	2,344	4,480	301	1982	Oct. 2018	40 yrs.
Office facility in Martinsville, VA	—	1,082	8,108	—	—	1,082	8,108	9,190	950	2011	Oct. 2018	40 yrs.
Land in Chicago, IL	—	9,887	—	—	—	9,887	—	9,887	—	N/A	Oct. 2018	N/A
Industrial facility in Fraser, MI	—	1,346	9,551	—	—	1,346	9,551	10,897	1,084	2012	Oct. 2018	40 yrs.
Net-lease self-storage facilities in the United States	—	19,583	108,971	—	—	19,583	108,971	128,554	12,879	Various	Oct. 2018	40 yrs.
Warehouse facility in Middleburg Heights, OH	—	542	2,507	—	—	542	2,507	3,049	275	2002	Oct. 2018	40 yrs.
Net-lease self-storage facility in Fort Worth, TX	—	691	6,295	—	—	691	6,295	6,986	761	2004	Oct. 2018	40 yrs.
Retail facilities in Delnice, Pozega, and Sesvete, Croatia	—	5,519	9,930	1,291	(1,212)	5,167	10,361	15,528	1,707	2011	Oct. 2018	27 yrs.
Office facilities in Eagan and Virginia, MN	—	16,302	91,239	—	(722)	15,954	90,865	106,819	10,510	Various	Oct. 2018	40 yrs.
Retail facility in Orlando, FL	—	6,262	25,134	430	—	6,371	25,455	31,826	2,692	2011	Oct. 2018	40 yrs.
Industrial facility in Avon, OH	—	1,447	5,564	—	—	1,447	5,564	7,011	662	2001	Oct. 2018	40 yrs.
Industrial facility in Chimelow, Poland	—	6,158	28,032	—	(2,182)	5,765	26,243	32,008	2,999	2012	Oct. 2018	40 yrs.
Net-lease self-storage facility in Fayetteville, NC	—	1,839	4,654	—	—	1,839	4,654	6,493	718	2001	Oct. 2018	40 yrs.
Retail facilities in the United States	—	19,529	42,318	—	—	19,529	42,318	61,847	4,892	Various	Oct. 2018	40 yrs.
Education facilities in Montgomery, AL and Savannah, GA	—	5,508	12,032	—	—	5,508	12,032	17,540	1,375	1969; 2002	Oct. 2018	40 yrs.
Office facilities in St. Louis, MO	—	1,297	5,362	7,951	—	1,836	12,774	14,610	1,545	1995; 1999	Oct. 2018; Aug. 2021	40 yrs.

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Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c)(d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Office and warehouse facility in Zary, PL	—	2,062	10,034	—	(772)	1,931	9,393	11,324	1,101	2013	Oct. 2018	40 yrs.
Industrial facilities in San Antonio, TX and Sterling, VA	—	3,198	23,981	78,728	(462)	6,767	98,678	105,445	7,277	1980; 2020	Oct. 2018; Dec. 2018	40 yrs.
Industrial facility in Elk Grove Village, IL	—	5,511	10,766	2	—	5,511	10,768	16,279	1,203	1961	Oct. 2018	40 yrs.
Industrial facility in Portage, WI	3,861	3,450	7,797	—	—	3,450	7,797	11,247	982	1970	Oct. 2018	40 yrs.
Office facility in Warrenville, IL	—	3,662	23,711	—	—	3,662	23,711	27,373	2,614	2002	Oct. 2018	40 yrs.
Warehouse facility in Saitama Prefecture, Japan	—	13,507	25,301	6,586	(11,253)	11,035	23,106	34,141	2,368	2007	Oct. 2018	40 yrs.
Retail facility in Dallas, TX	—	2,977	16,168	—	—	2,977	16,168	19,145	1,732	1913	Oct. 2018	40 yrs.
Office facility in Houston, TX	—	23,161	104,266	1,118	—	23,161	105,384	128,545	11,173	1973	Oct. 2018	40 yrs.
Retail facilities in Croatia	—	9,000	13,002	1,415	(5,811)	7,305	10,301	17,606	1,504	Various	Oct. 2018	29 - 37 yrs.
Office facility in Northbrook, IL	—	—	493	447	—	—	940	940	212	2007	Oct. 2018	40 yrs.
Education facilities in Chicago, IL	—	18,510	163	—	(16,831)	1,793	49	1,842	39	2014; 2015	Oct. 2018	40 yrs.
Warehouse facility in Dillon, SC	—	3,516	44,933	—	—	3,516	44,933	48,449	5,343	2013	Oct. 2018	40 yrs.
Net-lease self-storage facilities in New York City, NY	—	29,223	77,202	714	—	29,223	77,916	107,139	8,175	Various	Oct. 2018	40 yrs.
Net-lease self-storage facility in Hilo, HI	—	769	12,869	—	—	769	12,869	13,638	1,361	2007	Oct. 2018	40 yrs.
Net-lease self-storage facility in Clearwater, FL	—	1,247	5,733	—	—	1,247	5,733	6,980	690	2001	Oct. 2018	40 yrs.
Warehouse facilities in Gadki, Poland	—	10,422	47,727	57	(3,714)	9,756	44,736	54,492	5,185	2007; 2010	Oct. 2018	40 yrs.
Net-lease self-storage facility in Orlando, FL	—	1,070	8,686	—	—	1,070	8,686	9,756	986	2000	Oct. 2018	40 yrs.
Retail facility in Lewisville, TX	—	3,485	11,263	—	—	3,485	11,263	14,748	1,256	2004	Oct. 2018	40 yrs.
Industrial facility in Wageningen, Netherlands	—	5,227	18,793	—	(1,266)	4,894	17,860	22,754	2,039	2013	Oct. 2018	40 yrs.
Net-lease self-storage facility in Palm Coast, FL	—	1,994	4,982	—	—	1,994	4,982	6,976	704	2001	Oct. 2018	40 yrs.
Office facility in Auburn Hills, MI	—	1,910	6,773	—	—	1,910	6,773	8,683	771	2012	Oct. 2018	40 yrs.
Net-lease self-storage facility in Holiday, FL	—	1,730	4,213	—	—	1,730	4,213	5,943	580	1975	Oct. 2018	40 yrs.
Office facility in Tempe, AZ	13,417	—	19,533	—	—	—	19,533	19,533	2,152	2000	Oct. 2018	40 yrs.
Office facility in Tucson, AZ	—	2,448	17,353	869	—	2,448	18,222	20,670	1,940	2002	Oct. 2018	40 yrs.
Industrial facility in Drunen, Netherlands	—	2,316	9,370	—	(745)	2,169	8,772	10,941	976	2014	Oct. 2018	40 yrs.
Industrial facility New Concord, OH	1,248	958	2,309	—	—	958	2,309	3,267	313	1999	Oct. 2018	40 yrs.
Office facility in Krakow, Poland	—	2,381	6,212	—	(548)	2,229	5,816	8,045	652	2003	Oct. 2018	40 yrs.
Retail facility in Gelsenkirchen, Germany	11,156	2,178	17,097	—	(1,230)	2,039	16,006	18,045	1,774	2000	Oct. 2018	40 yrs.

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		Land	Buildings			Land	Buildings	Total				
Warehouse facilities in Mszczonow and Tomaszow Mazowiecki, Poland	—	8,782	53,575	—	(3,979)	8,222	50,156	58,378	6,025	1995; 2000	Oct. 2018	40 yrs.
Office facility in Plymouth, MN	—	2,871	26,353	686	—	2,871	27,039	29,910	2,982	1999	Oct. 2018	40 yrs.
Office facility in San Antonio, TX	—	3,094	16,624	—	—	3,094	16,624	19,718	1,867	2002	Oct. 2018	40 yrs.
Warehouse facility in Sered, Slovakia	—	3,428	28,005	—	(2,006)	3,209	26,218	29,427	2,935	2004	Oct. 2018	40 yrs.
Industrial facility in Tuchomerice, Czech Republic	—	7,864	27,006	—	(2,226)	7,362	25,282	32,644	2,794	1998	Oct. 2018	40 yrs.
Office facility in Warsaw, Poland	31,475	—	44,990	—	(2,871)	—	42,119	42,119	4,540	2015	Oct. 2018	40 yrs.
Warehouse facility in Kaunas, Lithuania	34,541	10,199	47,391	—	(3,675)	9,548	44,367	53,915	5,022	2008	Oct. 2018	40 yrs.
Net-lease student housing facility in Jacksonville, FL	11,562	906	17,020	—	—	906	17,020	17,926	1,834	2015	Oct. 2018	40 yrs.
Warehouse facilities in Houston, TX	—	791	1,990	—	—	791	1,990	2,781	234	1972	Oct. 2018	40 yrs.
Office facility in Oak Creek, WI	—	2,858	11,055	—	—	2,858	11,055	13,913	1,310	2000	Oct. 2018	40 yrs.
Warehouse facilities in Shelbyville, IN; Kalamazoo, MI; Tiffin, OH; Andersonville, TN; and Millwood, WV	—	2,868	37,571	—	—	2,868	37,571	40,439	4,527	Various	Oct. 2018	40 yrs.
Warehouse facility in Perrysburg, OH	—	806	11,922	—	—	806	11,922	12,728	1,483	1974	Oct. 2018	40 yrs.
Warehouse facility in Dillon, SC	—	620	46,319	434	—	620	46,753	47,373	4,422	2019	Oct. 2018	40 yrs.
Warehouse facility in Zabia Wola, Poland	14,507	4,742	23,270	5,636	(2,118)	4,439	27,091	31,530	2,974	1999	Oct. 2018	40 yrs.
Office facility in Buffalo Grove, IL	—	2,224	6,583	—	—	2,224	6,583	8,807	749	1992	Oct. 2018	40 yrs.
Warehouse facilities in McHenry, IL	—	5,794	21,141	—	—	5,794	21,141	26,935	3,539	1990; 1999	Dec. 2018	27 - 28 yrs.
Industrial facilities in Chicago, Cortland, Forest View, Morton Grove, and Northbrook, IL and Madison and Monona, WI	—	23,267	9,166	—	—	23,267	9,166	32,433	1,459	Various	Dec. 2018; Dec. 2019	35 - 40 yrs.
Warehouse facility in Kilgore, TX	—	3,002	36,334	14,096	(6)	3,002	50,424	53,426	5,454	2007	Dec. 2018	37 yrs.
Industrial facility in San Luis Potosi, Mexico	—	2,787	12,945	—	—	2,787	12,945	15,732	1,527	2009	Dec. 2018	39 yrs.
Industrial facility in Legnica, Poland	—	995	9,787	6,007	(1,088)	930	14,771	15,701	1,915	2002	Dec. 2018	29 yrs.
Industrial facility in Meru, France	—	4,231	14,731	8	(1,186)	3,966	13,818	17,784	2,094	1997	Dec. 2018	29 yrs.
Education facility in Portland, OR	—	2,396	23,258	4,177	—	2,396	27,435	29,831	3,355	2006	Feb. 2019	40 yrs.
Office facility in Morrisville, NC	—	2,374	30,140	2,172	—	2,374	32,312	34,686	3,375	1998	Mar. 2019	40 yrs.
Warehouse facility in Inwood, WV	—	3,265	36,692	—	—	3,265	36,692	39,957	3,817	2000	Mar. 2019	40 yrs.
Industrial facility in Hurricane, UT	—	1,914	37,279	—	—	1,914	37,279	39,193	3,668	2011	Mar. 2019	40 yrs.
Industrial facility in Bensenville, IL	—	8,640	4,948	—	300	8,940	4,948	13,888	782	1981	Mar. 2019	40 yrs.
Industrial facility in Katowice, Poland	—	—	764	15,163	(484)	—	15,443	15,443	1,195	2019	Apr. 2019	40 yrs.
Industrial facilities in Westerville, OH and North Wales, PA	—	1,545	6,508	—	—	1,545	6,508	8,053	781	1960; 1997	May 2019	40 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)

December 31, 2022

(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c)(d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Industrial facilities in Fargo, ND, Norristown, PA, and Atlanta, TX	—	1,616	5,589	—	—	1,616	5,589	7,205	818	Various	May 2019	40 yrs.
Industrial facilities in Chihuahua and Juarez, Mexico	—	3,426	7,286	—	—	3,426	7,286	10,712	965	1983; 1986; 1991	May 2019	40 yrs.
Warehouse facility in Statesville, NC	—	1,683	13,827	—	—	1,683	13,827	15,510	1,489	1979	Jun. 2019	40 yrs.
Industrial facilities in Searcy, AR and Conestoga, PA	—	4,290	51,410	21,027	—	4,678	72,049	76,727	6,511	1950; 1951	Jun. 2019; Apr. 2021	40 yrs.
Industrial facilities in Hartford and Milwaukee, WI	—	1,471	21,293	—	—	1,471	21,293	22,764	2,203	1964; 1992; 1993	Jul. 2019	40 yrs.
Industrial facilities in Brockville and Prescott, Canada	—	2,025	9,519	—	—	2,025	9,519	11,544	990	1955; 1995	Jul. 2019	40 yrs.
Industrial facility in Dordrecht, Netherlands	—	3,233	10,954	—	(424)	3,140	10,623	13,763	890	1986	Sep. 2019	40 yrs.
Industrial facilities in York, PA and Lexington, SC	—	4,155	22,930	—	—	4,155	22,930	27,085	2,600	1968; 1971	Oct. 2019	40 yrs.
Industrial facility in Queretaro, Mexico	—	2,851	12,748	—	(3)	2,851	12,745	15,596	1,305	1999	Oct. 2019	40 yrs.
Office facility in Dearborn, MI	—	1,431	5,402	—	—	1,431	5,402	6,833	567	2002	Oct. 2019	40 yrs.
Industrial facilities in Houston, TX and Metairie, LA and office facilities in Houston, TX and Mason, OH	—	6,130	24,981	2,145	—	6,130	27,126	33,256	2,444	Various	Nov. 2019	40 yrs.
Industrial facility in Pardubice, Czech Republic	—	1,694	8,793	436	(377)	1,639	8,907	10,546	742	1970	Nov. 2019	40 yrs.
Warehouse facilities in Brabrand, Denmark and Arlandstad, Sweden	—	6,499	27,899	146	(1,659)	6,140	26,745	32,885	2,294	2012; 2017	Nov. 2019	40 yrs.
Retail facility in Hamburg, PA	—	4,520	34,167	—	—	4,520	34,167	38,687	2,994	2003	Dec. 2019	40 yrs.
Warehouse facility in Charlotte, NC	—	6,481	82,936	—	—	6,481	82,936	89,417	7,128	1995	Dec. 2019	40 yrs.
Warehouse facility in Buffalo Grove, IL	—	3,287	10,167	—	—	3,287	10,167	13,454	1,049	1987	Dec. 2019	40 yrs.
Industrial facility in Hvidovre, Denmark	—	1,931	4,243	—	(265)	1,856	4,053	5,909	436	2007	Dec. 2019	40 yrs.
Warehouse facility in Huddersfield, United Kingdom	—	8,659	29,752	—	(3,428)	7,886	27,097	34,983	2,156	2005	Dec. 2019	40 yrs.
Warehouse facility in Newark, United Kingdom	—	21,869	74,777	—	(8,170)	20,020	68,456	88,476	5,111	2006	Jan. 2020	40 yrs.
Industrial facility in Langen, Germany	—	14,160	7,694	32,169	(5,999)	12,461	35,563	48,024	1,695	2021	Jan. 2020	40 yrs.
Industrial facility in Aurora, OR	—	2,914	21,459	—	(5,000)	2,914	16,459	19,373	1,209	1976	Jan. 2020	40 yrs.
Warehouse facility in Vojens, Denmark	—	1,031	8,784	—	(296)	1,000	8,519	9,519	622	2020	Jan. 2020	40 yrs.
Office facility in Kitzingen, Germany	—	4,812	41,125	—	(3,171)	4,481	38,285	42,766	2,694	1967	Mar. 2020	40 yrs.
Warehouse facility in Knoxville, TN	—	2,455	47,446	—	—	2,455	47,446	49,901	2,988	2020	Jun. 2020	40 yrs.
Industrial facilities in Bluffton and Plymouth, IN; and Lawrence, KS	—	674	33,519	20,542	—	1,064	53,671	54,735	2,440	1981; 2014; 2021	Sep 2020; Dec. 2021	40 yrs.
Industrial facility in Huntley, IL	—	5,260	26,617	—	—	5,260	26,617	31,877	1,500	1996	Sep. 2020	40 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)
December 31, 2022
(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}			Accumulated Depreciation ^(e)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Industrial facilities in Winter Haven, FL; Belvedere, IL; and Fayetteville, NC	—	8,232	31,745	—	—	8,232	31,745	39,977	1,763	1954; 1984; 1997	Oct. 2020	40 yrs.
Retail facilities in Spain	—	34,216	57,151	239	(8,069)	31,198	52,339	83,537	2,842	Various	Oct. 2020	40 yrs.
Warehouse facility in Little Canada, MN	—	3,384	23,422	—	—	3,384	23,422	26,806	1,272	1987	Oct. 2020	40 yrs.
Warehouse facility in Hurricane, UT	—	5,154	22,893	20,517	—	5,154	43,410	48,564	1,602	2005	Dec. 2020	40 yrs.
Industrial facilities in Bethlehem, PA and Waco, TX	—	4,673	19,111	—	—	4,673	19,111	23,784	984	Various	Dec. 2020	40 yrs.
Industrial facilities in Pleasanton, KS; Savage, MN; Grove City, OH; and Mahanoy City, PA	—	7,717	21,569	—	—	7,717	21,569	29,286	1,078	Various	Dec. 2020	40 yrs.
Outdoor advertising in Fort Washington, Huntingdon Valley, and West Chester, PA	—	—	492	—	—	—	492	492	24	2011; 2014; 2016	Jan. 2021	40 yrs.
Warehouse facilities in Grove City, OH and Anderson, SC	—	1,415	15,151	—	—	1,415	15,151	16,566	724	1995; 2001	Feb. 2021	40 yrs.
Office and retail facilities in NJ and PA	—	17,537	25,987	—	—	17,537	25,987	43,524	1,226	Various	Feb. 2021	40 yrs.
Land and warehouse facilities in CA	—	8,513	45,669	6	—	8,516	45,672	54,188	2,158	Various	Feb. 2021	40 yrs.
Research and development facility in Wageningen, Netherlands	—	1,429	5,777	18,848	1,244	1,494	25,804	27,298	315	2022	Mar. 2021	40 yrs.
Retail facilities in France	—	15,954	104,578	—	(11,082)	14,487	94,963	109,450	4,163	1968; 1981; 1983	Apr. 2021	40 yrs.
Warehouse facility in Detroit, MI	—	3,625	47,743	—	—	3,625	47,743	51,368	2,008	1991	Apr. 2021	40 yrs.
Warehouse facility in Solihull, United Kingdom	—	42,137	123,315	—	(21,832)	36,577	107,043	143,620	4,450	2021	May 2021	40 yrs.
Net-lease student housing facility in New Rochelle, NY	—	3,617	21,590	—	—	3,617	21,590	25,207	896	2018	May 2021	40 yrs.
Industrial facility in Groveport, OH	—	—	26,639	2,904	—	—	29,543	29,543	1,165	1982	May 2021	40 yrs.
Industrial facility in Dakota, IL	—	1,970	50,369	—	—	1,970	50,369	52,339	2,066	1978	May 2021	40 yrs.
Industrial facility in San Jose, CA	—	12,808	31,714	—	—	12,808	31,714	44,522	1,299	1984	May 2021	40 yrs.
Warehouse facility in Opelika, AL	—	2,115	39,980	—	—	2,115	39,980	42,095	1,569	2005	Jun. 2021	40 yrs.
Warehouse facilities in Elk Grove Village and Niles, IL; and Guelph, Canada	—	12,932	25,096	—	—	12,932	25,096	38,028	981	1962; 1976; 1983	Jun. 2021	40 yrs.
Warehouse facility in Rome, NY	—	1,480	47,781	—	—	1,480	47,781	49,261	1,865	2021	Jun. 2021	40 yrs.
Warehouse facility in Frankfort, IN	—	5,423	95,915	—	—	5,423	95,915	101,338	3,239	2015	Aug. 2021	40 yrs.
Warehouse facility in Rogers, MN	—	1,871	20,959	—	—	1,871	20,959	22,830	688	2005	Sep. 2021	40 yrs.
Industrial facilities in Chattanooga, TN	—	4,859	29,302	—	—	4,859	29,302	34,161	881	2006; 2017	Oct. 2021	40 yrs.
Warehouse facility in Mankato, MN	—	2,979	11,619	—	—	2,979	11,619	14,598	330	1976	Nov. 2021	40 yrs.
Retail facilities in Denmark	—	2,695	38,428	—	(2,157)	2,553	36,413	38,966	973	Various	Dec. 2021	40 yrs.
Retail facilities in Poland	—	15,110	47,511	—	(3,313)	14,311	44,997	59,308	1,177	Various	Dec. 2021	40 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)

December 31, 2022

(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(e)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(e) (d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Industrial facility in Cary, IL	—	4,568	31,977	—	—	4,568	31,977	36,545	808	1975	Dec. 2021	40 yrs.
Retail facilities in the Netherlands	—	9,342	32,770	—	(2,373)	8,816	30,923	39,739	779	Various	Dec. 2021	40 yrs.
Outdoor advertising in Flemington and Pennsauken, NJ	—	1,025	397	832	—	1,025	1,229	2,254	18	Various	Dec. 2021	40 yrs.
Industrial facility in Pleasant Prairie, WI	—	1,443	16,532	—	—	1,443	16,532	17,975	403	2001	Jan. 2022	40 yrs.
Funeral homes in Spain	—	26,735	99,822	—	(6,953)	25,266	94,338	119,604	2,145	Various	Feb. 2022	40 yrs.
Retail facilities in Denmark	—	3,295	35,898	—	(1,477)	3,154	34,562	37,716	625	Various	Various	40 yrs.
Industrial facility in Laval, Canada	—	4,014	16,037	—	(1,237)	3,766	15,048	18,814	327	1966	Feb. 2022	40 yrs.
Warehouse facility in Chattanooga, TN	—	5,063	36,645	—	—	5,063	36,645	41,708	761	2003	Mar. 2022	40 yrs.
Industrial facility in Coatzacoalcos, Mexico	—	9,805	17,622	—	—	9,805	17,622	27,427	301	1960	Apr. 2022	40 yrs.
Industrial facility in Lowbanks, CA	—	3,574	1,605	—	—	3,574	1,605	5,179	27	1967	Apr. 2022	40 yrs.
Industrial facilities in Chicago, IL; Geismar, LA; and Nashville, TN	—	9,300	26,945	—	—	9,300	26,945	36,245	437	Various	May 2022	40 yrs.
Industrial and warehouse facilities in the United States	—	9,847	88,227	—	—	9,847	88,227	98,074	1,390	Various	May 2022	40 yrs.
Retail facilities in Denmark	—	2,228	31,774	—	251	2,246	32,007	34,253	443	Various	Various	40 yrs.
Industrial facility in Medina, OH	—	2,029	22,938	—	—	2,029	22,938	24,967	311	1963	Jun. 2022	40 yrs.
Warehouse facility in Bree, Belgium	—	—	73,302	42	1,972	—	75,316	75,316	954	1964	Jun. 2022	40 yrs.
Retail facilities in Spain	—	4,906	12,825	—	813	5,131	13,413	18,544	151	Various	Jul. 2022	40 yrs.
Industrial and warehouse facilities in the United States	—	27,543	192,197	—	—	27,543	192,197	219,740	2,093	Various	Jul. 2022	40 yrs.
Retail facilities in Denmark	—	2,690	33,703	—	1,312	2,789	34,916	37,705	297	Various	Various	40 yrs.
Office facility in Austin, TX	72,295	31,095	45,393	—	—	31,095	45,393	76,488	476	1993	Aug. 2022	40 yrs.
Land in Chicago, IL	1,885	3,873	—	—	—	3,873	—	3,873	—	N/A	Aug. 2022	N/A
Retail facilities in Croatia	14,788	1,367	23,337	—	1,046	1,425	24,325	25,750	255	2001; 2006	Aug. 2022	40 yrs.
Warehouse in Streetsboro, OH	2,576	2,435	9,333	—	—	2,435	9,333	11,768	98	1993	Aug. 2022	40 yrs.
Office facility in Norcross, GA	2,936	1,795	2,676	—	—	1,795	2,676	4,471	28	1999	Aug. 2022	40 yrs.
Warehouse in University Park, IL	46,812	15,377	63,299	—	—	15,377	63,299	78,676	663	2003	Aug. 2022	40 yrs.
Office facility in Oslo, Norway	43,560	15,763	33,250	—	(1,085)	15,414	32,514	47,928	341	2013	Aug. 2022	40 yrs.
Industrial facilities in Surprise, AZ; Temple, GA; and Houston, TX	9,640	2,994	26,100	—	—	2,994	26,100	29,094	274	1998; 2007; 2011	Aug. 2022	40 yrs.
Office facility in Farmington Hills, MI	6,188	2,195	5,213	—	—	2,195	5,213	7,408	55	2001	Aug. 2022	40 yrs.
Warehouse facility in Jonesville, SC	25,198	2,895	32,152	—	—	2,895	32,152	35,047	337	1997	Aug. 2022	40 yrs.
Warehouse facility in Albany, GA	5,232	3,108	12,220	—	—	3,108	12,220	15,328	128	1977	Aug. 2022	40 yrs.
Office facility in Eagan, MN	8,573	1,298	7,445	—	—	1,298	7,445	8,743	78	2013	Aug. 2022	40 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)
December 31, 2022
(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}			Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings			Land	Buildings	Total				
Office facility in Plymouth, MN	25,187	4,624	29,243	—	—	4,624	29,243	33,867	306	1982	Aug. 2022	40 yrs.
Industrial facilities in Dallas/Forth Worth, TX	4,336	3,918	9,817	—	—	3,918	9,817	13,735	103	1990; 2008	Aug. 2022	40 yrs.
Warehouse facility in Byron Center, MI	6,407	1,925	10,098	—	—	1,925	10,098	12,023	106	2015	Aug. 2022	40 yrs.
Net-lease hotel in Albion, Mauritius	10,972	7,633	29,274	—	1,562	7,956	30,513	38,469	320	2007	Aug. 2022	40 yrs.
Office facility in Warstein, Germany	—	3,917	4,049	20	337	4,083	4,240	8,323	44	2011	Aug. 2022	40 yrs.
Net-lease hotel in Munich, Germany	45,331	17,892	61,405	—	3,356	18,649	64,004	82,653	671	2016	Aug. 2022	40 yrs.
Office facility in Plano, TX	21,221	3,667	28,073	—	—	3,667	28,073	31,740	294	2001	Aug. 2022	40 yrs.
Industrial facility in Plymouth, MN	9,969	3,693	13,242	9	—	3,693	13,251	16,944	139	1975	Aug. 2022	40 yrs.
Net-lease hotel in Hamburg, Germany	15,419	7,328	17,467	—	1,050	7,639	18,206	25,845	191	2017	Aug. 2022	40 yrs.
Retail facility in Oslo, Norway	54,079	27,948	64,033	725	(2,032)	27,330	63,344	90,674	672	1971	Aug. 2022	40 yrs.
Office facility in Jacksonville, FL	9,310	2,084	6,673	—	—	2,084	6,673	8,757	70	2001	Aug. 2022	40 yrs.
Industrial facility in Michalovce, Slovakia	—	4,538	19,009	—	996	4,730	19,813	24,543	208	2006	Aug. 2022	40 yrs.
Office facility in Warrenville, IL	21,433	3,285	11,666	387	—	3,285	12,053	15,338	129	2001	Aug. 2022	40 yrs.
Office facility in Coralville, IA	—	2,222	35,695	—	—	2,222	35,695	37,917	374	2015	Aug. 2022	40 yrs.
Net-lease hotel in Stuttgart, Germany	13,338	—	31,276	—	1,324	—	32,600	32,600	342	1965	Aug. 2022	40 yrs.
Industrial facility in Menomonee Falls, WI	11,841	2,726	17,453	—	—	2,726	17,453	20,179	183	1974	Aug. 2022	40 yrs.
Warehouse facility in Iowa Falls, IA	6,138	997	8,819	—	—	997	8,819	9,816	92	2001	Aug. 2022	40 yrs.
Warehouse facility in Westlake, OH	—	1,928	24,353	—	—	1,928	24,353	26,281	252	1972	Aug. 2022	40 yrs.
Industrial facility in Hebron, Ohio and warehouse facility in Strongsville, OH	—	4,671	5,494	—	—	4,671	5,494	10,165	54	1969; 1999	Aug. 2022	40 yrs.
Warehouse facility in Scarsborough, Canada	—	5,092	1,868	—	—	5,092	1,868	6,960	18	1980	Aug. 2022	40 yrs.
Specialty facilities in West Des Moines, IA and Clifton Park, NY	—	3,229	17,080	—	—	3,229	17,080	20,309	166	1971; 2021	Aug. 2022	40 yrs.
Industrial facility in Orzinuovi, Italy	—	2,473	9,892	—	815	2,636	10,544	13,180	91	1978	Aug. 2022	40 yrs.
Outdoor advertising in West Chester, PA	—	—	559	—	—	—	559	559	10	2022	Oct. 2022	40 yrs.
Industrial facilities in the United States	—	11,117	41,107	—	—	11,117	41,107	52,224	31	Various	Dec. 2022	40 yrs.
Warehouse facility in Romulus, MI	—	2,788	33,353	—	—	2,788	33,353	36,141	5	2017	Dec. 2022	40 yrs.
Industrial facility in Salisbury, NC	—	1,308	13,082	—	—	1,308	13,082	14,390	2	2015	Dec. 2022	40 yrs.
	<u>\$ 782,663</u>	<u>\$ 2,628,187</u>	<u>\$ 10,520,207</u>	<u>\$ 1,013,116</u>	<u>\$ (844,878)</u>	<u>\$ 2,400,002</u>	<u>\$ 10,916,630</u>	<u>\$ 13,316,632</u>	<u>\$ 1,672,091</u>			

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)

December 31, 2022

(in thousands)

Description	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period Total	Date of Construction	Date Acquired
		Land	Buildings					
Direct Financing Method								
Industrial facilities in Irving and Houston, TX	\$ —	\$ —	\$ 27,599	\$ —	\$ (4,227)	\$ 23,372	1978	Jan. 1998
Retail facility in Freehold, NJ	2,925	—	17,067	—	(435)	16,632	2004	Sep. 2012
Office facilities in Corpus Christi, Odessa, San Marcos, and Waco, TX	713	2,089	14,211	—	(1,572)	14,728	1969; 1996; 2000	Sep. 2012
Retail facilities in Germany	—	28,734	145,854	5,582	(64,558)	115,612	Various	Sep. 2012
Warehouse facility in Brierley Hill, United Kingdom	—	2,147	12,357	—	(2,554)	11,950	1996	Sep. 2012
Retail facilities in El Paso and Fabens, TX	—	4,777	17,823	—	(102)	22,498	Various	Jan. 2014
Industrial facility in Eagan, MN	—	—	11,548	—	(628)	10,920	1975	Jan. 2014
Retail facility in Gronau, Germany	—	281	4,401	—	(1,013)	3,669	1989	Jan. 2014
Industrial facility in Mount Carmel, IL	—	135	3,265	—	(303)	3,097	1896	Jan. 2014
Retail facility in Vantaa, Finland	—	5,291	15,522	—	(4,505)	16,308	2004	Jan. 2014
Retail facility in Linköping, Sweden	—	1,484	9,402	—	(4,105)	6,781	2004	Jan. 2014
Industrial facility in Calgary, Canada	—	—	7,076	—	(1,232)	5,844	1965	Jan. 2014
Industrial facilities in Fair Bluff, NC and Valencia, PA	—	5,780	40,860	—	(37,179)	9,461	1968; 1976	Jan. 2014
Industrial facility in Göppingen, Germany	—	10,717	60,120	—	(20,026)	50,811	1930	Jan. 2014
Industrial and office facility in Nagold, Germany	—	4,553	17,675	—	(1,419)	20,809	1994	Oct. 2018
Warehouse facilities in Bristol, Leeds, Liverpool, Luton, Newport, Plymouth, and Southampton, United Kingdom	—	1,062	23,087	—	(1,784)	22,365	Various	Oct. 2018
Warehouse facility in Gieten, Netherlands	—	—	15,258	—	(1,027)	14,231	1985	Oct. 2018
Warehouse facility in Oxnard, CA	—	—	10,960	—	(1,427)	9,533	1975	Oct. 2018
Industrial facilities in Bartow, FL; Momence, IL; Smithfield, NC; Hudson, NY; and Ardmore, OK	—	4,454	87,030	—	2,921	94,405	Various	Oct. 2018
Industrial facility in Countryside, IL	—	563	1,457	—	37	2,057	1981	Oct. 2018
Industrial facility in Clarksville, TN	2,973	1,680	10,180	—	(155)	11,705	1998	Oct. 2018
Industrial facility in Bluffton, IN	1,634	503	3,407	—	(44)	3,866	1975	Oct. 2018
Warehouse facility in Houston, TX	—	—	5,977	—	(128)	5,849	1972	Oct. 2018
Warehouse in Chicago, IL	5,131	—	10,517	—	26	10,543	1942	Aug. 2022
Less: allowance for credit losses	—	—	—	—	(8,733)	(8,733)		
	<u>\$ 13,376</u>	<u>\$ 74,250</u>	<u>\$ 572,653</u>	<u>\$ 5,582</u>	<u>\$ (154,172)</u>	<u>\$ 498,313</u>		

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)

December 31, 2022

(in thousands)

Description	Encumbrances	Initial Cost to Company			Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c)(d)}				Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings	Personal Property			Land	Buildings	Personal Property	Total				
Operating Real Estate – Hotels														
Bloomington, MN	\$ —	\$ 3,810	\$ 29,126	\$ 3,622	\$ 6,329	\$ (314)	\$ 3,874	\$ 31,265	\$ 7,434	\$ 42,573	\$ 14,303	2008	Jan. 2014	34 yrs.
Operating Real Estate – Student Housing Facilities														
Austin, TX	28,533	12,994	60,006	—	44	—	12,994	60,033	17	73,044	629	2020	Aug. 2022	40 yrs.
Swansea, United Kingdom	43,134	—	32,884	—	33,936	3,526	—	70,346	—	70,346	364	2022	Aug. 2022	40 yrs.
Operating Real Estate – Self-Storage Facilities														
Loves Park, IL	—	1,412	4,853	—	35	—	1,412	4,862	26	6,300	777	1997	Oct. 2018	40 yrs.
Cherry Valley, IL	—	1,339	4,160	—	9	—	1,339	4,160	9	5,508	640	1988	Oct. 2018	40 yrs.
Rockford, IL	—	695	3,873	—	44	—	695	3,903	14	4,612	545	1979	Oct. 2018	40 yrs.
Rockford, IL	—	87	785	—	—	—	87	785	—	872	98	1979	Oct. 2018	40 yrs.
Rockford, IL	—	454	4,724	—	12	—	454	4,733	3	5,190	546	1957	Oct. 2018	40 yrs.
Peoria, IL	—	444	4,944	—	238	—	444	5,164	18	5,626	849	1990	Oct. 2018	40 yrs.
East Peoria, IL	—	268	3,290	—	108	—	268	3,375	23	3,666	528	1986	Oct. 2018	40 yrs.
Loves Park, IL	—	721	2,973	—	27	—	721	3,000	—	3,721	429	1978	Oct. 2018	40 yrs.
Winder, GA	—	338	1,310	—	69	—	338	1,354	25	1,717	218	2006	Oct. 2018	40 yrs.
Winder, GA	—	821	3,180	—	34	—	821	3,198	16	4,035	486	2001	Oct. 2018	40 yrs.
Kissimmee, FL	6,386	2,147	17,164	—	4	—	2,147	17,168	—	19,315	180	2005	Aug. 2022	40 yrs.
St. Petersburg, FL	6,842	1,505	16,229	—	4	—	1,505	16,229	4	17,738	170	2007	Aug. 2022	40 yrs.
Corpus Christi, TX	2,563	904	10,779	—	40	—	904	10,819	—	11,723	114	1998	Aug. 2022	40 yrs.
Palm Desert, CA	6,481	1,036	22,714	—	—	—	1,036	22,714	—	23,750	238	2006	Aug. 2022	40 yrs.
Kailua-Kona, HI	3,546	1,425	12,267	—	30	—	1,425	12,297	—	13,722	129	1991	Aug. 2022	40 yrs.
Miami, FL	2,854	3,680	7,215	—	6	—	3,680	7,215	6	10,901	76	1986	Aug. 2022	40 yrs.
Columbia, SC	2,875	2,481	5,217	—	—	—	2,481	5,217	—	7,698	55	1988	Aug. 2022	40 yrs.
Kailua-Kona, HI	3,316	2,889	16,397	—	—	—	2,889	16,397	—	19,286	172	2004	Aug. 2022	40 yrs.
Pompano Beach, FL	2,869	1,227	10,897	—	—	—	1,227	10,897	—	12,124	114	1992	Aug. 2022	40 yrs.
Jensen Beach, FL	5,294	1,544	15,841	—	42	—	1,544	15,878	5	17,427	166	1989	Aug. 2022	40 yrs.
Dickinson, TX	6,094	1,952	8,826	—	—	—	1,952	8,826	—	10,778	92	2001	Aug. 2022	40 yrs.
Humble, TX	4,771	813	6,459	—	—	—	813	6,459	—	7,272	68	2009	Aug. 2022	40 yrs.
Temecula, CA	6,156	2,368	20,802	—	—	—	2,368	20,802	—	23,170	218	2006	Aug. 2022	40 yrs.
Cumming, GA	2,709	655	10,455	—	5	—	655	10,455	5	11,115	110	1994	Aug. 2022	40 yrs.
Naples, FL	10,157	6,826	20,254	—	18	—	6,826	20,264	8	27,098	213	1974	Aug. 2022	40 yrs.
Valrico, FL	5,694	1,423	11,316	—	8	—	1,423	11,316	8	12,747	119	2009	Aug. 2022	40 yrs.
Tallahassee, FL	4,891	1,534	14,416	—	6	—	1,534	14,416	6	15,956	151	1999	Aug. 2022	40 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)

December 31, 2022

(in thousands)

Description	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}				Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
	Encumbrances	Land	Buildings	Personal Property			Land	Buildings	Personal Property	Total				
Sebastian, FL	1,847	529	7,917	—	10	—	529	7,927	—	8,456	83	1986	Aug. 2022	40 yrs.
Lady Lake, FL	3,923	928	11,881	—	7	—	928	11,881	7	12,816	124	2010	Aug. 2022	40 yrs.
Panama City Beach, FL	2,605	736	7,581	—	—	—	736	7,581	—	8,317	79	1997	Aug. 2022	40 yrs.
Hesperia, CA	—	1,416	18,691	—	—	—	1,416	18,691	—	20,107	196	2004	Aug. 2022	40 yrs.
Hesperia, CA	—	639	9,412	—	—	—	639	9,412	—	10,051	99	2007	Aug. 2022	40 yrs.
Hesperia, CA	—	699	12,896	—	4	—	699	12,900	—	13,599	135	1985	Aug. 2022	40 yrs.
Highland, CA	—	1,465	11,966	—	—	—	1,465	11,966	—	13,431	125	2003	Aug. 2022	40 yrs.
Lancaster, CA	—	598	12,100	—	—	—	598	12,100	—	12,698	127	1989	Aug. 2022	40 yrs.
Rialto, CA	—	3,502	16,924	—	6	—	3,502	16,924	6	20,432	178	2007	Aug. 2022	40 yrs.
Thousand Palms, CA	—	2,465	17,632	—	—	—	2,465	17,632	—	20,097	185	2007	Aug. 2022	40 yrs.
Lilburn, GA	2,325	1,555	6,225	—	16	—	1,555	6,225	16	7,796	66	1998	Aug. 2022	40 yrs.
Stockbridge GA	1,614	308	7,238	—	43	—	308	7,268	13	7,589	77	2003	Aug. 2022	40 yrs.
Louisville, KY	6,564	3,115	13,908	—	115	—	3,115	14,020	3	17,138	151	1998	Aug. 2022	40 yrs.
St. Peters, MO	2,309	386	5,521	—	40	—	386	5,552	9	5,947	59	1991	Aug. 2022	40 yrs.
Crystal Lake, IL	2,615	1,325	6,056	—	2	—	1,325	6,056	2	7,383	64	1977	Aug. 2022	40 yrs.
Las Vegas, NV	6,328	717	20,963	—	24	—	717	20,985	2	21,704	220	1996	Aug. 2022	40 yrs.
Panama City Beach, FL	6,134	666	17,086	—	8	—	666	17,094	—	17,760	179	2008	Aug. 2022	40 yrs.
Sarasota, FL	5,204	1,076	13,597	—	7	—	1,076	13,597	7	14,680	142	2003	Aug. 2022	40 yrs.
Sarasota, FL	3,806	638	10,175	—	8	—	638	10,175	8	10,821	107	2001	Aug. 2022	40 yrs.
Leesburg, FL	2,407	1,272	5,888	—	—	—	1,272	5,888	—	7,160	62	1988	Aug. 2022	40 yrs.
Palm Bay, FL	7,156	2,814	21,425	—	21	—	2,814	21,425	21	24,260	225	2000	Aug. 2022	40 yrs.
Houston, TX	4,619	1,878	8,719	—	57	—	1,878	8,776	—	10,654	91	1971	Aug. 2022	40 yrs.
Hudson, FL	3,253	669	6,092	—	6	—	669	6,092	6	6,767	64	2008	Aug. 2022	40 yrs.
Las Vegas, NV	2,342	918	12,355	—	—	—	918	12,355	—	13,273	129	1984	Aug. 2022	40 yrs.
Las Vegas, NV	2,212	829	11,275	—	12	—	829	11,275	12	12,116	118	1987	Aug. 2022	40 yrs.
Ithaca, NY	2,297	890	4,484	—	8	—	890	4,484	8	5,382	47	1988	Aug. 2022	40 yrs.
Kissimmee, FL	—	626	13,147	—	—	—	626	13,147	—	13,773	138	2015	Aug. 2022	40 yrs.
El Paso, TX	3,704	2,126	5,628	—	—	—	2,126	5,628	—	7,754	59	1983	Aug. 2022	40 yrs.
El Paso, TX	2,542	1,053	4,583	—	3	—	1,053	4,583	3	5,639	48	1980	Aug. 2022	40 yrs.
El Paso, TX	3,612	994	7,451	—	105	—	994	7,556	—	8,550	79	1980	Aug. 2022	40 yrs.
El Paso, TX	3,628	1,295	6,318	—	36	—	1,295	6,354	—	7,649	67	1986	Aug. 2022	40 yrs.
El Paso, TX	1,428	587	3,121	—	14	—	587	3,121	14	3,722	34	1985	Aug. 2022	40 yrs.
El Paso, TX	3,718	1,143	5,894	—	92	—	1,143	5,986	—	7,129	63	1980	Aug. 2022	40 yrs.

SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION (Continued)

December 31, 2022

(in thousands)

Description	Encumbrances	Initial Cost to Company			Cost Capitalized Subsequent to Acquisition ^(a)	Increase (Decrease) in Net Investments ^(b)	Gross Amount at which Carried at Close of Period ^{(c) (d)}				Accumulated Depreciation ^(d)	Date of Construction	Date Acquired	Life on which Depreciation in Latest Statement of Income is Computed
		Land	Buildings	Personal Property			Land	Buildings	Personal Property	Total				
Fernandina Beach, FL	7,269	2,664	25,000	—	7	—	2,664	25,007	—	27,671	262	1986	Aug. 2022	40 yrs.
Kissimmee, FL	3,448	2,149	6,223	—	20	—	2,149	6,234	9	8,392	65	1981	Aug. 2022	40 yrs.
Houston, TX	2,758	1,350	6,257	—	12	—	1,350	6,257	12	7,619	66	1998	Aug. 2022	40 yrs.
Houston, TX	2,957	1,112	8,044	—	16	—	1,112	8,055	5	9,172	85	2001	Aug. 2022	40 yrs.
Portland, OR	6,348	994	10,176	—	—	—	994	10,176	—	11,170	107	2000	Aug. 2022	40 yrs.
Greensboro, NC	4,036	1,389	15,175	—	—	—	1,389	15,175	—	16,564	159	1953	Aug. 2022	40 yrs.
Avondale, LA	3,422	1,154	9,090	—	—	—	1,154	9,090	—	10,244	95	2008	Aug. 2022	40 yrs.
Washington, D.C.	6,470	3,371	13,655	—	—	—	3,371	13,655	—	17,026	143	1962	Aug. 2022	40 yrs.
Kissimmee, FL	—	1,770	7,034	—	10	—	1,770	7,034	10	8,814	74	2000	Aug. 2022	40 yrs.
Milford, MA	—	951	11,935	—	1	—	951	11,935	1	12,887	125	2003	Aug. 2022	40 yrs.
Millsboro, DE	—	1,180	14,286	—	—	—	1,180	14,286	—	15,466	150	2001	Aug. 2022	40 yrs.
New Castle, DE	4,367	1,110	15,787	—	—	—	1,110	15,787	—	16,897	165	2005	Aug. 2022	40 yrs.
Rehoboth, DE	8,215	1,565	18,284	—	10	—	1,565	18,284	10	19,859	192	1999	Aug. 2022	40 yrs.
Chicago, IL	—	787	4,931	—	67	—	787	4,971	27	5,785	53	1990	Aug. 2022	40 yrs.
Gilroy, CA	—	3,058	13,014	—	8	—	3,058	13,022	—	16,080	137	1999	Aug. 2022	40 yrs.
	\$ 292,647	\$122,253	\$906,396	\$ 3,622	\$ 41,843	\$ 3,212	\$122,317	\$947,171	\$ 7,838	\$1,077,326	\$ 28,295			

- (a) Consists of the cost of improvements subsequent to acquisition and acquisition costs, including construction costs on build-to-suit transactions, legal fees, appraisal fees, title costs, and other related professional fees. For business combinations, transaction costs are excluded.
- (b) The increase (decrease) in net investment was primarily due to (i) sales of properties, (ii) impairment charges, (iii) changes in foreign currency exchange rates, (iv) allowances for credit loss ([Note 6](#)), (v) reclassifications from net investments in direct financing leases to real estate subject to operating leases, and (vi) the amortization of unearned income from net investments in direct financing leases, which produces a periodic rate of return that at times may be greater or less than lease payments received.
- (c) Excludes (i) gross lease intangible assets of \$3.4 billion and the related accumulated amortization of \$1.6 billion, (ii) gross lease intangible liabilities of \$309.9 million and the related accumulated amortization of \$125.3 million, (iii) sale-leasebacks classified as loans receivable of \$234.2 million, (iv) secured loans receivable of \$39.3 million (as disclosed in [Schedule IV – Mortgage Loans on Real Estate](#)), (v) assets held for sale, net of \$57.9 million, and (vi) real estate under construction of \$40.8 million.
- (d) A reconciliation of real estate and accumulated depreciation follows:

W. P. CAREY INC.
NOTES TO SCHEDULE III — REAL ESTATE AND ACCUMULATED DEPRECIATION
(in thousands)

	Reconciliation of Real Estate Subject to Operating Leases		
	Years Ended December 31,		
	2022	2021	2020
Beginning balance	\$ 11,677,185	\$ 10,736,752	\$ 9,703,504
Acquisitions	997,937	1,144,757	555,032
Acquisitions through CPA:18 Merger	881,613	—	—
Foreign currency translation adjustment	(269,272)	(267,018)	290,559
Dispositions	(165,516)	(80,129)	(167,671)
Reclassification from real estate under construction	147,982	86,179	176,211
Reclassification from direct financing leases	67,001	76,929	183,789
Impairment charges	(36,624)	(24,246)	(26,343)
Capital improvements	29,419	14,589	35,722
Reclassification to assets held for sale	(13,093)	(10,628)	(14,051)
Ending balance	<u>\$ 13,316,632</u>	<u>\$ 11,677,185</u>	<u>\$ 10,736,752</u>

	Reconciliation of Accumulated Depreciation for Real Estate Subject to Operating Leases		
	Years Ended December 31,		
	2022	2021	2020
Beginning balance	\$ 1,448,020	\$ 1,206,912	\$ 950,452
Depreciation expense	298,972	286,347	259,337
Dispositions	(47,463)	(17,582)	(24,786)
Foreign currency translation adjustment	(26,400)	(25,298)	24,764
Reclassification to assets held for sale	(1,038)	(2,359)	(2,855)
Ending balance	<u>\$ 1,672,091</u>	<u>\$ 1,448,020</u>	<u>\$ 1,206,912</u>

	Reconciliation of Operating Real Estate		
	Years Ended December 31,		
	2022	2021	2020
Beginning balance	\$ 83,673	\$ 83,476	\$ 83,083
Acquisitions through CPA:18 Merger	922,161	—	—
Reclassification from real estate under construction	66,820	—	—
Foreign currency translation adjustment	3,526	—	—
Capital improvements	1,146	197	393
Ending balance	<u>\$ 1,077,326</u>	<u>\$ 83,673</u>	<u>\$ 83,476</u>

	Reconciliation of Accumulated Depreciation for Operating Real Estate		
	Years Ended December 31,		
	2022	2021	2020
Beginning balance	\$ 16,750	\$ 14,004	\$ 11,241
Depreciation expense	11,541	2,746	2,763
Foreign currency translation adjustment	4	—	—
Ending balance	<u>\$ 28,295</u>	<u>\$ 16,750</u>	<u>\$ 14,004</u>

At December 31, 2022, the aggregate cost of real estate that we and our consolidated subsidiaries own for federal income tax purposes was approximately \$16.5 billion.

W. P. CAREY INC.
SCHEDULE IV — MORTGAGE LOANS ON REAL ESTATE
December 31, 2022
(dollars in thousands)

Description	Interest Rate	Final Maturity Date	Carrying Amount
Financing agreement — Cipriani	10.0 %	Jul. 2024	\$ 28,000
Financing agreement — observation wheel	7.5 %	Jun. 2023	11,250
			<u>\$ 39,250</u>

	Reconciliation of Mortgage Loans on Real Estate		
	Years Ended December 31,		
	2022	2021	2020
Beginning balance	\$ 24,143	\$ 24,143	\$ 47,737
Repayments	(34,000)	—	(11,000)
Acquisition through CPA:18 Merger (Note 6)	28,000	—	—
Gain on repayment of secured loan receivable	10,613	—	—
Change in allowance for credit losses (Note 6)	10,494	—	(12,594)
Ending balance	<u>\$ 39,250</u>	<u>\$ 24,143</u>	<u>\$ 24,143</u>

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.*Disclosure Controls and Procedures*

Our disclosure controls and procedures include internal controls and other procedures designed to provide reasonable assurance that information required to be disclosed in this and other reports filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized, and reported within the required time periods specified in the SEC’s rules and forms; and that such information is accumulated and communicated to management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosures. It should be noted that no system of controls can provide complete assurance of achieving a company’s objectives and that future events may impact the effectiveness of a system of controls.

Our chief executive officer and chief financial officer, after conducting an evaluation, together with members of our management, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2022, have concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) were effective as of December 31, 2022 at a reasonable level of assurance.

Management’s Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

We assessed the effectiveness of our internal control over financial reporting at December 31, 2022. In making this assessment, we used criteria set forth in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment, we concluded that, at December 31, 2022, our internal control over financial reporting is effective based on those criteria.

The effectiveness of our internal control over financial reporting as of December 31, 2022 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, and in connection therewith, PricewaterhouseCoopers LLP has issued an attestation report on the Company’s effectiveness of internal controls over financial reporting as of December 31, 2022, as stated in their report in [Item 8](#).

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Item 9B. Other Information.

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

This information will be contained in our definitive proxy statement for the 2023 Annual Meeting of Stockholders, to be filed within 120 days following the end of our fiscal year, and is incorporated herein by reference.

Item 11. Executive Compensation.

This information will be contained in our definitive proxy statement for the 2023 Annual Meeting of Stockholders, to be filed within 120 days following the end of our fiscal year, and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

This information will be contained in our definitive proxy statement for the 2023 Annual Meeting of Stockholders, to be filed within 120 days following the end of our fiscal year, and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

This information will be contained in our definitive proxy statement for the 2023 Annual Meeting of Stockholders, to be filed within 120 days following the end of our fiscal year, and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services.

This information will be contained in our definitive proxy statement for the 2023 Annual Meeting of Stockholders, to be filed within 120 days following the end of our fiscal year, and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(1) and (2) — Financial statements and schedules: see index to financial statements and schedules included in [Item 8](#).

(3) Exhibits:

The following exhibits are filed with this Report. Documents other than those designated as being filed herewith are incorporated herein by reference.

Exhibit No.	Description	Method of Filing
3.1	Articles of Amendment and Restatement of W. P. Carey Inc. dated June 15, 2017	Incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed June 16, 2017
3.2	Fifth Amended and Restated Bylaws of W. P. Carey Inc. dated June 15, 2017	Incorporated by reference to Exhibit 3.2 to Current Report on Form 8-K filed June 16, 2017
4.1	Form of Common Stock Certificate	Incorporated by reference to Exhibit 4.1 to Annual Report on Form 10-K for the year ended December 31, 2012 filed February 26, 2013
4.2	Indenture, dated as of March 14, 2014, by and between W. P. Carey Inc., as issuer and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed March 14, 2014
4.3	First Supplemental Indenture, dated as of March 14, 2014, by and between W. P. Carey Inc., as issuer, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed March 14, 2014
4.4	Form of Global Note Representing \$500,000,000 Aggregate Principal Amount of 4.60% Senior Notes due 2024	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed March 14, 2014
4.5	Third Supplemental Indenture, dated January 26, 2015, by and between W. P. Carey Inc., as issuer, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed January 26, 2015
4.6	Form of Note representing \$450 Million Aggregate Principal Amount of 4.000% Senior Notes due 2025	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed January 26, 2015
4.7	Fourth Supplemental Indenture, dated as of September 12, 2016, by and between W. P. Carey Inc., as issuer, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed September 12, 2016
4.8	Form of Note representing \$350 Million Aggregate Principal Amount of 4.250% Senior Notes due 2026	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed September 12, 2016
4.9	Indenture, dated as of November 8, 2016, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.3 to Automatic shelf registration statement on Form S-3 (File No. 333-233159) filed August 9, 2019
4.10	First Supplemental Indenture, dated as of January 19, 2017, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, and U.S. Bank National Association, as trustee.	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed January 19, 2017

Exhibit No.	Description	Method of Filing
4.11	Form of Note representing €500 Million Aggregate Principal Amount of 2.250% Senior Notes due 2024	Incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed January 19, 2017
4.12	Second Supplemental Indenture dated as of March 6, 2018, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed March 6, 2018
4.13	Form of Note representing €500 Million Aggregate Principal Amount of 2.125% Senior Notes due 2027	Incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed March 6, 2018
4.14	Third Supplemental Indenture dated as of October 9, 2018, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed October 9, 2018
4.15	Form of Note representing €500 Million Aggregate Principal Amount of 2.250% Senior Notes due 2026	Incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed October 9, 2018
4.16	Fifth Supplemental Indenture, dated June 14, 2019, by and between W. P. Carey Inc., as issuer, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.1 to Current Report on Form 10-Q filed August 2, 2019
4.17	Form of Note representing \$325 Million Aggregate Principal Amount of 3.850% Senior Notes due 2029	Incorporated by reference to Exhibit 4.2 to Current Report on Form 10-Q filed August 2, 2019
4.18	Fourth Supplemental Indenture, dated as of September 19, 2019, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed September 19, 2019
4.19	Form of Note representing €500 Million Aggregate Principal Amount of 1.350% Senior Notes due 2028	Incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed September 19, 2019
4.20	Description of Securities Registered under Section 12 of the Exchange Act	Incorporated by reference to Exhibit 4.22 to Annual Report on Form 10-K for the year ended December 31, 2019 filed February 21, 2020
4.21	Sixth Supplemental Indenture, dated October 14, 2020, by and between W. P. Carey Inc., as issuer, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed October 14, 2020
4.22	Form of Note representing \$500 Million Aggregate Principal Amount of 2.400% Senior Notes due 2031	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed October 14, 2020
4.23	Seventh Supplemental Indenture, dated February 25, 2021, by and between W. P. Carey Inc., as issuer, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed February 25, 2021
4.24	Form of Note representing \$425 Million Aggregate Principal Amount of 2.250% Senior Notes Due 2033	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed February 25, 2021
4.25	Fifth Supplemental Indenture dated as of March 8, 2021, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, and U.S. Bank National Association, as trustee	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed March 8, 2021

Exhibit No.	Description	Method of Filing
4.26	Form of Note representing €525 Million Aggregate Principal Amount of 0.950% Senior Notes Due 2030	Incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed March 8, 2021
4.27	Eighth Supplemental Indenture, dated October 15, 2021, by and between W. P. Carey Inc., as issuer, and U.S. Bank National Association, as trustee	Incorporated by reference Exhibit 4.2 to Current Report on Form 8-K filed October 15, 2021
4.28	Form of Note representing \$350 Million Aggregate Principal Amount of 2.450% Senior Notes due 2032	Incorporated by reference Exhibit 4.3 to Current Report on Form 8-K filed October 15, 2021
4.29	Form of Note Representing €150,000,000 Aggregate Principal Amount of 3.41% Senior Notes due 2029	Incorporated by reference to Exhibit 4.1 to Quarterly Report on Form 10-Q filed November 4, 2022
4.30	Form of Note Representing €200,000,000 Aggregate Principal Amount of 3.70% Senior Notes due 2032	Incorporated by reference to Exhibit 4.2 to Quarterly Report on Form 10-Q filed November 4, 2022
10.1	W. P. Carey Inc. 1997 Share Incentive Plan, as amended *	Incorporated by reference to Exhibit 10.2 to Annual Report on Form 10-K for the year ended December 31, 2014 filed March 2, 2015
10.2	W. P. Carey Inc. (formerly W. P. Carey & Co. LLC) Long-Term Incentive Program as amended and restated effective as of September 28, 2012 *	Incorporated by reference to Exhibit 10.3 to Annual Report on Form 10-K for the year ended December 31, 2012 filed February 26, 2013
10.3	W. P. Carey Inc. Amended and Restated Deferred Compensation Plan for Employees *	Incorporated by reference to Exhibit 10.4 to Annual Report on Form 10-K for the year ended December 31, 2012 filed February 26, 2013
10.4	Amended and Restated W. P. Carey Inc. 2009 Share Incentive Plan *	Incorporated by reference to Appendix A of Schedule 14A filed April 30, 2013
10.5	2017 Annual Incentive Compensation Plan	Incorporated by reference to Exhibit A of Schedule 14A filed April 11, 2017
10.6	2017 Share Incentive Plan	Incorporated by reference to Exhibit B of Schedule 14A filed April 11, 2017
10.7	Form of Share Option Agreement under the 2017 Share Incentive Plan	Incorporated by reference to Exhibit 4.9 to Registration Statement on Form S-8 filed June 27, 2017
10.8	Form of Restricted Share Agreement under the 2017 Share Incentive Plan	Incorporated by reference to Exhibit 4.7 to Registration Statement on Form S-8 filed June 27, 2017
10.9	Form of Restricted Share Unit Agreement under the 2017 Share Incentive Plan	Incorporated by reference to Exhibit 4.8 to Registration Statement on Form S-8 filed June 27, 2017
10.10	Form of Long-Term Performance Share Unit Award Agreement pursuant to the W. P. Carey Inc. 2017 Share Incentive Plan	Incorporated by reference to Exhibit 4.6 to Registration Statement on Form S-8 filed June 27, 2017
10.11	Form of Non-Employee Director Restricted Share Agreement under the 2017 Share Incentive Plan	Incorporated by reference to Exhibit 4.5 to Registration Statement on Form S-8, filed June 27, 2017

Exhibit No.	Description	Method of Filing
10.12	W. P. Carey Inc. 2009 Non-Employee Directors' Incentive Plan *	Incorporated by reference to Exhibit 10.2 to Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 filed August 6, 2013
10.13	Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, among W. P. Carey Inc. and Certain of its Subsidiaries identified therein as Guarantors, Bank of America, N.A., as Administrative Agent, Bank of America, N.A., JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as L/C Issuers, Bank of America, N.A., as Swing Line Lender, and the Lenders party thereto	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed February 20, 2020
10.14	First Amendment (LIBOR Transition), dated as of December 1, 2021, to the Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, among W. P. Carey Inc. and Bank of America, N.A., as administrative agent	Incorporated by reference to Exhibit 10.18 to Annual Report on Form 10-K filed February 11, 2022
10.15	Second Amendment, dated as of April 19, 2022, to the Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, by and among W. P. Carey Inc. as Borrower, certain Subsidiaries of W. P. Carey identified therein, from time to time as Guarantors, Bank of America, N.A., as Administrative Agent, Bank of America, N.A., JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as L/C	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed April 22, 2022
10.16	Third Amendment, dated as of January 26, 2023, to the Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, is entered into among W. P. Carey Inc., as Parent Borrower, each of the Lenders party hereto, each of the L/C Issuers party hereto, and Bank of America, N.A., as administrative agent	Filed herewith
10.17	Agency Agreement dated as of January 19, 2017, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, UK Branch, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed January 19, 2017
10.18	Agency Agreement dated as of March 6, 2018, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, UK Branch, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed March 6, 2018
10.19	Agency Agreement dated as of October 9, 2018, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, UK Branch, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed October 9, 2018
10.20	Agency Agreement dated as of March 8, 2021, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed March 8, 2021

Exhibit No.	Description	Method of Filing
10.21	Equity Sales Agreement, dated May 2, 2022, by and among W. P. Carey Inc. and each of Barclays Capital Inc., BMO Capital Markets Corp., BNY Mellon Capital Markets, LLC, BofA Securities, Inc., BTIG, LLC, Capital One Securities, Inc., Fifth Third Securities, Inc., Jefferies LLC, JMP Securities LLC, J.P. Morgan Securities LLC, RBC Capital Markets, LLC, Regions Securities LLC, Scotia Capital (USA) Inc., and Wells Fargo Securities, LLC, as agents, and each of Barclays Bank PLC, Bank of Montreal, The Bank of New York Mellon, Bank of America, N.A., Jefferies LLC, JPMorgan Chase Bank, National Association, Regions Securities LLC, Royal Bank of Canada, The Bank of Nova Scotia and Wells Fargo Bank, National Association, as forward purchasers	Incorporated by reference to Exhibit 1.1 to Current Report on Form 8-K, filed May 3, 2022
10.22	Form of Forward Confirmation	Incorporated by reference to Exhibit 1.2 to Current Report on Form 8-K, filed May 3, 2022
10.23	Note Purchase Agreement, dated August 31, 2022, by and among W. P. Carey Inc. and the purchasers listed in the purchaser schedule thereto	Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed September 1, 2022
18.1	Preferability letter of Independent Registered Public Accounting Firm	Incorporated by reference to Exhibit 18.1 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 filed November 5, 2013
21.1	List of Registrant Subsidiaries	Filed herewith
23.1	Consent of PricewaterhouseCoopers LLP	Filed herewith
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
99.1	Director and Officer Indemnification Policy	Incorporated by reference to Exhibit 99.1 to Annual Report on Form 10-K for the year ended December 31, 2012 filed February 26, 2013
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL Document.	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith

Exhibit No.	Description	Method of Filing
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	Filed herewith

*The referenced exhibit is a management contract or compensation plan or arrangement required to be filed as an exhibit pursuant to Item 15 (a)(3) of Form 10-K.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Date: February 10, 2023

W. P. Carey Inc.
By: /s/ ToniAnn Sanzone
ToniAnn Sanzone
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jason E. Fox</u> Jason E. Fox	Director and Chief Executive Officer (Principal Executive Officer)	February 10, 2023
<u>/s/ ToniAnn Sanzone</u> ToniAnn Sanzone	Chief Financial Officer (Principal Financial Officer)	February 10, 2023
<u>/s/ Brian Zander</u> Brian Zander	Chief Accounting Officer (Principal Accounting Officer)	February 10, 2023
<u>/s/ Christopher J. Niehaus</u> Christopher J. Niehaus	Chairman of the Board and Director	February 10, 2023
<u>/s/ Mark A. Alexander</u> Mark A. Alexander	Director	February 10, 2023
<u>/s/ Constantin H. Beier</u> Constantin H. Beier	Director	February 10, 2023
<u>/s/ Tonit M. Calaway</u> Tonit M. Calaway	Director	February 10, 2023
<u>/s/ Peter J. Farrell</u> Peter J. Farrell	Director	February 10, 2023
<u>/s/ Robert J. Flanagan</u> Robert J. Flanagan	Director	February 10, 2023
<u>/s/ Jean Hoysradt</u> Jean Hoysradt	Director	February 10, 2023
<u>/s/ Margaret G. Lewis</u> Margaret G. Lewis	Director	February 10, 2023
<u>/s/ Nicolaas J. M. van Ommen</u> Nicolaas J. M. van Ommen	Director	February 10, 2023
<u>/s/ Elisabeth Stheeman</u> Elisabeth Stheeman	Director	February 10, 2023

EXHIBIT INDEX

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4.10	First Supplemental Indenture, dated as of January 19, 2017, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, and U.S. Bank National Association, as trustee.	Incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed January 19, 2017

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10.4	Amended and Restated W. P. Carey Inc. 2009 Share Incentive Plan *	Incorporated by reference to Appendix A of Schedule 14A filed April 30, 2013
10.5	2017 Annual Incentive Compensation Plan	Incorporated by reference to Exhibit A of Schedule 14A filed April 11, 2017
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10.7	Form of Share Option Agreement under the 2017 Share Incentive Plan	Incorporated by reference to Exhibit 4.9 to Registration Statement on Form S-8 filed June 27, 2017
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10.12	W. P. Carey Inc. 2009 Non-Employee Directors' Incentive Plan *	Incorporated by reference to Exhibit 10.2 to Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 filed August 6, 2013
10.13	Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, among W. P. Carey Inc. and Certain of its Subsidiaries identified therein as Guarantors, Bank of America, N.A., as Administrative Agent, Bank of America, N.A., JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as L/C Issuers, Bank of America, N.A., as Swing Line Lender, and the Lenders party thereto	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed February 20, 2020
10.14	First Amendment (LIBOR Transition), dated as of December 1, 2021, to the Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, among W. P. Carey Inc. and Bank of America, N.A., as administrative agent	Incorporated by reference to Exhibit 10.18 to Annual Report on Form 10-K filed February 11, 2022
10.15	Second Amendment, dated as of April 19, 2022, to the Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, by and among W. P. Carey Inc. as Borrower, certain Subsidiaries of W. P. Carey identified therein, from time to time as Guarantors, Bank of America, N.A., as Administrative Agent, Bank of America, N.A., JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as L/C	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed April 22, 2022
10.16	Third Amendment, dated as of January 26, 2023, to the Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020, is entered into among W. P. Carey Inc., as Parent Borrower, each of the Lenders party hereto, each of the L/C Issuers party hereto, and Bank of America, N.A., as administrative agent	Filed herewith
10.17	Agency Agreement dated as of January 19, 2017, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, UK Branch, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed January 19, 2017
10.18	Agency Agreement dated as of March 6, 2018, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, UK Branch, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed March 6, 2018
10.19	Agency Agreement dated as of October 9, 2018, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, UK Branch, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed October 9, 2018
10.20	Agency Agreement dated as of March 8, 2021, by and among WPC Eurobond B.V., as issuer, W. P. Carey Inc., as guarantor, Elavon Financial Services DAC, as paying agent and U.S. Bank National Association, as transfer agent, registrar and trustee	Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed March 8, 2021

Exhibit No.	Description	Method of Filing
10.21	Equity Sales Agreement, dated May 2, 2022, by and among W. P. Carey Inc. and each of Barclays Capital Inc., BMO Capital Markets Corp., BNY Mellon Capital Markets, LLC, BofA Securities, Inc., BTIG, LLC, Capital One Securities, Inc., Fifth Third Securities, Inc., Jefferies LLC, JMP Securities LLC, J.P. Morgan Securities LLC, RBC Capital Markets, LLC, Regions Securities LLC, Scotia Capital (USA) Inc., and Wells Fargo Securities, LLC, as agents, and each of Barclays Bank PLC, Bank of Montreal, The Bank of New York Mellon, Bank of America, N.A., Jefferies LLC, JPMorgan Chase Bank, National Association, Regions Securities LLC, Royal Bank of Canada, The Bank of Nova Scotia and Wells Fargo Bank, National Association, as forward purchasers	Incorporated by reference to Exhibit 1.1 to Current Report on Form 8-K, filed May 3, 2022
10.22	Form of Forward Confirmation	Incorporated by reference to Exhibit 1.2 to Current Report on Form 8-K, filed May 3, 2022
10.23	Note Purchase Agreement, dated August 31, 2022, by and among W. P. Carey Inc. and the purchasers listed in the purchaser schedule thereto	Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed September 1, 2022
18.1	Preferability letter of Independent Registered Public Accounting Firm	Incorporated by reference to Exhibit 18.1 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 filed November 5, 2013
21.1	List of Registrant Subsidiaries	Filed herewith
23.1	Consent of PricewaterhouseCoopers LLP	Filed herewith
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
99.1	Director and Officer Indemnification Policy	Incorporated by reference to Exhibit 99.1 to Annual Report on Form 10-K for the year ended December 31, 2012 filed February 26, 2013
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL Document.	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith

Exhibit No.	Description	Method of Filing
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	Filed herewith

*The referenced exhibit is a management contract or compensation plan or arrangement required to be filed as an exhibit pursuant to Item 15 (a)(3) of Form 10-K.

Execution Copy

THIRD AMENDMENT
TO FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

This THIRD AMENDMENT TO FOURTH AMENDED AND RESTATED CREDIT AGREEMENT (this “Amendment”), dated as of January 26, 2023, is entered into among W.P. CAREY INC. (the “Company” or the “Parent Borrower”), each of the Lenders party hereto, each of the L/C Issuers party hereto, and BANK OF AMERICA, N.A., as administrative agent (in such capacity, the “Administrative Agent”). Capitalized terms used herein but not otherwise defined herein shall have the meanings provided to such terms in the Amended Credit Agreement described below.

RECITALS

WHEREAS, the Company, the Designated Borrowers from time to time party thereto, the Guarantors from time to time party thereto, the Lenders from time to time party thereto, the Administrative Agent, Bank of America, N.A., JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as L/C Issuers and Bank of America, N.A., as Swing Line Lender have entered into that certain Fourth Amended and Restated Credit Agreement, dated as of February 20, 2020 (as heretofore amended, modified, extended, restated, replaced, or supplemented, the “Existing Credit Agreement” and, as amended by this Amendment, the “Amended Credit Agreement”).

WHEREAS, the Company and the Lenders party hereto have agreed to modify the Existing Credit Agreement as herein set forth.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendments to Credit Agreement. The parties hereto agree that effective as of the Third Amendment Effective Date (defined below) the Existing Credit Agreement (other than, except as described in clause (b), the schedules and exhibits thereto) shall be amended:

- (a) to incorporate the changes marked on the copy of the Amended Credit Agreement attached as Annex I hereto; and
- (b) by replacing Exhibit A to the Existing Credit Agreement with the Exhibit A attached hereto as Annex II.

SECTION 2. Conditions to Effectiveness. This Amendment shall become effective as of the first date each of the following conditions precedent has been satisfied (the first date each of such conditions precedent has been satisfied being referred to herein as the “Third Amendment Effective Date”):

- (a) The Administrative Agent shall have received counterparts of this Amendment duly executed by the Company, the Administrative Agent, each Lender, and each L/C Issuer, each of which shall be originals, telecopies or in .pdf or other electronic format (followed promptly by originals) in each case in accordance with Section 7 hereof.

(b) No Default or Event of Default has occurred and is continuing on the Third Amendment Effective Date.

(c) The representations and warranties contained in Section 4 of this Amendment are true and correct in all material respects on and as of the Third Amendment Effective Date, except to the extent that (1) such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and (2) any representation or warranty that is already by its terms qualified as to “materiality”, “Material Adverse Effect” or similar language shall be true and correct in all respects as of such date after giving effect to such qualification.

(d) The Administrative Agent shall have received a certificate of the Company dated as of the Third Amendment Effective Date signed by a Responsible Officer of the Company certifying that before and after giving effect to this Amendment, (i) the representations and warranties contained in Article V of the Amended Credit Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection therewith or with this Amendment are true and correct in all material respects on and as of the Third Amendment Effective Date, except to the extent that (1) with respect to the representations and warranties set forth in Section 5.20(b) of the Amended Credit Agreement, in which case they are true and correct in all respects, (2) such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, (3) any representation or warranty that is already by its terms qualified as to “materiality”, “Material Adverse Effect” or similar language shall be true and correct in all respects as of such date after giving effect to such qualification, and (4) for purposes of such certificate, the representations and warranties contained in subsections (a) and (b) of Section 5.05 of the Amended Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01 of the Existing Credit Agreement, and (ii) no Default exists.

SECTION 3. Representations and Warranties of Loan Parties. The Company represents and warrants (which representations and warranties shall survive the execution and delivery hereof) to the Administrative Agent and each Lender that before and after giving effect to this Amendment:

(a) Each Loan Party has all requisite power and authority to execute, deliver and perform its obligations under, and consummate the transactions contemplated by, this Amendment.

(b) The execution, delivery and performance by each Loan Party of, and the consummation by each Loan Party of the transactions contemplated by, this Amendment have been duly authorized by all necessary corporate or other organizational action and do not and will not (i) contravene the terms of any of such Person's Organization Documents; (ii) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (x) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (y) any order, injunction, writ or decree of any Governmental Authority

or any arbitral award to which such Person or its property is subject; or (iii) violate any Law.

(c) No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Amendment, or for the consummation of the transactions contemplated by this Amendment.

(d) This Amendment has been duly executed and delivered by each Loan Party and constitutes the legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(e) The representations and warranties of each Loan Party contained in Article V of the Amended Credit Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, are true and correct in all material respects on and as of the Third Amendment Effective Date with the same force and effect as if made on such date, except (i) with respect to the representations and warranties set forth in Section 5.20(b) of the Amended Credit Agreement, in which case they are true and correct in all respects, (ii) to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, (iii) any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects as of such date after giving effect to such qualification, and (iv) for purposes of this Amendment, the representations and warranties contained in subsections (a) and (b) of Section 5.05 of the Amended Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01 of the Amended Credit Agreement.

(f) No Default or Event of Default has occurred and is continuing. **SECTION 4. Ratification**

and Confirmation.

(a) Except as herein agreed, the Amended Credit Agreement and the other Loan Documents remain in full force and effect and are hereby ratified and affirmed by the Loan Parties. Each of the Loan Parties hereby (i) confirms and agrees that the Borrower is truly and justly indebted to the Administrative Agent, the L/C Issuers and the Lenders in the aggregate amount of the Obligations without defense, counterclaim or offset of any kind whatsoever, and (ii) reaffirms and admits the validity and enforceability of the Amended Credit Agreement and the other Loan Documents.

(b) This Amendment shall be limited precisely as written and, except as expressly provided herein, shall not be deemed (i) to be a consent granted pursuant to, or a waiver,

modification or forbearance of, any term or condition of the Amended Credit Agreement or any of the instruments or agreements referred to therein or a waiver of any Default or Event of Default under the Amended Credit Agreement, whether or not known to the Administrative Agent, the Swing Line Lender, any of the L/C Issuers or any of the Lenders, or (ii) to prejudice any right or remedy which the Administrative Agent, the Swing Line Lender, any of the L/C Issuers or any of the Lenders may now have or have in the future against any Person under or in connection with the Amended Credit Agreement, any of the instruments or agreements referred to therein or any of the transactions contemplated thereby.

SECTION 5. Continuing Effect. The Loan Parties acknowledge and agree that this Amendment constitutes a Loan Document. From and after the Third Amendment Effective Date, each reference in the Amended Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein,” or words of like import, and each reference in each other Loan Document (and the other documents and instruments delivered pursuant to or in connection therewith) to the “Credit Agreement”, “thereunder”, “thereof” or words of like import, shall mean and be a reference to the Amended Credit Agreement, as the Amended Credit Agreement may in the future be amended, restated, supplemented or modified from time to time.

SECTION 6. Governing Law. THIS AMENDMENT AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 7. Miscellaneous. This Amendment may be in the form of an Electronic Record (in “.pdf” form or otherwise) and may be executed using Electronic Signatures, which shall be considered as originals and shall have the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping system. This Amendment may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts shall be one and the same Amendment. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Administrative Agent of a manually signed Amendment which has been converted into electronic form (such as scanned into “.pdf” format), or an electronically signed Amendment converted into another format, for transmission, delivery and/or retention. Notwithstanding anything contained herein to the contrary, the Administrative Agent is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by such Person pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept such Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any party without further verification and regardless of the appearance or form of such Electronic Signature and (ii) upon the request of any party, any Electronic Signature shall be promptly followed by such manually

executed counterpart. “Electronic Record” and “Electronic Signature” shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

SECTION 8. Severability. Any provision of this Amendment held to be illegal, invalid or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such illegality, invalidity or enforceability without affecting the legality, validity or enforceability of the remaining provisions hereof and the illegality, invalidity or unenforceability of a particular provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 9. Successors and Assigns. The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10. Loan Document. This Amendment is a Loan Document.

SECTION 11. Headings. Section headings in this Amendment are included for convenience of reference only and are not to affect the interpretation of this Amendment.

SECTION 12. Entire Agreement. This Amendment constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Without limitation of the foregoing:

THIS AMENDMENT REPRESENTS THE FINAL AGREEMENT AMONG THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[The remainder of this page left blank intentionally]

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

PARENT BORROWER:

W.P. CAREY INC.

By: /s/ Mark J. Foresi

Name: Mark J. Foresi

Title: Executive Director, Capital Markets

LENDERS:

BANK OF AMERICA, N.A., as a Lender and
an L/C Issuer

By: /s/ Cheryl Sneor

Name: Cheryl Sneor

Title: Vice President

JPMORGAN CHASE BANK, N.A., as a Lender and an L/C Issuer

By: /s/ David Glenn

Name: David Glenn
Authorized Signatory

Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender
and an L/C Issuer

By: /s/ Terrance Alewine

Name: Terrance Alewine
Vice President

Title:

BARCLAYS BANK PLC, as a Lender

By: /s/ Warren Veech III

Name: Warren Veech III
Vice President

Title:

CAPITAL ONE, NATIONAL ASSOCIATION, as a Lender

By: /s/ Jessica W. Phillips

Name: Jessica W. Phillips
Authorized Signatory

Title:

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Patrick T. Brooks

Name: Patrick T. Brooks
Assistant Vice President

Title:

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Brian Kelly

Name: Brian Kelly
Senior Vice President

Title:

REGIONS BANK, as a Lender

By: /s/ William Chalmers

Name: William Chalmers
Senior Vice President

Title:

CITIZENS BANK, N.A., as a Lender

By: /s/ Donald Woods

Name: Donald Woods
SVP

Title:

FIFTH THIRD BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Casey Ciccone

Name: Casey Ciccone
Senior Vice President

Title:

THE BANK OF NOVA SCOTIA, as a Lender

By: /s/ Sacha Boxill

Name: Sacha Boxill

Title: Director, Corporate Banking – U.S. Real Estate, Gaming & Leisure

ROYAL BANK OF CANADA, as a Lender

By: /s/ William Behuniak

Name: William Behuniak

Title: Authorized Signatory

SIGNATURE BANK, as a Lender

By: /s/ Alfred Quaye

Name: Alfred Quaye

Title: Senior Lender, VP

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Henry Pennell

Name: Henry Pennell

Title: Vice President

**ANNEX I
TO THIRD AMENDMENT**

AMENDED CREDIT AGREEMENT

(see attached)

Published Deal CUSIP Number: 92937YAL4

FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of February 20, 2020

among

W.P. CAREY INC.
as Borrower

Certain Subsidiaries of W.P. CAREY INC. identified herein,
as Guarantors

BANK OF AMERICA, N.A.,
as Administrative Agent

BANK OF AMERICA, N.A., JPMORGAN CHASE BANK, N.A., and WELLS FARGO BANK, N.A.,
as L/C Issuers

BANK OF AMERICA, N.A.,
as Swing Line Lender

JPMORGAN CHASE BANK, N.A., and WELLS FARGO BANK, N.A.,
as Co-Syndication Agents

and

The Other Lenders Party Hereto

BofA SECURITIES, INC. and JPMORGAN CHASE BANK, N.A.,
as Joint Bookrunners

BofA SECURITIES, INC., JPMORGAN CHASE BANK, N.A., and WELLS FARGO SECURITIES, LLC,
as Joint Lead Arrangers

BARCLAYS BANK PLC,
CAPITAL ONE, NATIONAL ASSOCIATION and U.S. BANK NATIONAL ASSOCIATION,
as Documentation Agents

BMO HARRIS BANK N.A., PNC BANK, NATIONAL ASSOCIATION, and REGIONS BANK,
as Senior Managing Agents

and

BBVA USA, CITIZENS BANK, N.A., FIFTH THIRD BANK, NATIONAL ASSOCIATION,
THE BANK OF NOVA SCOTIA and ROYAL BANK OF CANADA,
as Managing Agents

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FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

THIS FOURTH AMENDED AND RESTATED CREDIT AGREEMENT (this “Agreement”) is entered into as of February 20, 2020, among W.P. Carey Inc. (together with its permitted successors and assigns, the “Company”), each Designated Borrower from time to time party hereto, certain Subsidiaries of the Company identified herein, as guarantors, each lender from time to time party hereto (collectively, the “Lenders” and individually, a “Lender”), Bank of America, N.A., as Administrative Agent, Bank of America, N.A., JPMorgan Chase Bank, N.A. and Wells Fargo Bank, N.A., as L/C Issuers and Bank of America, N.A., as Swing Line Lender.

PRELIMINARY STATEMENTS:

WHEREAS, the Company, the Administrative Agent and certain Lenders party hereto are party to a certain Third Amended and Restated Credit Agreement, dated as of February 22, 2017, as amended through but excluding the date hereof (as so amended, the “Original Credit Agreement”); and

WHEREAS, the parties hereto desire to amend and restate the Original Credit Agreement in its entirety, but not as a novation, on the terms and subject to the conditions hereinafter set forth.

In consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree that the Original Credit Agreement shall be, and hereby is, amended and restated in its entirety as follows, effective on and as of the Closing Date and hereby further agree as follows:

Article a DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

“Absolute Rate” means a fixed rate of interest expressed in multiples of 1/100th of one basis point.

“Absolute Rate Loan” means a Competitive Loan that bears interest at a rate determined with reference to an Absolute Rate.

“Adjusted Total EBITDA” means, for any period, an amount equal to:

(a) EBITDA of the Company and its Subsidiaries during such period; plus

(b) Joint Venture EBITDA for such period; plus

(c) distributions in cash received by the Company and its Subsidiaries in respect of equity in Managed Programs during such period; plus

(d) distributions in cash received by the Company and its Subsidiaries in respect of common or preferred equity investments.

~~“Adjustment” has the meaning specified in Section 3.03(e).~~

“Administrative Agent” means Bank of America in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

“Administrative Agent’s Office” means, with respect to any currency, the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 11.02 with respect to such currency, or such other address or account with respect to such currency as the Administrative Agent may from time to time notify to the Parent Borrower and the Lenders.

“Administrative Questionnaire” means an Administrative Questionnaire in substantially the form of Exhibit F-2 or any other form approved by the Administrative Agent.

“Affected Borrower” has the meaning specified in Section 2.06(b)(vi).

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Aggregate Alternative Currency Tranche Commitments” means, at any time, the aggregate amount of the Lenders’ Alternative Currency Tranche Commitments at such time.

“Aggregate Commitments” means, at any time, the aggregate amount of the Revolving Credit Facility, the Lenders’ Delayed Draw Term Commitments and the Lenders’ Term Commitments at such time.

“Aggregate Dollar Tranche Commitments” means, at any time, the aggregate amount of the Lenders’ Dollar Tranche Commitments at such time.

“Agreement” means this Credit Agreement.

“Agreed Currency” means Dollars or any Alternative Currency, as applicable.

“Alternative Currency” means each of Euro, Sterling, Canadian Dollars, Swedish Krona, Norwegian Krone, Danish Krone, Australian Dollars, Yen, Swiss Franc and Mexican Pesos; provided that for each Alternative Currency, such requested currency is an Eligible Currency.

“Alternative Currency Daily Rate” means, for any day, with respect to ~~any extension of credit under the Credit Agreement~~:

(a) any Swing Line Borrowing denominated in Euro, the rate per annum equal to €STR determined pursuant to the definition thereof;

(b) ~~(a)~~ any Credit Extension denominated in Sterling, the rate per annum equal to SONIA determined pursuant to the definition thereof plus the SONIA Adjustment; and

(c) ~~(b)~~ any Credit Extension denominated in Swiss Francs, the rate per annum equal to SARON determined pursuant to the definition thereof plus the SARON Adjustment;

provided, that, if any Alternative Currency Daily Rate shall be less than zero, such rate shall be deemed zero for purposes of ~~this Agreement~~ the Loan Documents. Any change in an Alternative Currency Daily Rate shall be effective from and including the date of such change without further notice.

“Alternative Currency Daily Rate Loan” means a Loan, other than a Swing Line Loan, that bears interest at a rate based on the definition of “Alternative Currency Daily Rate.” All Alternative Currency Daily Rate Loans must be denominated in ~~Sterling or Swiss Francs~~ an Alternative Currency.

“Alternative Currency Equivalent” means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent or an L/C Issuer, as the case may be, ~~at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date)~~ by reference to Bloomberg (or such other publicly available service for displaying exchange rates), to be the exchange rate for the purchase of such Alternative Currency with Dollars at approximately 11:00 a.m. on the date two (2) Business Days prior to the date as of which the foreign exchange computation is made; provided, however, that if no such rate is available, the “Alternative Currency Equivalent” shall be determined by the Administrative Agent or an L/C Issuer, as the case may be, using any reasonable method of determination its deems appropriate in its sole discretion (and such determination shall be conclusive absent manifest error).

“Alternative Currency L/C Issuer” means Bank of America in its capacity as the L/C Issuer in respect of Letters of Credit issued in denominations other than Dollars.

“Alternative Currency Loan” means an Alternative Currency Daily Rate Loan or an Alternative Currency Term Rate Loan, as applicable.

“Alternative Currency Sublimit” means an amount equal to the lesser of (a) \$1,000,000,000 and (b) the Revolving Credit Facility. The Alternative Currency Sublimit is part of, and not in addition to, the Revolving Credit Facility.

“Alternative Currency Term Rate” means, for any Interest Period, with respect to any ~~extension of credit under the Credit Agreement~~ Extension:

(a) denominated in Euros (other than a Swing Line Borrowing denominated in Euros), the rate per annum equal to the Euro Interbank Offered Rate (“EURIBOR”), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the day that is two TARGET Days preceding the first day of such Interest Period with a term equivalent to such Interest Period; ~~and~~

(b) denominated in Canadian Dollars, the rate per annum equal to the Canadian Dollar Offered Rate, as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (“CDOR”) on the Rate Determination Date with a term equivalent to such Interest Period;

(c) ~~(b)~~ denominated in ~~Japanese~~ Yen, the rate per annum equal to the Tokyo Interbank Offered Rate (“TIBOR”), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the ~~day that is two Business Days preceding the first day of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as determined by the Administrative Agent; provided that, to the extent such market practice is not administratively feasible for the Administrative Agent, then such date shall be such other day as otherwise reasonably determined by the Administrative Agent)~~ Rate Determination Date with a term equivalent to such Interest Period;

(d) denominated in Australian Dollars, the rate per annum equal to the Bank Bill Swap Reference Bid Rate (“BBSY”), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the Rate Determination Date with a term equivalent to such Interest Period;

(e) denominated in Swedish Krona, the rate per annum equal to the Stockholm Interbank Offered Rate (“STIBOR”), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the Rate Determination Date with a term equivalent to such Interest Period;

(f) denominated in Danish Krone, the rate per annum equal to the Copenhagen Interbank Offered Rate (“CIBOR”), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the Rate Determination Date with a term equivalent to such Interest Period;

(g) denominated in Norwegian Krone, the rate per annum equal to the Norwegian Interbank Offered Rate (“NIBOR”), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the Rate Determination Date with a term equivalent to such Interest Period; and

(h) denominated in Mexican Pesos, the rate per annum equal to the Interbanking Equilibrium Interest Rate (“TIE”), as published by Banco de Mexico in the Federation’s Official Gazette (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the Rate Determination Date with a term equivalent to such Interest Period;

provided, that, if any Alternative Currency Term Rate shall be less than zero, such rate shall be deemed zero for purposes of ~~this Agreement~~ the Loan Documents.

“Alternative Currency Term Rate Loan” means a Loan that bears interest at a rate based on the definition of “Alternative Currency Term Rate.” All Alternative Currency Term Rate Loans must be denominated in ~~Euro or Yen~~ an Alternative Currency.

“Alternative Currency Tranche” means, at any time, Alternative Currency Tranche Commitments of all the Lenders.

“Alternative Currency Tranche Commitment” means, as to each Lender, its obligation to (a) make Revolving Credit Loans pursuant to Section 2.01(b)(ii), in Dollars and Alternative Currencies and (b) purchase participations in Swing Line Loans in Euro and Sterling, in an aggregate principal amount for each such Alternative Currency not to exceed the Dollar amount (if any) set forth opposite such Lender’s name on Schedule 2.01 under the caption “Acceptable Alternative Currencies” or opposite such caption in the Assignment and Assumption or New Lender Joinder Agreement pursuant to which such Lender becomes a party hereto, in an aggregate principal amount for all such Revolving Credit Loans at any one time outstanding not to exceed the Dollar amount set forth opposite such Lender’s name on Schedule 2.01 under the caption “Alternative Currency Tranche Commitment” or under such caption in the Assignment and Assumption or New Lender Joinder Agreement pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be increased by such Lender pursuant to Section 2.16 or otherwise adjusted from time to time in accordance with this Agreement.

“Alternative Currency Tranche Lender” means any Person that is a Lender hereunder in respect of the Alternative Currency Tranche in its capacity as a Lender in respect of such Tranche.

“Alternative Currency Tranche Loan” has the meaning specified in Section 2.01(b)(ii).

“Applicable Authority” means (a) with respect to SOFR, the SOFR Administrator or any Governmental Authority having jurisdiction over the Administrative Agent or the SOFR Administrator with respect to its publication of SOFR, in each case acting in such capacity, (b) with respect to Term SOFR, CME or any successor administrator of the Term SOFR Screen Rate or any Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of Term SOFR and/or the Term SOFR Screen Rate, in each case acting in such capacity and (c) with respect to any Alternative Currency, the applicable administrator for the Relevant Rate for such Alternative Currency or any Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of the applicable Relevant Rate, in each case acting in such capacity.

“Applicable Percentage” means (a) in respect of the Term Facility, with respect to any Term Lender at any time, the percentage (carried out to the ninth decimal place) of the Term Facility represented by (i) on or prior to the Closing Date, such Term Lender’s Term Commitment at such time and (ii) thereafter, the principal amount of such Term Lender’s Term Loans at such time, (b) in respect of the Delayed Draw Term Facility, with respect to any Delayed Draw Term Lender at any time, the percentage (carried out to the ninth decimal place) of the Delayed Draw Term Facility represented by (i) on or prior to the Delayed Draw Termination Date, such Delayed Draw Term Lender’s Delayed Draw Term Commitment at such time, subject to adjustment as provided in Section 2.18, and (ii) thereafter, the principal amount of such Delayed Draw Term Lender’s Delayed Draw Term Loans at such time and (c) in respect of the Revolving Credit Facility, with respect to any Revolving Credit Lender at any time, the percentage (carried out to the ninth decimal place) of the Revolving Credit Facility represented by such Revolving Credit Lender’s Revolving Credit Commitment at such time, subject to adjustment as provided in Section 2.18. If the commitment of each Lender to make Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, or if all Commitments have expired, then the Applicable Percentage of each Lender in respect of the applicable Facility shall be determined based on the Applicable Percentage of such Lender in respect of such Facility most recently in effect, giving effect to any subsequent assignments and to any Lender’s status as a Defaulting Lender at the time of determination. The initial Applicable Percentage of each Lender in respect of each Facility is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption or New Lender Joinder Agreement pursuant to which such Lender becomes a party hereto, as applicable.

“Applicable Rate” means, for any day, with respect to any ~~Eurocurrency Rate Loan, LIBOR Floating Rate Loan, Daily Floating Eurocurrency Rate~~ Alternative Currency Loan, SOFR Loan, Base Rate Loan, Letter of Credit Fee and Facility Fee, as the case may be, the applicable rate per annum set forth below, based upon such Debt Ratings as set forth below applicable on such date:

Pricing Level	Debt Ratings (S&P and Fitch / Moody's):	Revolving Credit Facility			Term Facility/Delayed Draw Term Facility	
		Eurocurrency Rate Alternative Currency Loans, LIBOR Floating Rate Loans, Daily Floating Eurocurrency Rate SOFR Loans and Letters of Credit	Base Rate Loans	Facility Fee	Eurocurrency Rate Loans, LIBOR Floating Rate Loans, Daily Floating Eurocurrency Rate Loans Alternative Currency Loans, and SOFR Loans	Base Rate Loans
Category 1	A- / A3 or better	0.725%	0.000%	0.125%	0.800%	0.000%
Category 2	BBB+ / Baa1	0.775%	0.000%	0.150%	0.850%	0.000%
Category 3	BBB / Baa2	0.850%	0.000%	0.200%	0.950%	0.000%
Category 4	BBB- / Baa3	1.050%	0.050%	0.250%	1.200%	0.200%
Category 5	Lower than BBB- / Baa3	1.400%	0.400%	0.300%	1.600%	0.600%

For purposes of the foregoing, (i) if a Debt Rating is issued by only two of S&P, Moody's and Fitch, and such Debt Ratings are split, then the higher of such Debt Ratings shall apply, unless there is a split in Debt Ratings of more than one level, in which case the level that is one level lower than the higher Debt Rating shall apply in determining the Applicable Rate, (ii) if a Debt Rating is issued by all three of S&P, Moody's and Fitch, and such Debt Ratings are split, then the highest of such Debt Ratings shall apply, unless there is a split in Debt Ratings of more than one level between the highest and lowest such Debt Ratings, in which case the level that is the average of the two highest such Debt Ratings shall apply, and if such average is not a recognized rating category, then the level of the second highest Debt Rating of the three shall apply in determining the Applicable Rate and (iii) if at any time a Debt Rating is issued by only one of S&P, Moody's or Fitch, then (A) if such Debt Rating is issued by S&P or Moody's, such Debt Rating shall apply in determining the Applicable Rate and (B) if such Debt Rating is issued by

Fitch, the Applicable Rate shall be at Pricing Level Category 5. Initially, the Applicable Rate shall be determined based upon the Debt Ratings in effect on the Closing Date. Thereafter, each change in the Applicable Rate resulting from a publicly announced change in a Debt Rating shall be effective, in the case of an upgrade, during the period commencing on the date of delivery by the Parent Borrower to the Administrative Agent of notice thereof pursuant to Section 6.03(e) and ending on the date immediately preceding the effective date of the next such change and, in the case of a downgrade, during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's, S&P or Fitch shall change, or if any such rating agency shall cease to be in the business of rating companies or corporate debt obligations, the Parent Borrower and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Rate shall be determined by reference to the rating most recently in effect prior to such change or cessation.

“Applicable Revolving Credit Percentage” means with respect to any Revolving Credit Lender at any time, such Revolving Credit Lender's Applicable Percentage in respect of the Revolving Credit Facility at such time.

“Applicable Time” means, with respect to any ~~borrowings~~Borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent or the Alternative Currency L/C Issuer, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

“Applicable Tranche Percentage” means, at any time, with respect to any Alternative Currency Tranche Lender and any currency with respect to which such Alternative Currency Tranche Lender holds an Alternative Currency Tranche Commitment, (a) in the case of a Revolving Credit Borrowing denominated in such currency, the quotient (expressed as a percentage carried out to the ninth decimal place) of (i) the lesser of (x) such Alternative Currency Tranche Lender's unfunded Alternative Currency Tranche Commitment with respect to such currency and (y) such Alternative Currency Tranche Lender's unfunded Alternative Currency Tranche Commitment divided by (ii) the lesser of (x) the aggregate amount of unfunded Alternative Currency Tranche Commitments with respect to such currency of all Revolving Credit Lenders and (y) the aggregate amount of unfunded Alternative Currency Tranche Commitments of all Revolving Credit Lenders and (b) in the case of any payment or prepayment of a Revolving Credit Loan denominated in such currency, the quotient of (i) the aggregate outstanding principal amount of Alternative Currency Tranche Loans denominated in such currency made by such Alternative Currency Tranche Lender divided by (ii) the aggregate outstanding principal amount of Alternative Currency Tranche Loans denominated in such currency made by all Alternative Currency Tranche Lenders. If the commitment of each Revolving Credit Lender to make Revolving Credit Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, or if all Aggregate Alternative Currency Tranche Commitments have expired, then the Applicable Tranche Percentage of such Alternative Currency Tranche Lender shall be determined based on the Applicable Tranche Percentage of such Lender most recently in effect, giving effect to any subsequent assignments.

“Applicant Borrower” has the meaning specified in Section 2.19(a).

“Appropriate Lender” means, at any time, (a) with respect to the Term Facility, the Delayed Draw Term Facility or the Revolving Credit Facility, a Lender that has a Commitment with respect to such Facility or holds a Term Loan, Delayed Draw Term Loan or a Revolving Credit Loan, respectively, at such time, (b) with respect to the Letter of Credit Sublimit, (i) the L/

C Issuers and (ii) if any Letters of Credit have been issued pursuant to Section 2.04(a), a Dollar Tranche Lender, (c) with respect to the Swing Line Sublimit, (i) the Swing Line Lender and (ii) if any Swing Line Loans are outstanding pursuant to Section 2.05(a), an Alternative Currency Tranche Lender with respect to Euro or Sterling, as applicable, (d) with respect to the Dollar Tranche, a Dollar Tranche Lender and (e) with respect to the Alternative Currency Tranche, an Alternative Currency Tranche Lender.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means BofA Securities, Inc., JPMorgan Chase Bank and Wells Fargo Securities, LLC, each in its capacity as a lead arranger.

“Assignee Group” means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit F-1 or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

“Assumption Conditions” has the meaning specified in Section 11.25.

“Assumption Date” means the first date all the Assumption Conditions are satisfied or waived in accordance with Section 11.01.

“Assumption Transaction” has the meaning specified in Section 11.25.

“Attributable Indebtedness” means, on any date, (a) in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease and (c) all Synthetic Debt of such Person.

“Audited Financial Statements” means the audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended December 31, 2018, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year of the Company and its Subsidiaries, including the notes thereto.

“Authorizing Lender” has the meaning specified in Section 1.08.

“Availability Period” means the period from and including the Closing Date to the earliest of (i) the Maturity Date, (ii) the date of termination of the Revolving Credit Commitments pursuant to Section 2.07, and (iii) the date of termination of the commitment of each Revolving Credit Lender to make Revolving Credit Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 8.02.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, rule, regulation or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank of America” means Bank of America, N.A. and its successors.

“Base Rate” means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate,” (c) ~~the Eurocurrency Rate Term SOFR~~ plus 1.00% and (d) 1.00%. The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change. ~~Notwithstanding anything to the contrary contained herein or elsewhere, on and after the Second Amendment Effective Date, If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03, then~~ the Base Rate shall be the greatest of clauses (a), (b) and (d) above and shall be determined without reference to ~~the Eurocurrency Rate component thereof~~ clause (c) above.

“Base Rate Loan” means a Loan that bears interest based on the Base Rate. All Base Rate Loans are only available to the Parent Borrower and Designated Borrowers that are Domestic Subsidiaries and shall be denominated in Dollars.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Bookrunners” means BofA Securities, Inc., and JPMorgan Chase Bank, each in its capacity as a bookrunner.

“Borrowers” means, at any time, collectively, the Parent Borrower and each Designated Borrower.

“Borrower Materials” has the meaning specified in Section 6.02.

“Borrowing” means a Revolving Credit Borrowing, a Swing Line Borrowing, a Competitive Borrowing, a Delayed Draw Term Borrowing or a Term Borrowing, as the context may require.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent’s Office ~~with respect to Obligations denominated in Dollars~~ is located; provided that

(a) ~~(a)~~ if such day relates to any interest rate settings as to ~~an Alternative Currency~~^a Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such ~~Alternative Currency~~ Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such ~~Alternative Currency~~ Loan, means a Business Day that is also a TARGET Day;

(b) ~~(b)~~ if such day relates to any interest rate settings as to ~~an Alternative Currency~~^a Loan denominated in (i) Sterling, means a day other than a day banks are closed for general business in London because such day is a Saturday, Sunday or a legal holiday under the laws of the United Kingdom; (ii) Swiss Francs, means a day other than when banks are closed for settlement and payments of foreign exchange transactions in Zurich because such day is a Saturday, Sunday or a legal holiday under the laws of Switzerland; and (iii) ~~Japanese~~ Yen, means a day other than when banks are closed for general business in Japan; and

~~(c) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Euro in respect of an Alternative Currency Loan denominated in a currency other than Euro, or any other dealings in any currency other than Euro to be carried out pursuant to this Agreement in respect of any such Alternative Currency Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.[†]~~

~~“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent’s Office with respect to Obligations denominated in Dollars is located and:~~

~~(a) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Rate Loan or LIBOR Floating Rate Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan or LIBOR Floating Rate Loan, means any such day that is also a London Banking Day;~~

~~(b) if such day relates to any interest rate settings as to a Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Loan, means a TARGET Day;~~

(a) if such day relates to any interest rate settings as to a Loan denominated in a currency other than Dollars ~~or~~, Euro, Sterling, Swiss Francs or Yen, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the ~~London or other~~ applicable ~~offshore~~ interbank market for such currency; and

(b) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.[‡]

[†]From First Amendment

[‡]From original Credit Agreement

“Capital Expenditures” means, with respect to any Person for any period, any expenditure in respect of the purchase or other acquisition of any fixed or capital asset (excluding normal replacements and maintenance which are properly charged to current operations).

“Capitalization Rate” means seven percent (7.00%).

“Capitalized Leases” means all leases that have been or should be, in accordance with GAAP, recorded as capitalized leases.

“Cash Collateralize” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent, one or more of the L/C Issuers or the Swing Line Lender (as applicable) and the Lenders, as collateral for L/C Obligations, Obligations in respect of Swing Line Loans, or obligations of the Lenders to fund participations in respect of either thereof (as the context may require), cash or deposit account balances or, if the Administrative Agent, the L/C Issuers and the Swing Line Lender shall agree in their sole discretion, other credit support, in each case, pursuant to documentation in form and substance satisfactory to, and in such currencies as may be requested by (a) the Administrative Agent and (b) the applicable L/C Issuers or the Swing Line Lender (as applicable). “Cash Collateral” has a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“Cash and Cash Equivalents” means unrestricted (a) cash, (b) marketable direct obligations issued or unconditionally guaranteed by the United States government (or any other sovereign nation with an equivalent rating by S&P or Moody’s) and backed by the full faith and credit of the United States government or such other nation; and (c) domestic and eurocurrency certificates of deposit and time deposits, bankers’ acceptances and floating rate certificates of deposit issued by any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, any foreign bank, or its branches or agencies (fully protected against currency fluctuations), which are rated A-1 (or better) by S&P or P-1 (or better) by Moody’s provided that, in the case of each of clauses (b) and (c), the maturities of such Cash and Cash Equivalents shall not exceed one year.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted, issued or implemented.

“Change of Control” means an event or series of events by which:

(a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have “beneficial ownership” of all securities that such person or group has the right

to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an “option right”), directly or indirectly, of 50% or more of the equity securities of the Company entitled to vote for members of the board of directors or equivalent governing body of the Company on a fully-diluted basis (and taking into account all such securities that such “person” or “group” has the right to acquire pursuant to any option right); or

(b) any Person or two or more Persons acting in concert shall have acquired by contract, or shall have entered into a contract or arrangement that, upon consummation thereof, will result in its or their acquisition of the power to exercise, directly or indirectly, a controlling influence over the management or policies of the Company, or control over the equity securities of the Company entitled to vote for members of the board of directors or equivalent governing body of the Company on a fully-diluted basis (and taking into account all such securities that such Person or Persons have the right to acquire pursuant to any option right) representing 50% or more of the combined voting power of such securities; or

(c) at any time that the OpCo is the Parent Borrower (i) the Company or a Wholly-Owned Subsidiary of the Company (such Subsidiary referred to herein as the “OpCo GP”) shall cease to be the sole general partner, manager or managing member, as applicable, of the OpCo, or (ii) the Company shall cease to exclusively Control the OpCo, the OpCo GP or any Intermediate Holding Company; or

(d) at any time that the OpCo is the Parent Borrower, the Company shall cease to own, directly or indirectly, (i) all of the Equity Interests in the OpCo GP or any Intermediate Holding Company or (ii) 70% or more of the Equity Interests in the Parent Borrower, in each case free and clear of all Liens; or

(e) the Parent Borrower shall cease, directly or indirectly, to Control any Subsidiary Guarantor except as the result of a release of such Subsidiary Guarantor pursuant to Section 10.10; or

(f) the Parent Borrower shall cease to own, directly or indirectly, all of the Equity Interests (except directors’ qualifying shares) in any of the Designated Borrowers, free and clear of all Liens.

“Closing Date” means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 11.01.

“CME” means CME Group Benchmark Administration Limited.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commitment” means, as to each Lender, its Dollar Tranche Commitment, Alternative Currency Tranche Commitment, Term Commitment, Delayed Draw Term Commitment or Revolving Credit Commitment, as the context may require.

“Communication” means this Agreement, any Loan Document and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to any Loan Document.

“Company” has the meaning specified in the preamble hereto.

“Company Release Conditions” means, with respect to the release of the Company and the Intermediate Holding Companies from their respective obligations under the Guaranty each of the following:

(a) neither the Company, the OpCo GP nor any Intermediate Holding Company conducts, directly or indirectly, any business other than in connection with the ownership, acquisition and disposition of interests in the Parent Borrower, OpCo GP or any Intermediate Holding Company, and the management of the business of the Parent Borrower, and such activities as are incidental thereto, all of which shall be solely in furtherance of the business of the Parent Borrower;

(b) the Company does not, directly or indirectly, own any assets other than (i) interests, rights, options, warrants or convertible or exchangeable securities of the Parent Borrower, (ii) Equity Interests in the Intermediate Holding Companies and the OpCo GP, (iii) assets that have been distributed to the Company by its Subsidiaries in accordance with Section 7.06 that are held for ten (10) Business Days or less pending further distribution to equity holders of the Company, (iv) assets received by the Company from third parties (including the net cash proceeds from any issuance and sale by the Company of any of its Equity Interests), that are held for ten (10) Business Days or less pending contribution of same to the Parent Borrower (whether directly or through an Intermediate Holding Company), (v) such bank accounts or similar instruments as it deems necessary to carry out its responsibilities under its own Organization Documents and the Organization Documents of the Parent Borrower and (vi) other tangible and intangible assets that, taken as a whole, are de minimis in relation to the net assets of the Company and its Subsidiaries, but which shall in no event include any Equity Interests other than those permitted in clauses (i) and (ii) of this clause (b) or have any Investments other than as permitted under this clause (b);

(c) neither the Company, the OpCo GP nor any Intermediate Holding Company is an obligor in respect of any Indebtedness (other than Indebtedness of the type described in clause (g)(ii) of the definition of Indebtedness (or any Guarantee thereof)); and

(d) none of the properties, assets or revenues of the Company, the OpCo GP or any Intermediate Holding Company is subject to any Liens (other than those permitted under clauses (a), (g) or (j) of the definition of Permitted Encumbrances).

“Company Release Notice” has the meaning specified in Section 10.12.

“Competitive Bid” means a written offer by a Lender to make one or more Competitive Loans substantially in the form of Exhibit B-2, duly completed and signed by such Lender.

“Competitive Bid Request” means a written request for one or more Competitive Loans substantially in the form of Exhibit B-1.

“Competitive Borrowing” means a borrowing consisting of simultaneous Competitive Loans of the same Type from each of the Lenders whose offer to make one or more Competitive Loans as part of such borrowing has been accepted under the auction bidding procedures described in Section 2.03.

“Competitive Loan” has the meaning specified in Section 2.03.

“Competitive Loan Lender” means, in respect of any Competitive Loan, the Lender making such Competitive Loan.

“Competitive Loan Note” means a promissory note made by a Borrower in favor of a Competitive Loan Lender evidencing Competitive Loans made by such Competitive Loan Lender to such Borrower, substantially in the form of Exhibit B-3.

“Competitive Loan Sublimit” means an amount equal to 50% of the Revolving Credit Facility. The Competitive Loan Sublimit is part of, and not in addition to, the Revolving Credit Facility.

“Compliance Certificate” means a certificate substantially in the form of Exhibit E.

“Conforming Changes” means, with respect to the use, administration of or any conventions associated with ~~SONIA, SARON, EURIBOR, TIBOR~~ any of SOFR, Daily Simple SOFR, Term SOFR, any Alternative Currency Daily Rate, any Alternative Currency Term Rate, any Relevant Rate or any proposed Successor Rate for any currency, as applicable, any conforming changes to the definitions ~~of~~ related thereto, including “Base Rate”, “Daily Simple SOFR”, “SOFR”, “Term SOFR”, “Term SOFR Screen Rate”, “SONIA”, “SARON”, “EURIBOR”, “TIBOR”, “Interest Period”, timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the ~~definition~~ definitions of “Business Day” and “U.S. Government Securities Business Day”, timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice for such currency (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate for such ~~currency~~ Agreed Currency exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document in consultation with the Parent Borrower).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Businesses” means the Company and its Subsidiaries, on a consolidated basis (without taking into account any non-wholly owned Person or entity).

“Contingent Obligation” as to any Person means, without duplication, (a) any contingent obligation of such Person required to be shown on such Person’s balance sheet in accordance with GAAP, and (b) any obligation required to be disclosed in the footnotes to such Person’s financial statements in accordance with GAAP, guaranteeing partially or in whole any non-recourse Indebtedness, lease, dividend or other obligation, exclusive of contractual indemnities (including, without limitation, any indemnity or price adjustment provision relating to the purchase or sale of securities or other assets) and guarantees of non-monetary obligations (other than guarantees of completion) which have not yet been called on or quantified, of such Person or of any other Person. The amount of any Contingent Obligation described in clause (b) shall be deemed to be (i) with respect to a guaranty of interest or interest and principal, or operating income guaranty, the sum of all payments required to be made thereunder (which in the case of an operating income guaranty shall be deemed to be equal to the debt service for the note supported thereby), calculated at the interest rate applicable to such Indebtedness, through (x) in the case of an interest or interest and principal guaranty, the stated maturity of the obligation (and commencing on the date interest could first be payable thereunder), or (y) in the case of an operating income guaranty, the date through which such guaranty will remain in effect, and (ii) with respect to all guarantees not covered by the preceding clause (i) an amount equal to the stated or determinable amount of the primary obligation in respect of which such guaranty is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as recorded on the balance sheet and on the footnotes to the most recent financial statements of the Company required to be

delivered pursuant hereto. Notwithstanding anything contained herein to the contrary, guarantees of completion and of Nonrecourse Carveouts shall not be deemed to be Contingent Obligations unless and until a claim for payment has been made thereunder, at which time any such guaranty of completion or of Nonrecourse Carveouts shall be deemed to be a Contingent Obligation in an amount equal to any such claim. Subject to the preceding sentence, (a) in the case of a joint and several guaranty given by such Person and another Person (but only to the extent such guaranty is recourse, directly or indirectly to the applicable Person), the amount of such guaranty shall be deemed to be 100% thereof unless and only to the extent that (i) such other Person has delivered Cash and Cash Equivalents to secure all or any part of such Person's guaranteed obligations or (ii) such other Person holds an Investment Grade Credit Rating from any of Moody's, S&P or Fitch (for avoidance of doubt, if any of the joint and several parties to a guaranty holds such a rating, such guaranty will be treated the same as if it were fully cash collateralized), and (b) in the case of a guaranty (whether or not joint and several) of an obligation otherwise constituting Indebtedness of such Person, the amount of such guaranty shall be deemed to be only that amount in excess of the amount of the obligation constituting Indebtedness of such Person. Notwithstanding anything contained herein to the contrary, "Contingent Obligations" shall not be deemed to include guarantees of loan commitments or of construction loans or construction costs to the extent the same have not been drawn.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

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

"Covered Entity" has the meaning specified in Section 11.24(b).

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Creditor Parties" means, collectively, the Administrative Agent, the Lenders, the L/C Issuers and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.05, and the other Persons to whom the Obligations are owing.

~~"Daily Floating Eurocurrency Rate" means, as of any date of determination, with respect to any Swing Line Loan~~Simple SOFR" means the rate per annum equal to ~~LIBOR, or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other page or commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m. London time two Business Days prior to~~SOFR determined for any day pursuant to the definition thereof plus the SOFR Adjustment. Any change in Daily Simple SOFR shall be effective from and including the date of ~~determination for LIBOR (or, if any such day is not a Business Day, on the immediately preceding Business Day) for deposits in the relevant currency being delivered in the London or other applicable offshore interbank market for a term of one month commencing on that day. If the Daily Floating Eurocurrency Rate as of any date of determination shall~~such change without further notice. If the rate as so determined would be less than zero, such rate shall be deemed to be zero ~~as of such date of determination for all~~ purposes of the Loan Documents.

"Daily Floating Eurocurrency RateSOFR Loan" means a ~~Swing Line~~ Loan that bears interest at a rate based on ~~the~~ Daily Floating Eurocurrency RateSimple SOFR. All Daily

~~Floating Eurocurrency Rate~~SOFR Loans ~~shall~~must be denominated in ~~either Euro or Sterling~~Dollars.

“Debt Rating” means, as of any date of determination, the rating as determined by any of S&P, Moody’s and/or Fitch (collectively, the “Debt Ratings”) of the Company’s senior unsecured non-credit enhanced long-term Indebtedness for borrowed money.

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

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

“Default Rate” means when used with respect to (a) Obligations other than Loans and Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate for Base Rate Loans under the Revolving Credit Facility (assuming that Category 5 applied in the pricing grid set forth in the definition of “Applicable Rate”) plus (iii) 2% per annum; (b) a Base Rate Loan, an interest rate equal to (i) the Base Rate, plus (ii) the Applicable Rate for Base Rate Loans for the Facility under which such Loan was made (assuming that Category 5 applied in the pricing grid set forth in the definition of “Applicable Rate”), plus (iii) 2% per annum; (c) ~~a Eurocurrency~~an Alternative Currency Daily Rate Loan, ~~a Daily Floating Eurocurrency~~an Alternative Currency Term Rate Loan, a Daily SOFR Loan or a ~~LIBOR Floating Rate~~Term SOFR Loan, an interest rate equal to (i) the ~~Eurocurrency Rate, Daily Floating Eurocurrency~~Alternative Currency Daily Rate, Alternative Currency Term Rate ~~or LIBOR, Daily Floating Rate~~Simple SOFR or Term SOFR, as applicable, plus (ii) the Applicable Rate for the applicable Type of Loan for the Facility under which such Loan was made (assuming that Category 5 applied in the pricing grid set forth in the definition of “Applicable Rate”), plus (iii) 2% per annum; and (d) Letter of Credit Fees, a rate equal to the Applicable Rate then applicable to Letter of Credit Fees (assuming that Category 5 applied in the pricing grid set forth in the definition of “Applicable Rate”) plus 2% per annum.

“Defaulting Lender” means, subject to Section 2.18(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Parent Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, any L/C Issuer, the Swing Line Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swing Line Loans) within two Business Days of the date when due, (b) has notified the Parent Borrower, the Administrative Agent, any L/C Issuer or the Swing Line Lender in writing that it does not intend to comply with its funding obligations hereunder or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based upon such Lender’s determination that a condition precedent to funding (which conditions precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Parent Borrower confirm in writing to the Administrative Agent and the Parent Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Parent Borrower), or

(d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.18(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Parent Borrower, the L/C Issuers, the Swing Line Lender and each other Lender promptly following such determination.

“Delayed Draw Funding Date” has the meaning specified in Section 2.01(c).

“Delayed Draw Term Borrowing” means a borrowing consisting of simultaneous Delayed Draw Term Loans of the same Type, in the same currency and, in the case of Eurocurrency Term Rate Loans, having the same Interest Period made by each of the Delayed Draw Term Lenders pursuant to Section 2.01(c).

“Delayed Draw Term Commitment” means, as to each Delayed Draw Term Lender, its obligation to make Delayed Draw Term Loans pursuant to Section 2.01(c) and/or Section 2.16 in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Delayed Draw Term Lender’s name on Schedule 2.01 under the caption “Delayed Draw Term Commitment” or opposite such caption in the Assignment and Assumption pursuant to which such Delayed Draw Term Lender becomes a party hereto, as applicable, as such amount may be increased by such Delayed Draw Term Lender pursuant to Section 2.16 or otherwise adjusted from time to time in accordance with this Agreement, including pursuant to Section 2.01(c).

“Delayed Draw Term Facility” means (a) at any time on or prior to the Delayed Draw Termination Date, the aggregate amount of the Delayed Draw Term Commitments at such time and (b) thereafter, the aggregate principal amount of the Delayed Draw Term Loans of all Delayed Draw Term Lenders outstanding at such time. On the Second Third Amendment Effective Date the Delayed Draw Term Facility is €215,000,000.

“Delayed Draw Term Lender” means (a) at any time on or prior to the Delayed Draw Termination Date, any Lender that has a Delayed Draw Term Commitment or holds a Delayed Draw Term Loan at such time and (b) thereafter, any Lender that holds a Delayed Draw Term Loan at such time.

“Delayed Draw Term Loan” has the meaning specified in Section 2.01(c) and, unless the context requires otherwise, includes each loan made in connection with any increase in the Delayed Draw Term Facility pursuant to Section 2.16. ~~For the avoidance of doubt, on and after the Second Amendment Effective Date, except to the extent required by Section 2.02(e), all Delayed Draw Term Loans shall be denominated in Euro.~~

“Delayed Draw Term Loan Unused Fee” has the meaning specified in Section 2.10(b).

“Delayed Draw Term Note” means a promissory note made by a Borrower in favor of a Delayed Draw Term Lender evidencing Delayed Draw Term Loans made by such Delayed Draw Term Lender to such Borrower, substantially in the form of Exhibit D-1.

“Delayed Draw Termination Date” means the earliest of (i) the first anniversary of the Closing Date, (ii) the date on which the first Delayed Draw Term Borrowing (if any) is made (after giving effect thereto), and (iii) the date of termination of the commitment of each Delayed Draw Term Lender to make Delayed Draw Term Loans pursuant to Section 2.07 or Section 8.02.

“Departing Lender” has the meaning set forth in Section 11.22.

“Designated Borrower” means any Wholly-Owned Subsidiary of the Parent Borrower that becomes party to this Agreement pursuant to Section 2.19 to the extent such Wholly-Owned Subsidiary’s status as a Designated Borrower has not been terminated in accordance with Section 2.19(e).

“Designated Borrower Notice” has the meaning specified in Section 2.19(b).

“Designated Borrower Request and Assumption Agreement” has the meaning specified in Section 2.19(a).

“Designated Jurisdiction” means any country, region or territory to the extent that such country, region or territory itself is the subject of any Sanction.

“Designated UK Borrower” means a Designated Borrower that is incorporated under the laws of England and Wales, resident in the United Kingdom or carrying on business in the United Kingdom through a permanent establishment.

“Disposition” or “Dispose” means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Dividing Person” has the meaning assigned to it in the definition of “Division.”

“Division” means the division of the assets, liabilities and/or obligations of a Person (the “Dividing Person”) among two or more Persons (whether pursuant to a “plan of division” or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

“Division Successor” means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

“Dollar” and “\$” mean lawful money of the United States.

“Dollar Equivalent” means, for any amount, at any the time of determination thereof, (a) with respect to any if such amount denominated is expressed in Dollars, such amount, and (b) with respect to any (b) if such amount is expressed in an Alternative Currency, the equivalent of such

amount in Dollars determined by using the rate of exchange for the purchase of Dollars with the Alternative Currency last provided (either by publication or otherwise provided to the Administrative Agent or the applicable L/C Issuer, as applicable) by the applicable Bloomberg source (or such other publicly available source for displaying exchange rates) on date that is two (2) Business Days immediately preceding the date of determination (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as determined by the Administrative Agent or the applicable L/C Issuer, as applicable using any commercially reasonable method of determination it deems appropriate in its reasonable discretion) and (c) if such amount is denominated in any ~~Alternative Currency~~ other currency, the equivalent of such amount ~~thereof~~ in Dollars as determined by the Administrative Agent or the applicable L/C Issuer, as ~~the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency~~ applicable, using any commercially reasonable method of determination it deems appropriate in its reasonable discretion. Any determination by the Administrative Agent or an L/C Issuer pursuant to clauses (b) or (c) above shall be conclusive absent manifest error.

“Dollar Tranche” means, at any time, Dollar Tranche Commitments of all the Lenders.

“Dollar Tranche Commitment” means, as to each Lender, its obligation to (a) make Dollar Tranche Loans pursuant to Section 2.01(b)(i) and (b) purchase participations in L/C Obligations, in an aggregate principal amount at any one time outstanding not to exceed the Dollar amount set forth opposite such Lender’s name on Schedule 2.01 under the caption “Dollar Tranche Commitment” or in the Assignment and Assumption or New Lender Joinder Agreement pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be increased by such Lender pursuant to Section 2.16 or otherwise adjusted from time to time in accordance with this Agreement; ~~provided that so long as Dollar Tranche Loans may be requested as Loans that bear interest at a rate based on LIBOR, no Lender’s Dollar Tranche Commitment shall be increased pursuant to Section 2.16.~~

“Dollar Tranche Lender” means any Person that is a Lender hereunder in respect of the Dollar Tranche in its capacity as a Lender in respect of such Tranche.

“Dollar Tranche Loan” has the meaning specified in Section 2.01(b)(i).

“Dollar Tranche Percentage” means, with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Dollar Tranche Commitments represented by such Lender’s Dollar Tranche Commitment at such time, subject to adjustment as provided in Section 2.18. If the commitment of each Lender to make Revolving Credit Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, or if the Aggregate Dollar Tranche Commitments have expired, then the Dollar Tranche Percentage of each Lender shall be based on the Dollar Tranche Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Dollar Tranche Percentage of each Lender is set forth opposite the name of such Lender on Schedule 2.01 under the caption “Dollar Tranche Percentage” or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

“Domestic Designated Borrower” means a Designated Borrower organized under the laws of the United States, any state thereof or the District of Columbia.

“Domestic Subsidiary” or “Domestic Wholly-Owned Subsidiary” means, with respect to any Person, a Subsidiary or a Wholly-Owned Subsidiary of such Person organized under the laws of the United States, any state thereof or the District of Columbia.

“EBITDA” means, for any Person for any period and without duplication, the Net Income (Loss) of such Person for such period taken as a single accounting period, plus (a) the sum of the following amounts of such Person and its Subsidiaries for such period determined on a consolidated basis in conformity with GAAP to the extent included in the determination of such Net Income (Loss): (i) depreciation expense, (ii) amortization expense and other non-cash charges, (iii) interest expense, (iv) income tax expense, (v) extraordinary losses and other non-recurring charges (and other losses on asset sales not otherwise included in extraordinary losses and other non-recurring charges), and (vi) adjustments as a result of the straight lining of rents and above and below market rent intangibles, less (b) extraordinary gains (and in the case of the Company and its consolidated Subsidiaries, gains on asset sales not otherwise included in extraordinary gains) of such Person and its Subsidiaries determined on a consolidated basis in conformity with GAAP to the extent included in the determination of such Net Income (Loss). For purposes of this definition, nonrecurring items shall be deemed to include, but not be limited to, (1) gains and losses on early extinguishment of Indebtedness, (2) severance and other restructuring charges, (3) transaction costs of acquisitions, dispositions, capital markets offerings, debt financings and amendments thereto not permitted to be capitalized pursuant to GAAP (including, without limitation, any portion of the purchase price payable with respect to an acquisition that is not permitted to be capitalized pursuant to GAAP), (4) impairment losses, and (5) equity based, non-cash compensation.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Electronic Copy” shall have the meaning specified in [Section 11.17](#).

“Electronic Record” and “Electronic Signature” shall have the meanings assigned to them, respectively, by [15 USC §7006](#), as it may be amended from time to time.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under [Section 11.06\(b\)\(iii\)](#), (v) and (vi) (subject to such consents, if any, as may be required under [Section 11.06\(b\)\(iii\)](#)).

“Eligible Currency” means [any lawful currency other than Dollars that is readily available, freely transferable and convertible into Dollars in the international interbank market available to the Lenders or the Alternative Currency L/C Issuer, as applicable, in such market and as to which a Dollar Equivalent may be readily calculated. If, after the designation by the Lenders or the Alternative Currency L/C Issuer, as applicable, of any currency as Supplemental Currency \(or if, with respect to any currency that constituted an Alternative Currency on the Closing Date, after the Closing Date\), any change in currency controls or exchange regulations or any change in the national or international financial, political or economic conditions are imposed in the country in which such currency is issued, result in, in the reasonable opinion of the Administrative Agent \(in the case of any Loans to be denominated in an Alternative Currency\) or the Alternative Currency L/C Issuer \(in the case of any Letter of Credit to be](#)

denominated in an Alternative Currency), (a) such currency no longer being readily available, freely transferable and convertible into Dollars, (b) a Dollar Equivalent is no longer readily calculable with respect to such currency, (c) providing such currency is impracticable for the Lenders or the Alternative Currency L/C Issuer, as applicable, or (d) no longer a currency in which the Required Lenders are willing to make such Credit Extensions (each of clauses (a), (b), (c), and (d) a “Disqualifying Event”), then the Administrative Agent shall promptly notify the Lenders and the Parent Borrower, and such country’s currency shall no longer be an Alternative Currency until such time as the Disqualifying Event(s) no longer exist(s). Within five (5) Business Days after receipt of such notice from the Administrative Agent, the Borrowers shall repay all Loans in such currency to which the Disqualifying Event applies or convert such Loans into the Dollar Equivalent of Loans in Dollars, subject to the other terms contained herein.

“Eligible Ground Lease” means a ground lease that (a) has a minimum remaining term of thirty (30) years, including tenant controlled options, as of any date of determination, (b) has customary notice rights, default cure rights, bankruptcy new lease rights and other customary provisions for the benefit of a leasehold mortgagee or has equivalent protection for a leasehold permanent mortgagee by a subordination to such leasehold permanent mortgagee of the landlord’s fee interest, and (c) is otherwise acceptable for non-recourse leasehold mortgage financing under customary prudent lending requirements.

“Eligible Project” means a Project (a) which is free of all title defects, except for Permitted Defects, and material structural defects, and (b) which is free of Hazardous Materials except as would not materially affect the value of such Project.

“Environment” means ambient air, indoor air, surface water, groundwater, drinking water, soil, surface and subsurface strata, and natural resources such as wetlands, flora and fauna.

“Environmental Laws” means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, agreements or governmental restrictions relating to pollution or the protection of the Environment or of human health (to the extent related to exposure to Hazardous Materials), including those relating to the manufacture, generation, handling, transport, storage, treatment, Release or threat of Release of Hazardous Materials.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the presence, generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Environmental Permit” means any permit, approval, identification number, license or other authorization required under any Environmental Law.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member

or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with any Loan Party within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any Loan Party or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Loan Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Loan Party or any ERISA Affiliate; or (i) a failure by any Loan Party or any ERISA Affiliate to meet all applicable requirements under the Pension Funding Rules in respect of a Pension Plan, whether or not waived, or the failure by any Loan Party or any ERISA Affiliate to make any required contribution to a Multiemployer Plan.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Euro” and “EUR” mean the single currency of the Participating Member States.

“Euro Tranche Lender” means an Alternative Currency Tranche Lender with an Alternative Currency Tranche Commitment that includes Euro.

~~“Eurocurrency Bid Margin” means the margin above or below the Eurocurrency Rate to be added to or subtracted from the Eurocurrency Rate, which margin shall be expressed in multiples of 1/100th of one basis point.~~

~~“Eurocurrency Margin Bid Loan” means a Competitive Loan that bears interest at a rate based upon the Eurocurrency Rate.~~

~~“Eurocurrency Rate” means:~~

~~(a) — With respect to any Credit Extension for any Interest Period:~~

~~(i) — denominated in a LIBOR Quoted Currency, the rate per annum equal to the London Interbank Offered Rate (“LIBOR”), or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other page or commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the~~

commencement of the applicable Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period;

~~(ii) —denominated in Canadian dollars, the rate per annum equal to the Canadian Dealer Offered Rate, or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other page or commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 10:00 a.m. (Toronto, Ontario time) on the Rate Determination Date with a term equivalent to such Interest Period;~~

~~(iii) —denominated in Australian dollars, the rate per annum equal to the Bank Bill Swap Reference Bid Rate, or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other page or commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 10:30 a.m. (Melbourne, Australia time) on the Rate Determination Date with a term equivalent to such Interest Period;~~

~~(iv) —denominated in Swedish Krona, the rate per annum equal to the Stockholm Interbank Offered Rate, or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other page or commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 11:00 a.m. (Stockholm, Sweden time) on the Rate Determination Date with a term equivalent to such Interest Period;~~

~~(v) —denominated in Danish Krone, the rate per annum equal to the Copenhagen Interbank Offered Rate, or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other page or commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 11:00 a.m. (Copenhagen, Denmark time) on the Rate Determination Date with a term equivalent to such Interest Period;~~

~~(vi) —denominated in Norwegian Krone, the rate per annum equal to the Norwegian Interbank Offered Rate, or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other page or commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 12:00 noon CET, 11:00 a.m. GMT (Oslo, Norway time) on the Rate Determination Date with a term equivalent to such Interest Period;~~

~~(vii) —denominated in Mexican Pesos, the rate per annum equal to the Interbanking Equilibrium Interest Rate, or a comparable or successor rate which rate is approved by the Administrative Agent, as published by Banco de Mexico in the Federation's Official Gazette (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 2:00 p.m. (Mexico City, Mexico time) on the Rate Determination Date with a term equivalent to such Interest Period; and~~

~~(viii) —denominated in a Non-LIBOR Quoted Currency other than those currencies listed above, the rate per annum as designated with respect to such~~

~~Alternative Currency at the time such Alternative Currency is approved by the Administrative Agent and the Lenders and, if applicable, one or more L/C Issuers pursuant to Section 1.08; and~~

~~(b) for any rate calculation with respect to a Base Rate Loan on any date, the rate per annum equal to LIBOR, at or about 11:00 a.m., London time determined two Business Days prior to such date for U.S. Dollar deposits with a term of one month commencing that day;~~

~~provided that to the extent a comparable or successor rate is approved by the Administrative Agent in connection with any rate set forth in this definition, the approved rate shall be applied to the applicable Interest Period in a manner consistent with market practice; provided, further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied to the applicable Interest Period in a manner as otherwise reasonably determined by the Administrative Agent; and if the Eurocurrency Rate shall be less than zero, such rate shall be deemed zero for purposes of the Loan Documents.~~

~~“Eurocurrency Rate Committed Loan” means a Eurocurrency Rate Loan other than a Eurocurrency Margin Bid Loan.~~

~~“Eurocurrency Rate Loan” means a Revolving Credit Loan, a Delayed Draw Term Loan or a Term Loan that bears interest at a rate based on clause (a) of the definition of “Eurocurrency Rate.” Eurocurrency Rate Loans may be denominated in Dollars or in an Alternative Currency. All Loans denominated in an Alternative Currency must be Eurocurrency Rate Loans.~~

~~“Event of Default” has the meaning specified in Section 8.01.~~

~~“Excluded Taxes” means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Parent Borrower under Section 11.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(ii) or (c), amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient’s failure to comply with Section 3.01(e) and (d) any Taxes imposed under, or as a result of the failure of such Recipient to satisfy the applicable requirements under, FATCA.~~

~~“Existing Credit Agreement” means this Agreement, as in effect immediately prior to when the Third Amendment becomes effective on the Third Amendment Effective Date.~~

~~“Existing Letter of Credit” means a “Letter of Credit” issued pursuant to the terms of, and as defined in, the Original Credit Agreement and outstanding on the Closing Date and described on Schedule 1.01(B).~~

~~“Existing Swing Line Loans” means the “Swing Line Loans” made pursuant to the terms of, and as defined in, the Original Credit Agreement and outstanding on the Closing Date immediately prior to the effectiveness of this Agreement.~~

“Existing Term Loans” means, collectively, the “Term Loans” and “Delayed Draw Term Loans” made pursuant to the terms of, and as defined in, the Original Credit Agreement and outstanding on the Closing Date immediately prior to the effectiveness of this Agreement.

“Facility” means the Term Facility, the Delayed Draw Term Facility or the Revolving Credit Facility, as the context may require.

“Facility Fee” has the meaning specified in Section 2.10(a).

“Fair Market Value” means, with respect to any asset or property, the sale value that would be obtained in an arm’s-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy. Fair Market Value shall be determined by an officer of the Parent Borrower acting in good faith and shall be evidenced by an Officer’s Certificate. The Fair Market Value of any readily marketable securities shall be the number of such securities multiplied by the average Market Price per share or per unit of such securities during the five consecutive trading days immediately preceding the date of determination. The “Market Price” of any security on any trading day shall mean, with respect to any security which is listed on a national securities exchange, the last sale price regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices regular way, in either case on the New York Stock Exchange, or, if such security is not listed or admitted to trading on such exchange, on the principal national securities exchange on which such security is listed or admitted to trading, or, if such security is not listed or admitted to trading on any national securities exchange but is designated as a national market system security by the National Association of Securities Dealers, the last sale price, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, in either case as reported on the National Association of Securities Dealers Automated Quotation/National Market System, or if such security is not so designated as a national market systems security, the average of the highest reported bid and lowest reported asked prices as furnished by the National Association of Securities Dealers or similar organization if the National Association of Securities Dealers is no longer reporting such information. With respect to operating partnership units of any REIT, such operating partnership units shall in no event have a value greater than the value of the number of shares of the REIT into which such operating partnership units are then convertible.

“FASB ASC” means the Accounting Standards Codification of the Financial Accounting Standards Board.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to current Section 1471(b)(1) of the Code (or any amended or successor version described above) and any intergovernmental agreements implementing the foregoing (together with any law implementing such agreements).

“Federal Funds Rate” means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of the Loan Documents.

“Fee Letter” means, collectively, the letter agreement, dated December 11, 2019, among the Company, the Administrative Agent and the Bookrunners and the letter agreement, dated January 17, 2020, among the Company, Wells Fargo Securities, LLC and Wells Fargo Bank.

~~“First Amendment” means that certain First Amendment (LIBOR Transition), dated as of December 1, 2021, among the Parent Borrower and the Administrative Agent.~~

“Fitch” means Fitch, Inc. and any successor thereto.

“Fixed Charges” means, with respect to any period, the sum of (a) Interest Expense for such period plus (b) the aggregate of all scheduled principal payments on Total Outstanding Indebtedness according to GAAP made or required to be made during such period by the Company and its Subsidiaries (but excluding balloon payments of principal due upon the stated maturity of any Indebtedness) plus (c) the aggregate of all dividends payable on the Company’s or any of its consolidated Subsidiaries’ preferred equity interests (if any) plus (d) the Company’s and its Subsidiaries’ allocable share of amounts of the type described in clauses (a) and (b) above in respect of Joint Ventures.

“Foreign Lender” means, with respect to any Borrower, (a) if such Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if such Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Obligor” means a Loan Party that is a Foreign Subsidiary.

“Foreign Subsidiary” means any Subsidiary of the Company that is organized under the laws of a jurisdiction other than the United States, a state thereof or the District of Columbia.

“FRB” means the Board of Governors of the Federal Reserve System of the United States.

“Fronting Exposure” means, at any time there is a Defaulting Lender, (a) with respect to any L/C Issuer, such Defaulting Lender’s Applicable Percentage of the Outstanding Amount of all L/C Obligations other than L/C Obligations as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (b) with respect to the Swing Line Lender, such Defaulting Lender’s Applicable Tranche Percentage of each Swing Line Loan other than Swing Line Loans as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

“Fund” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“GAAP” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“Governmental Authority” means the government of the United States or any other nation, or any political subdivision thereof, whether state or local, and any agency, authority,

instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Guarantee” means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“Guaranteed Obligations” has the meaning specified in Section 10.01.

“Guarantor Release Notice” has the meaning specified in Section 10.10(b).

“Guarantors” means, collectively, (a) each Subsidiary Guarantor, (b) with respect to Obligations owing by any Designated Borrower, the Parent Borrower and each Designated Borrower that is a Domestic Wholly-Owned Subsidiary and (c) at any time on and after the Assumption Date that the Company is required to Guarantee the Obligations in accordance with Section 6.12 or Section 11.25, the Company.

“Guaranty” means the Guaranty made by the Guarantors under Article X in favor of the Creditor Parties.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances or wastes, including petroleum or petroleum distillates, natural gas, natural gas liquids, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, toxic mold, infectious or medical wastes and all other substances, wastes, chemicals, pollutants, contaminants or compounds of any nature in any form regulated pursuant to any Environmental Law.

“Honor Date” has the meaning specified in Section 2.04(c)(i).

“HMRC DT Treaty Passport” means a passport granted by H.M. Revenue & Customs under the H.M. Revenue & Customs Double Taxation Treaty Passport Scheme.

~~“Impacted Alternative Currency” means each of Euro, Sterling, Yen and Swiss Franc.~~

~~“Impacted Loans” has the meaning specified in Section 3.03.~~

“Increase Effective Date” has the meaning specified in Section 2.16(b).

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount of all direct or contingent obligations of such Person in respect of letters of credit (including standby and commercial), bankers’ acceptances and similar instruments (including bank guaranties, surety bonds, comfort letters, keep-well agreements and capital maintenance agreements) to the extent such instruments or agreements support financial, rather than performance, obligations;

(c) the aggregate net obligations, if any, of such Person under all Swap Contracts, taken as a whole; provided, that if the aggregate net amount of such obligations is less than \$0, the amount of such Person’s Indebtedness under this clause (c) shall be \$0;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Attributable Indebtedness in respect of Capitalized Leases and Synthetic Lease Obligations of such Person and all Synthetic Debt of such Person;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest (i) in such Person or any warrant, right or option to acquire such Equity Interest or (ii) in any other Person or any warrant, right or option to acquire such Equity Interest, in each case valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date.

“Indemnified Taxes” means (a) Taxes other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Indemnitee” has the meaning specified in Section 11.04(b).

“Information” has the meaning specified in Section 11.07.

“Interest Expense” means, for any period, an amount equal to (a) interest expense (including capitalized interest expense) of the Company and its Subsidiaries during such period, plus (b) the portion of the interest expense of Joint Ventures allocable to the Company and its Subsidiaries in accordance with GAAP on account of ownership of an interest in a Joint Venture during such period minus (c) extraordinary interest expense related to debt prepayments or defeasance of loans minus (d) amortization of deferred costs associated with new financings or refinancings of existing Indebtedness minus (e) capitalized interest expense related to Real Property under construction minus (f) any fees related to the Facilities.

“Interest Payment Date” means, (a) as to any Daily SOFR Loan, any Base Rate Loan and any Swing Line Loan, the last Business Day of each March, June, September and December and the Maturity Date, (b) as to any Alternative Currency Daily Rate Loan, the last Business Day of each month and the Maturity Date, and ~~(b)~~ as to any Term SOFR Loan or Alternative Currency Term Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Term SOFR Loan or an Alternative Currency Term Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall be Interest Payment Dates.³

~~“Interest Payment Date” means, (a) as to any Loan other than a Base Rate Loan, a LIBOR Floating Rate Loan or a Swing Line Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurocurrency Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan, any LIBOR Floating Rate Loan or any Swing Line Loan, the last Business Day of each March, June, September and December and the Maturity Date.~~⁴

“Interest Period” means ~~(a)~~ as to each ~~Alternative Currency Term Rate~~ SOFR Loan and Alternative Currency Term Rate Loan, the period commencing on the date such ~~Alternative Currency Term Rate~~ SOFR Loan is disbursed or converted to or continued as ~~a Term SOFR Loan or~~ Alternative Currency Term Rate Loan, as applicable, and ending on the date one, three or six months thereafter (in each case, subject to availability for the interest rate applicable to the relevant currency), as selected by the Parent Borrower in the applicable Loan Notice, ~~(b) as to each Term SOFR Margin Bid Loan, the period commencing on the date such Term SOFR Margin Bid Loan is disbursed and ending on the date one week, two weeks, one month, two months, three months, four months or six months thereafter, as selected by the Parent Borrower in its Competitive Bid Request, and (c) as to each Absolute Rate Loan, a period of not less than 7 days and not more than 180 days as selected by the Parent Borrower in its Competitive Bid Request;~~ provided that:

(i) ~~(a)~~ any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Term SOFR Loan or an Alternative Currency Term Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) ~~(b)~~ any Interest Period pertaining to a Term SOFR Loan or an Alternative Currency Term Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at

³ From First Amendment

⁴ From original Credit Agreement

the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; ~~and~~

~~(iii) (e) no Interest Period shall extend beyond the Maturity Date set forth in the Credit Agreement.~~

~~For purposes hereof, the date of an Alternative Currency Term Rate Loan initially shall be the date on which such Loan is made and thereafter shall be the effective date of the most recent conversion or continuation of such Loan.⁵~~

~~“Interest Period” means, (a) as to each Eurocurrency Rate Loan other than a Eurocurrency Margin Bid Loan, the period commencing on the date such Eurocurrency Rate Loan is disbursed or converted to or continued as a Eurocurrency Rate Loan and ending on the date one, two, three or six months thereafter (in each case, subject to availability), as selected by the Parent Borrower in its Loan Notice, (b) as to each Eurocurrency Margin Bid Loan, the period commencing on the date such Eurocurrency Margin Bid Loan is disbursed and ending on the date one week, two weeks, one month, two months, three months, four months or six months thereafter, as selected by the Parent Borrower in its Competitive Bid Request, and (c) as to each Absolute Rate Loan, a period of not less than 7 days and not more than 180 days as selected by the Parent Borrower in its Competitive Bid Request; provided that:~~

~~(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Eurocurrency Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;~~

~~(b) any Interest Period pertaining to a Eurocurrency Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period;~~

~~(c) no Interest Period shall extend beyond the Maturity Date;~~

~~(iv) (d) with respect to any Eurocurrency Alternative Currency Rate Loan denominated in Mexican Pesos, only Interest Periods of one month (28 days), three months (91 days) and six months (182 days) will be available;~~

~~(v) with respect to any Alternative Currency Rate Loan denominated in Canadian Dollars, only Interest Periods of one (1) month and three (3) months will be available; and~~

~~(vi) (e) in order to consolidate two (2) or more Eurocurrency Term SOFR Loans or two (2) or more Alternative Currency Term Rate Loans denominated in the same currency, to facilitate an increase of the Facilities pursuant to Section 2.16 and in such other circumstances as the Lenders may agree, the Interest Period for Eurocurrency Rates such Term SOFR Loans or Alternative Currency Term Loans may be such period that is shorter than one (1) month as the Lenders may agree.~~

⁵From First Amendment

For purposes hereof, the date of a Loan initially shall be the date on which such Loan is made and, in the case of a Revolving Credit Loan, Delayed Draw Term Loan or Term Loan, thereafter shall be the effective date of the most recent conversion or continuation of such Loan.⁶

“Intermediate Holding Company” means, other than the OpCo GP, a Subsidiary of the Company that owns, directly or indirectly, an Equity Interest in the OpCo.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests or other securities of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor Guarantees Indebtedness of such other Person, (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person or (d) the purchase, acquisition or other investment in any real property or real property-related assets (including, without limitation, mortgage loans and other real estate-related debt investments, investments in land holdings, and costs to construct real property assets under development). For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“Investment Grade Credit Rating” means, with respect to any Person, receipt by such Person of a Debt Rating of BBB- or higher by S&P or Fitch, or Baa3 or higher by Moody’s.

“IRS” means the United States Internal Revenue Service.

“ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“Issuer Documents” means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by an L/C Issuer and the Parent Borrower (or any Subsidiary thereof) or in favor of an L/C Issuer and relating to such Letter of Credit.

“Joint Venture” means a partnership, limited liability company, joint venture (including a tenancy in common ownership pursuant to a written agreement providing for substantially the same rights and obligations relating to such property that would be in a joint venture agreement), or corporation which is not wholly-owned by the Company (or one of its Subsidiaries).

“Joint Venture EBITDA” means, for any period, EBITDA from a Joint Venture, calculated as revenue allocated to the Company and its Subsidiaries based on such Person’s ownership interest in such Joint Venture, minus 2% of such revenue.

“JPMorgan Chase” means JPMorgan Chase Bank, N.A. and its successors.

“Laws” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits

⁶From original Credit Agreement

of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“L/C Advance” means, with respect to each Revolving Credit Lender, such Lender’s funding of its participation in any L/C Borrowing in accordance with its Dollar Tranche Percentage. All L/C Advances shall be denominated in Dollars.

“L/C Borrowing” means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Revolving Credit Borrowing. All L/C Borrowings shall be denominated in Dollars.

“L/C Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“L/C Draw Notice” has the meaning specified in Section 2.04(c)(i).

“L/C Issuer” means each of Bank of America, JPMorgan Chase and Wells Fargo Bank in its capacity as an issuer of Letters of Credit hereunder, or any successor issuer of Letters of Credit hereunder; provided that for so long as any Existing Letter of Credit remains outstanding hereunder, the issuer of such Existing Letter of Credit shall continue to be the L/C Issuer with respect to such Existing Letter of Credit.

“L/C Obligations” means, at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06 and Section 1.07. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“L/C Reimbursement Date” has the meaning specified in Section 2.04(c)(i).

“Lease” means a lease, license, concession agreement or other agreement providing for the use or occupancy of any portion of any Project, including all amendments, supplements, modifications and assignments thereof and all side letters or side agreements relating thereto.

“Lender” has the meaning specified in the introductory paragraph hereto and, as the context requires, includes the Swing Line Lender.

“Lender Parties” and “Lender Recipient Parties” mean, collectively, the Lenders, the Swing Line Lender and the L/C Issuers.

“Lending Office” means, as to any Lender, the office or offices of such Lender described as such in such Lender’s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Parent Borrower and the Administrative Agent which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

“Letter of Credit” means any standby letter of credit issued hereunder providing for the payment of cash upon the honoring of a presentation thereunder and shall include the Existing Letters of Credit. Letters of Credit may be issued in Dollars or in an Alternative Currency.

“Letter of Credit Application” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by an L/C Issuer.

“Letter of Credit Expiration Date” means the day that is seven days prior to the Maturity Date (or, if such day is not a Business Day, the next preceding Business Day).

“Letter of Credit Fee” has the meaning specified in Section 2.04(h).

“Letter of Credit Sublimit” means, at any time, the lesser of (a) \$50,000,000 and (b) the Aggregate Dollar Tranche Commitments. The Letter of Credit Sublimit is part of, and not in addition to, the Revolving Credit Facility.

“Leverage Ratio” as of any date means the ratio, expressed as a percentage, of Total Outstanding Indebtedness as of such date to Total Value as of such date.

~~“LIBOR” has the meaning specified in the definition of Eurocurrency Rate.~~

~~“LIBOR Daily Floating Rate” means, for any day, a fluctuating rate of interest per annum equal to LIBOR as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by Administrative Agent from time to time), at approximately 11:00 a.m., London time, two (2) London Banking Days prior to such day, for Dollar deposits with a term of one (1) month commencing that day; provided that if the LIBOR Daily Floating Rate shall be less than zero, such rate shall be deemed zero for purposes of the Loan Documents.~~

~~“LIBOR Floating Rate Loan” means a Loan that bears interest at a rate based on the LIBOR Daily Floating Rate. All LIBOR Floating Rate Loans shall be denominated in Dollars.~~

~~“LIBOR Quoted Currency” means each of the following currencies: Dollars, Euro, Sterling, Yen and Swiss Franc; in each case as long as there is a published LIBOR rate with respect thereto.~~

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” means an extension of credit by a Lender to a Borrower under Article II in the form of a Term Loan, a Delayed Draw Term Loan, a Revolving Credit Loan, a Competitive Loan or a Swing Line Loan.

“Loan Documents” means, collectively, (a) this Agreement, (b) the Notes, (c) the Guaranty, (d) the Fee Letter, (e) each Issuer Document, (f) each Designated Borrower Request and Assumption Agreement, (g) the OpCo Assumption Agreement, (h) any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.17 and (i) each other agreement, instrument, and document heretofore, now or hereafter delivered in connection with this Agreement or evidencing, securing, guaranteeing, or otherwise relating to any of the Obligations or any other aspect of the transactions contemplated by this Agreement.

“Loan Notice” means a notice of (a) a Term Borrowing, (b) a Delayed Draw Term Borrowing, (c) a Revolving Credit Borrowing, (d) a conversion of Loans from one Type to another, or (e) a continuation of ~~Eurocurrency~~ Term Rate Loans, pursuant to Section 2.02(a),

which shall be substantially in the form of Exhibit A or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Parent Borrower.

“Loan Parties” means, collectively, each Borrower, the Company and each Guarantor.

~~“London Banking Day” means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurodollar market.~~

“Managed Programs” means an investment vehicle funded, in whole or in part, with third party capital (including without limitation, a fund, REIT, partnership or BDC), in each case, managed or advised by the Company or a Subsidiary thereof and listed on Schedule 1.01(A) (as updated from time to time by the Parent Borrower).

“Management Contract” means a management contract or advisory agreement under which the Company or one of its Subsidiaries provides management and advisory services to a third party (including Managed Programs), consisting of management of properties or provision of advisory services on property acquisition and dispositions, equity and debt placements and related transactional matters.

“Marketable Securities” means (a) short term marketable securities, issued by any entity (other than the Company or an Affiliate of the Company) organized and existing under the laws of the United States of America, with a long term unsecured indebtedness rating with Moody’s or S&P of Baa2/BBB or better, respectively, and (b) in the case of any Subsidiary of the Company other than a Domestic Subsidiary thereof, local short term marketable securities comparable to those described in clause (a) of this definition.

“Material Adverse Effect” means a material adverse effect on (a) the business, assets, financial condition or results of operations of the Company and the Subsidiaries taken as a whole or (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Administrative Agent and the Lenders under the Loan Documents.

“Material Indebtedness” means Indebtedness (other than the Loans, Letters of Credit and Nonrecourse Indebtedness) or obligations in respect of one or more Swap Contracts, of any one or more of the Company and its Subsidiaries in an aggregate principal amount exceeding \$100,000,000. For purposes of determining Material Indebtedness, the “principal amount” of the obligations of the Company or any Subsidiary thereof in respect of any Swap Contract at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Company or such Subsidiary would be required to pay if such Swap Contract were terminated at such time.

“Material Subsidiary” means, at any date of determination, (a) each Subsidiary or group of Subsidiaries of the Company whose contribution to Total Value at the last day of the most recent fiscal period for which a Compliance Certificate was delivered pursuant to Section 6.02(a) was equal to or greater than 5% of Total Value at such date (it being understood that such calculations shall be determined in the aggregate for all Subsidiaries of the Company subject to any of the events specified in clause (f) and (g) of Section 8.01), (b) the OpCo GP and (c) each Intermediate Holding Company.

“Maturity Date” means the fifth anniversary of the Closing Date; provided, however, that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Multiemployer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

“Net Asset Value” means the value of a security determined on a net asset value basis by an officer of the Parent Borrower in good faith and evidenced by an Officer’s Certificate, which determination shall be based on an appraisal of an independent third-party appraiser regularly engaged in the valuation of securities of the same type as the securities being valued.

“Net Income (Loss)” means, for any Person for any period, the aggregate of net income (or loss) of such Person and its Subsidiaries for such period, determined on a consolidated basis in conformity with GAAP.

“Net Operating Income” means, with respect to any Property at any time and without duplication, an amount equal to the difference (if positive) between (a) the aggregate gross revenues from the operation of such Property from tenants paying rent (including proceeds from rent loss insurance) during the then most recently ended fiscal quarter of the Company for which financial statements have been provided to the Administrative Agent and the Lenders, and (b) the sum of (i) all expenses and other proper charges incurred by the Company or one or more Subsidiaries of the Company (or by any Joint Venture in which the Company, directly or indirectly, owns an interest) during such fiscal quarter in connection with the operation of such Property (including accruals for real estate taxes and insurance, but excluding debt service charges, income taxes, depreciation, amortization and other non-cash expenses), which expenses and accruals shall be calculated in accordance with GAAP and (ii) a management, advisory or similar fee in an amount equal to the greater of (x) one percent (1.00%) of the net lease rental payments payable in respect of such Property during such fiscal quarter and (y) actual management, advisory or similar fees paid in cash during such fiscal quarter. Notwithstanding the foregoing, the Net Operating Income with respect to any Property that has not at the time of determination been owned by the Company or one or more Subsidiaries of the Company (or by any Joint Venture in which the Company, directly or indirectly, owns an interest) for an entire fiscal quarter shall be deemed to be the Projected Property NOI of such Property.

“New Lender Joinder Agreement” has the meaning specified in Section 2.16(a).

“New Term Facility” has the meaning specified in Section 2.16(a).

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all Lenders, all Lenders of a Facility or all affected Lenders in accordance with the terms of Section 11.01 and (ii) has been approved by the Required Lenders, the Required Term Lenders, the Required Delayed Draw Term Lenders or the Required Revolving Lenders, as applicable.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“~~Non-LIBOR Quoted Currency~~” means any currency other than a LIBOR Quoted Currency SOFR Successor Rate” has the meaning specified in Section 3.03(c).

“Nonrecourse Carveouts” means the personal liability of an obligor under Indebtedness for fraud, misrepresentation, misapplication or misappropriation of cash, waste, environmental liability, bankruptcy filing or any other circumstances customarily excluded from non-recourse provisions and non-recourse financing of real estate.

“Nonrecourse Indebtedness” of any Person means all Indebtedness of such Person with respect to which recourse for payment is limited to specific assets encumbered by a Lien securing such Indebtedness (other than Nonrecourse Carveouts); provided, that if in connection therewith a personal recourse claim is established by judgment decree or award by any court of competent jurisdiction or arbitrator of competent jurisdiction and execution or enforcement thereof shall not be effectively stayed for 30 consecutive days and such Indebtedness shall not be paid or otherwise satisfied within such 30 day period, then such Indebtedness in an amount equal to the personal recourse claim established by judgment or award shall not constitute Nonrecourse Indebtedness for purposes of this Agreement.

“Note” means a Term Note, a Delayed Draw Term Note, a Revolving Credit Note or a Competitive Loan Note, as the context may require.

“Notice of Loan Prepayment” means a notice of prepayment with respect to a Loan, which shall be substantially in the form of Exhibit M or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Parent Borrower.

“Obligations” means, collectively, all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Officer’s Certificate” means a certificate signed by a Responsible Officer of the Parent Borrower or by such other officer as may be specified herein, and delivered to the Administrative Agent hereunder.

“OpCo” has the meaning specified in Section 11.25.

“OpCo GP” has the meaning specified in the definition of “Change of Control”.

“OpCo Assumption Agreement” has the meaning specified in Section 11.25.

“Organization Documents” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“Original Credit Agreement” has the meaning specified in the preliminary statements hereto.

“Original Note” means a Note (as defined in the Original Credit Agreement).

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means any and all present or future stamp, court, documentary, intangible, recording, filing, or any other excise, property or similar Taxes arising from any payment made hereunder or under any other Loan Document or from the execution, delivery, transfer or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Sections 3.06 and 11.13).

“Outstanding Amount” means (a) with respect to Revolving Credit Loans, Alternative Currency Tranche Loans, Term Loans, Swing Line Loans and Delayed Draw Term Loans on any date, the Dollar Equivalent of the aggregate outstanding principal amount thereof after giving effect to any Borrowings and prepayments or repayments of Revolving Credit Loans, Alternative Currency Tranche Loans, Term Loans, Swing Line Loans and Delayed Draw Term Loans, as the case may be, occurring on such date; (b) with respect to Dollar Tranche Loans and Competitive Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any Borrowings and prepayments or repayments of Dollar Tranche Loans and Competitive Loans, as the case may be, occurring on such date; and (c) with respect to any L/C Obligations on any date, the Dollar Equivalent of the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrowers of Unreimbursed Amounts.

“Overnight Rate” means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent, an L/C Issuer, or the Swing Line Lender, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in an Alternative Currency, the rate of interest per annum at which overnight deposits in the applicable Alternative Currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of Bank of America in the applicable offshore interbank market for such currency to major banks in such interbank market.

“Parent Borrower” means, (a) prior to the Assumption Date, the Company and (b) on and after the Assumption Date, the OpCo.

“Participant” has the meaning specified in Section 11.06(d).

“Participant Register” has the meaning specified in Section 11.06(d).

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

“PBGC” means the Pension Benefit Guaranty Corporation or any successor thereto.

“Pension Act” means the Pension Protection Act of 2006.

“Pension Funding Rules” means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Sections 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

“Pension Plan” means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by any Loan Party and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“Permitted Defects” means, with respect to any Project:

(a) Liens imposed by law for taxes, assessments, governmental charges or levies that are not yet due or are being contested in compliance with Section 6.04;

(b) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days or are being contested in compliance with Section 6.04;

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

(d) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(h);

(e) Liens consisting of an agreement to Dispose of any property in a Disposition permitted by Section 7.05; provided that such Liens encumber only the applicable assets pending consummation of the Disposition;

(f) (i) leases, licenses, subleases or sublicenses granted to other Persons in the ordinary course of business which do not (A) interfere in any material respect with the business of the Company and its Subsidiaries, taken as a whole, or (B) secure any Indebtedness and (ii) the rights reserved or vested in any Person by the terms of any lease, license, franchise, grant or permit held by any of the direct or indirect owners of such Project; and

(g) Liens with respect to Capitalized Leases of equipment entered into in the ordinary course of business of the Consolidated Businesses.

“Permitted Encumbrances” means:

(a) Liens imposed by law for taxes, assessments, governmental charges or levies that are not yet due or are being contested in compliance with Section 6.04;

(b) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days or are being contested in compliance with Section 6.04;

(c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations or to secure the performance of bids, purchases, contracts (other than for the payment of borrowed money) and surety, appeal and performance bonds;

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

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

(f) statutory and common law landlord Liens;

(g) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(h);

(h) Liens consisting of an agreement to Dispose of any property in a Disposition permitted by Section 7.05; provided that such Liens encumber only the applicable assets pending consummation of the Disposition;

(i) (i) leases, licenses, subleases or sublicenses granted to other Persons in the ordinary course of business which do not (A) interfere in any material respect with the business of the Company and its Subsidiaries, taken as a whole, or (B) secure any Indebtedness, and (ii) the rights reserved or vested in any Person by the terms of any lease, license, franchise, grant or permit held by any direct or indirect owner of the property subject to such terms;

(j) (i) statutory and common law rights of set-off and other similar rights and remedies as to deposits of cash, securities, commodities and other funds in favor of banks, other depository institutions, securities or commodities intermediaries or brokerages and (ii) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the UCC in effect in the relevant jurisdiction and covering only the items being collected upon; and

(k) Liens arising from precautionary UCC financing statements or similar filings made in respect of operating leases entered into by the Company or any of its Domestic Subsidiaries;

provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of any Loan Party or any ERISA Affiliate or any such Plan to which any Loan Party or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 6.02.

“Project” means any land and the structures thereon, including, without limitation, any office, industrial/manufacturing facility, educational facility, retail facility, distribution/warehouse facility, assembly or production facility, laboratory facility, hotel, day care center, self-storage facility, health care/hospital facility, restaurant, radio or TV station, broadcasting/communication facility (including any transmission facility), signage, theater, fitness facilities, parking facilities, student housing or residential facilities, any combination of any of the foregoing, or any land to be developed into any one or more of the foregoing pursuant to a written agreement with respect to such land for a transaction involving a Lease (or franchise agreement, in the case of a hotel), in each case owned, directly or indirectly, by any of the Consolidated Businesses.

“Projected Property NOI” means, with respect to any Property that has not at the time of determination been owned by one or more Subsidiaries of the Company (or by any Joint Venture in which the Company, directly or indirectly, owns an interest) for an entire fiscal quarter, the projected, *pro forma* Net Operating Income for such Property for such fiscal quarter as mutually agreed by the Parent Borrower and the Administrative Agent based on (i) if available, historical financial statements for such Property under prior ownership for the full fiscal quarter ended immediately prior to the date of determination or (ii) if such historical financial statements are not available, the projected aggregate gross revenues from the operation of such Property from tenants in occupancy and paying rent for the fiscal quarter during which such determination is made (calculated on a *pro forma* basis based on the assumption that such tenants were in occupancy and paying rent from and after the first day of such fiscal quarter through and including the last day thereof).

“Property” means any Real Property or personal property, plant, building, facility, structure, equipment, general intangible, receivable, or other asset owned or leased by any of the Consolidated Businesses or any Joint Venture in which the Company, directly or indirectly, owns an interest.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Lender” has the meaning specified in Section 6.02.

“Rate Determination Date” means two (2) Business Days prior to the commencement of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as determined by the Administrative Agent; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such other day as otherwise reasonably determined by the Administrative Agent).

“Real Property” means any present and future right, title and interest (including, without limitation, any leasehold estate) in (a) any plots, pieces or parcels of land, (b) any buildings, fixtures, structures, parking areas and related facilities and amenities (including all sitework, utilities, infrastructure, paving, striping, signage, curb and gutter, landscaping and other improvements whether existing now or hereafter constructed), together with all machinery and mechanical, electrical, HVAC and plumbing systems presently located thereon and used in the operation thereof, excluding (i) any such items owned by utility service providers, (ii) any such items owned by tenants or other third parties that are not Affiliates of the Company and (iii) any items of personal property (the rights and interests described in clauses (a) and (b) above being the “Premises”), (c) all easements, rights of way, gores of land or any lands occupied by streets, ways, alleys, passages, sewer rights, water courses, water rights and powers, air rights and public places adjoining such land, and any other interests in property constituting appurtenances to the Premises, or which hereafter shall in any way belong, relate or be appurtenant thereto, (d) all hereditaments, gas, oil, minerals (with the right to extract, sever and remove such gas, oil and

minerals), and easements, of every nature whatsoever, located in, on or benefiting the Premises and (e) all other rights and privileges thereunto belonging or appertaining and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to or of any of the rights and interests described in clauses (c) and (d) above.

“Recipient” means the Administrative Agent, any Lender, any L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

“Register” has the meaning specified in Section 11.06(c).

“REIT” means a domestic trust or corporation that qualifies as a real estate investment trust under the provisions of Sections 856 et seq. of the Code.

“REIT Status” means, with respect to any Person, (a) the qualification of such Person as a REIT and (b) the applicability to such Person and its shareholders of the method of taxation provided for in Sections 857 et seq. of the Code.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, advisors, consultants, service providers, auditors (including internal auditors), attorneys and representatives of such Person and of such Person’s Affiliates.

“Release” means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection or leaching into the Environment, or into, from or through any building, structure or facility.

~~“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a benchmark rate to replace LIBOR in loan agreements similar to this Agreement.~~

“Relevant Rate” means with respect to any Credit Extension denominated in (a) Dollars, Term SOFR and SOFR, (b) Sterling, SONIA, (c) Swiss Francs, SARON, (d) Euros, EURIBOR, (e) Canadian Dollars, CDOR, (f) Yen, TIBOR, (g) Australian Dollars, BBSY, (h) Swedish Krona, STIBOR, (i) Danish Krone, CIBOR, (j) Norwegian Krone, NIBOR and (k) Mexican Pesos, TIE, as applicable.

“Removal Effective Date” has the meaning specified in Section 9.06(b).

“Reorganization” has the meaning specified in Section 11.25.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

“Request for Credit Extension” means (a) with respect to a Borrowing, conversion or continuation of Term Loans, Delayed Draw Term Loans or Revolving Credit Loans, a Loan Notice, (b) with respect to a Competitive Loan, a Competitive Bid Request, (c) with respect to an L/C Credit Extension, a Letter of Credit Application, and (d) with respect to a Swing Line Loan, a Swing Line Loan Notice.

“Required Delayed Draw Term Lenders” means, as of any date of determination, Delayed Draw Term Lenders holding more than 50% of the Delayed Draw Term Facility on such date; provided that the portion of the Delayed Draw Term Facility held by any Defaulting Lender

shall be excluded for purposes of making a determination of Required Delayed Draw Term Lenders.

“Required Lenders” means, as of any date of determination, Lenders holding more than 50% of the sum of the (a) Total Outstandings (with the aggregate amount of each Revolving Credit Lender’s risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed “held” by such Revolving Credit Lender for purposes of this definition) other than the Outstanding Amount of Competitive Loans and (b) aggregate unused Revolving Credit Commitments (determined without giving effect to any Competitive Loans outstanding on such date); provided that the unused Revolving Credit Commitment of, and the portion of the Total Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders; provided further that, the amount of any participation in any Swing Line Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Swing Line Lender or the applicable L/C Issuer, as the case may be, in making such determination.

“Required Revolving Lenders” means, as of any date of determination, Revolving Credit Lenders holding more than 50% of the sum of the (a) Total Revolving Credit Outstandings (with the aggregate amount of each Revolving Credit Lender’s risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed “held” by such Revolving Credit Lender for purposes of this definition) other than the Outstanding Amount of Competitive Loans and (b) aggregate unused Revolving Credit Commitments (determined without giving effect to any Competitive Loans outstanding on such date); provided that the unused Revolving Credit Commitment of, and the portion of the Total Revolving Credit Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Revolving Lenders; provided further that, the amount of any participation in any Swing Line Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the applicable Swing Line Lender or L/C Issuer, as the case may be, in making such determination.

“Required Term Lenders” means, as of any date of determination, Term Lenders holding more than 50% of the Term Facility on such date; provided that the portion of the Term Facility held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Term Lenders.

“Rescindable Amount” has the meaning as specified in Section 2.13(b)(ii).

“Resignation Effective Date” has the meaning specified in Section 9.06(a).

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

“Responsible Officer” means the chief executive officer, president, chief operating officer, chief accounting officer, chief financial officer, Managing Director, Executive ~~Vice President~~Director or Senior Vice President of Capital Markets, treasurer or controller of a Loan Party or any entity authorized to act on behalf of a Loan Party, solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan Party or entity authorized to act on behalf of a Loan Party and, solely for purposes of notices given pursuant to Article II, any other officer of the applicable Loan Party or entity authorized to act on behalf of such Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party or entity authorized to act on behalf of a Loan Party shall be

conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any equity securities or other Equity Interests of the Company or any Subsidiary thereof (except dividends payable solely in equity securities of the Company or in rights to subscribe for or purchase equity securities of the Company), or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such equity securities or other Equity Interests, or on account of any return of capital to the Company’s stockholders, partners or members (or the equivalent Person thereof).

“Revaluation Date” means, (i) with respect to any Revolving Credit Loan, each of the following: (a) each date of a Borrowing of ~~a Eurocurrency Rate Loan denominated in~~ an Alternative Currency Loan, (b) with respect to an Alternative Currency Daily Rate Loan, each Interest Payment Date, (c) each date of a continuation of ~~a Eurocurrency Rate Loan denominated in~~ an Alternative Currency Term Rate Loan pursuant to Section 2.02, and ~~(ed)~~ such additional dates as the Administrative Agent shall determine or, in the case of ~~a Eurocurrency~~ an Alternative Currency Rate Loan, the Tranche Required Lenders with respect to the Alternative Currency Tranche, shall require, (ii) with respect to any Delayed Draw Term Loan denominated in an Alternative Currency, (a) the Delayed Draw Funding Date and (b) such additional dates as the Administrative Agent or the Required Delayed Draw Term Lenders shall require, and (iii) with respect to any Letter of Credit, each of the following: (a) each date of issuance and/or extension of a Letter of Credit denominated in an Alternative Currency, (b) each date of an amendment of any such Letter of Credit having the effect of increasing the amount thereof, (c) each date of any payment by ~~an~~ the Alternative Currency L/C Issuer under any Letter of Credit denominated in an Alternative Currency and (d) such additional dates as the Administrative Agent ~~or an~~ the Alternative Currency L/C Issuer shall determine or the Tranche Required Lenders with respect to the Dollar Tranche shall require.

“Revolving Credit Borrowing” means a borrowing consisting of simultaneous Revolving Credit Loans of the same Type, in the same currency and, in the case of ~~Eurocurrency~~ Term Rate Loans, having the same Interest Period made by each of the applicable Revolving Credit Lenders pursuant to Section 2.01(b).

“Revolving Credit Commitment” means, as to each Revolving Credit Lender, its Dollar Tranche Commitment and/or Alternative Currency Tranche Commitment, as the context may require.

“Revolving Credit Facility” means, at any time, the aggregate amount of the Revolving Credit Lenders’ Revolving Credit Commitments at such time. On the Closing Date, the Revolving Credit Facility is \$1,800,000,000.

“Revolving Credit Lender” means, at any time, any Lender that has a Revolving Credit Commitment at such time.

“Revolving Credit Loan” means a Dollar Tranche Loan or an Alternative Currency Tranche Loan.

“Revolving Credit Note” means a promissory note made by a Borrower in favor of a Revolving Credit Lender evidencing Revolving Credit Loans and/or Swing Line Loans, as the case may be, made by such Revolving Credit Lender to such Borrower, substantially in the form of Exhibit D-2.

“Rule 144A Transaction” means a sale or issuance of notes or bonds that are exempt from registration with the SEC under Rule 144A of the Securities Act.

“S&P” means Standard & Poor’s Financial Services LLC, a division of The McGraw-Hill Companies, Inc., and any successor thereto.

“Same Day Funds” means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

“Sanction(s)” means any sanction administered or enforced by the United States Government (including without limitation, OFAC), the United Nations Security Council, the European Union, ~~Her~~His Majesty’s Treasury or other relevant sanctions authority.

“SARON” means, with respect to any applicable determination date, the Swiss Average Rate Overnight published on the fifth Business Day preceding such date on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time); provided however that if such determination date is not a Business Day, SARON means such rate that applied on the first Business Day immediately prior thereto.

“SARON Adjustment” means, ~~with respect to SARON,~~ -0.0571% per annum.

“Scheduled Unavailability Date” has the meaning specified in Section 3.03(c).

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“SEC Reports” has the meaning specified in Section 5.19.

~~“Second Amendment” means that certain Second Amendment to Fourth Amended and Restated Credit Agreement, dated as of April 19, 2022, among the Parent Borrower, each of the Lenders and L/C Issuers party thereto, and the Administrative Agent.~~

~~“Second Amendment Effective Date” has the meaning specified in the Second Amendment.~~

“Secured Indebtedness” means any Indebtedness secured by a Lien (excluding Indebtedness arising under this Agreement).

“SOFR” means, with respect to any ~~day means the secured overnight financing rate published for~~ applicable determination date, the Secured Overnight Financing Rate published on the fifth U.S. Government Securities Business Day preceding such day date by the ~~Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator)~~ SOFR Administrator on the Federal Reserve Bank of New York’s website (or any successor source) ~~and, in each case, that has been selected or recommended by the Relevant Governmental Body;~~ provided however that if such determination date is not a U.S. Government Securities Business Day, then SOFR means such rate that applied on the first U.S. Government Securities Business Day immediately prior thereto.

“SOFR Adjustment” means 0.10% per annum.

“SOFR Administrator” means the Federal Reserve Bank of New York, as the administrator of SOFR, or any successor administrator of SOFR designated by the Federal Reserve Bank of New York or other Person acting as the SOFR Administrator at such time that is satisfactory to the Administrative Agent.

“SOFR ~~Based Rate~~ Loan” means ~~SOFR or a~~ Term SOFR Committed Loan or a Daily SOFR Loan, as applicable.

“SOFR Scheduled Unavailability Date” has the meaning specified in Section 3.03(b).

“SOFR Successor Rate” has the meaning specified in Section 3.03(b).

“Solvent” and “Solvency” mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person’s property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Solvency Certificate” means a Solvency Certificate of the chief financial officer of the Company substantially in the form of Exhibit H.

“SONIA” means, with respect to any applicable determination date, the Sterling Overnight Index Average Reference Rate published on the fifth Business Day preceding such date on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time); provided however that if such determination date is not a Business Day, SONIA means such rate that applied on the first Business Day immediately prior thereto.

“SONIA Adjustment” means, ~~with respect to SONIA,~~ 0.0326% per annum.

“Special Notice Currency” means at any time an Alternative Currency, other than the currency of a country that is a member of the Organization for Economic Cooperation and Development at such time located in North America or Europe.

“Specified Jurisdictions” means, collectively, the United States, Germany, Poland, the Netherlands, Spain, United Kingdom, France, Denmark, Finland, Canada, Norway, Austria, Japan, Sweden and Belgium.

~~“Spot Rate” for a currency means the rate determined by the Administrative Agent or an L/C Issuer, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent or the applicable L/C Issuer may obtain such spot rate from another~~

~~financial institution designated by the Administrative Agent or such L/C Issuer if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; and provided further that such L/C Issuer may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Alternative Currency.~~

“Sterling” and “£” mean the lawful currency of the United Kingdom.

“Sterling Tranche Lender” means an Alternative Currency Tranche Lender with an Alternative Currency Tranche Commitment that includes Sterling.

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person.

“Subsidiary Guarantors” means, collectively, (a) each Intermediate Holding Company and (b) each other Subsidiary of the Company (other than Carey Financial, LLC) that (i) (A) receives fees under a Management Contract, (B) is a Wholly-Owned REIT Subsidiary or (C) owns, directly or indirectly, an Unencumbered Eligible Project or a portion thereof and (ii) is a borrower or guarantor of, or otherwise has a payment obligation in respect of, any Indebtedness of the type described in clause (a) of such definition that is not (A) owing to any of the Consolidated Businesses or (B) Secured Indebtedness (including, without limitation and for the avoidance of doubt, Indebtedness (other than Secured Indebtedness) that is incurred under or in connection with notes or bonds issued in a Rule 144A Transaction); provided that if any such Subsidiary referenced in clause (b) above is not a Domestic Wholly-Owned Subsidiary, then Subsidiary Guarantor shall mean each of the most immediate parents of such Subsidiary that are Domestic Wholly-Owned Subsidiaries of the Company (if any), and including any Domestic Wholly-Owned Subsidiary of the Company that joins as a Guarantor pursuant to Section 6.12 or otherwise, in each case, together with their successors and permitted assigns, to the extent such Domestic Wholly-Owned Subsidiary has not been released from its obligations hereunder in accordance with Section 10.10.

“Successor Rate” has the meaning specified in Section 3.03(c).

~~“Successor Rate Amendment” has the meaning specified in Section 3.03(e).~~

~~“Successor Rate Amendment Effective Date” means the date, if any, on which (a) a Successor Rate Amendment entered into by the Administrative Agent and the Parent Borrower for the purpose of replacing LIBOR for Dollar denominated Loans has become effective pursuant to Section 3.03 and (b) the Successor Rate adopted pursuant to such amendment applies to all Dollar denominated Loans.~~

~~“Successor Rate Conforming Changes” means, with respect to any proposed Successor Rate, any conforming changes to the definition of Base Rate, LIBOR Daily Floating Rate, Daily Floating Eurocurrency Rate, Interest Period, timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such Successor Rate and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such Successor Rate~~

~~exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement in consultation with the Parent Borrower).~~

“Supplemental Addendum” has the meaning specified in Section 1.08.

“Supplemental Currency” has the meaning specified in Section 1.08.

“Supplemental Request” has the meaning specified in Section 1.08.

“Supplemental Tranche Effective Date” has the meaning specified in Section 1.08.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Swing Line Borrowing” means a borrowing of a Swing Line Loan pursuant to Section 2.05.

“Swing Line Lender” means Bank of America, in its capacity as provider of Swing Line Loans hereunder, or any successor swing line lender hereunder.

“Swing Line Loan” has the meaning specified in Section 2.05(a).

“Swing Line Loan Notice” means a notice of a Swing Line Borrowing pursuant to Section 2.05(b), which shall be substantially in the form of Exhibit C or such other form as approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Parent Borrower.

“Swing Line Sublimit” means, at any time, the lesser of (a) ~~\$75,000,000~~ 150,000,000 and (b) an amount equal to the then existing Aggregate Alternative Currency Tranche Commitments. The Swing Line Sublimit is part of, and not in addition to, the Revolving Credit Facility.

“Synthetic Debt” means, with respect to any Person as of any date of determination thereof, all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds (including any minority interest transactions that function primarily as a borrowing) but are not otherwise included in the definition of “Indebtedness” or as a liability on the consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP.

“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including sale and leaseback transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Laws to such Person, would be characterized as indebtedness of such Person (without regard to accounting treatment).

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

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

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Borrowing” means a borrowing consisting of simultaneous Term Loans of the same Type, in the same currency and, in the case of Alternative Currency Term Rate Loans, having the same Interest Period made by each of the Term Lenders pursuant to Section 2.01(a).

“Term Commitment” means, as to each Term Lender, its obligation to make Term Loans pursuant to Section 2.01(a) and/or Section 2.16 in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Term Lender’s name on Schedule 2.01 under the caption “Term Commitment” or under such caption in the Assignment and Assumption or the New Lender Joinder Agreement pursuant to which such Term Lender becomes a party hereto, as applicable, as such amount may be increased by such Term Lender pursuant to Section 2.16 or otherwise adjusted from time to time in accordance with this Agreement.

“Term Facility” means (a) on or prior to the Closing Date, the aggregate amount of the Term Commitments at such time and (b) thereafter, the aggregate principal amount of the Term Loans of all Term Lenders outstanding at such time. On the ~~Second~~Third Amendment Effective Date, the Term Facility is £270,000,000.

“Term Lender” means (a) at any time on or prior to the Closing Date, any Lender that has a Term Commitment at such time and (b) at any time after the Closing Date, any Lender that holds Term Loans at such time.

“Term Loan” has the meaning specified in Section 2.01(a) and, unless the context requires otherwise, includes each loan made in connection with any increase in the Term Facility or any New Term Facility pursuant to Section 2.16. ~~For the avoidance of doubt, on and after the Second Amendment Effective Date, except to the extent required by Section 2.02(c), all Term Loans shall be denominated in Sterling.~~

“Term Note” means a promissory note made by a Borrower in favor of a Term Lender evidencing Term Loans made by such Term Lender to such Borrower, substantially in the form of Exhibit D-1.

“Term Rate Loan” means a Term SOFR Committed Loan or an Alternative Currency Term Rate Loan, as applicable.

“Term SOFR” means:

(a) for any Interest Period with respect to a Term SOFR Loan, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto, in each case plus the SOFR Adjustment; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate with a term of one month commencing that day;

provided, that if Term SOFR determined in accordance with either of the foregoing provisions (a) or (b) of this definition would otherwise be less than zero, Term SOFR shall be deemed zero for purposes of the Loan Documents.

“Term SOFR Bid Margin” means the margin above or below Term SOFR to be added to or subtracted from Term SOFR, which margin shall be expressed in multiples of 1/100th of one basis point.

“Term SOFR Committed Loan” means a Term SOFR Loan other than a Term SOFR Margin Bid Loan.

“Term SOFR Loan” means a Loan that bears interest at a rate based on clause (a) of the definition of “Term SOFR.” All Term SOFR Loans must be denominated in Dollars.

“Term SOFR Margin Bid Loan” means a Competitive Loan that bears interest at a rate based upon Term SOFR.

“Term SOFR Screen Rate” means the forward-looking SOFR term rate ~~for any period that is approximately (as determined by~~ administered by CME (or any successor administrator satisfactory to the Administrative Agent) as long as any available interest period option under the Loan Documents and that is based on SOFR and that has been selected or recommended by the Relevant Governmental Body, in each case as published on an information service as selected and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time ~~in its reasonable discretion).~~

“Third Amendment” means that certain Third Amendment to Fourth Amended and Restated Credit Agreement, dated as of January 26, 2023, among the Company, the Lenders, the L/C Issuers, and the Administrative Agent.

“Third Amendment Effective Date” means January 26, 2023.

“Total Outstanding Indebtedness” means, as of any date, the sum, without duplication, of (a) the amount of Indebtedness (secured and unsecured and recourse or non-recourse) of the

Company and its Subsidiaries, including, without limitation, mortgage loans, outstanding balances on lines of credit and notes payable, in each case, as set forth in the then most recent Compliance Certificate delivered pursuant to Section 6.02(b), plus (b) the outstanding amount of Indebtedness of Joint Ventures allocable in accordance with GAAP on account of ownership of interests in Joint Ventures to the Company and its Subsidiaries as of the time of determination (with appropriate adjustments for minority interests) plus (c) the Contingent Obligations of the Company and its Subsidiaries in respect of Indebtedness and, to the extent allocable to the Company and its Subsidiaries in accordance with GAAP on account of ownership of interests in Joint Ventures, of the Joint Ventures in respect of Indebtedness (with appropriate adjustments for minority interests).

“Total Outstandings” means the aggregate Outstanding Amount of all Loans and all L/C Obligations.

“Total Revolving Credit Outstandings” means the aggregate Outstanding Amount of all Revolving Credit Loans, Swing Line Loans, Competitive Loans and L/C Obligations.

“Total Secured Outstanding Indebtedness” means, as of any date, the portion of Total Outstanding Indebtedness that is Secured Indebtedness.

“Total Unsecured Outstanding Indebtedness” means, as of any date, the portion of Total Outstanding Indebtedness that is not Secured Indebtedness.

“Total Value” means, as of any date, the sum, without duplication, of:

(a) unrestricted Cash and Cash Equivalents which would be included on the Consolidated Businesses’ consolidated balance sheet as of such date including fully refundable deposits associated with any potential acquisition and unrestricted cash in respect of Section 1031 exchanges; plus

(b) Fair Market Value of Marketable Securities; plus

(c) in respect of Projects (excluding Projects described in clause (e), (h), (k) or (l) below) owned or ground-leased by the Company and its Subsidiaries for at least four full fiscal quarters, (i) the Net Operating Income for such Projects for the then most recently ended fiscal quarter multiplied by four, divided by (ii) the Capitalization Rate; plus

(d) the investment (at cost without depreciation) in Projects (excluding Projects described in clause (e), (h), (k) or (l) below) owned or ground-leased by the Company or its Subsidiaries for less than four full fiscal quarters; plus

(e) an amount equal to 50% of the book value of Property that has been vacant for less than twelve months, as adjusted in accordance with GAAP to reflect impairment charges; plus

(f) the investment in Joint Ventures, valued according to the methodologies under clauses (c) or (d) above which is allocable to the Company or its Subsidiaries based on their ownership interests in the related Joint Ventures in accordance with GAAP; plus

(g) investments in notes secured by mortgages on the Real Property of any Person at cost, less an amount equal to accrued amortization payments in respect thereof; plus

(h) contractual purchase price of Projects owned or ground-leased by the Company and its Subsidiaries subject to purchase obligations, repurchase obligations, forward

commitments and unfunded obligations to the extent such obligations and commitments are included in determinations of Total Outstanding Indebtedness; plus

(i) the book value of all loans made by the Company or its Subsidiaries to Managed Programs, as adjusted in accordance with GAAP to reflect impairment charges; plus

(j) the Net Asset Value of all investments in the securities of Managed Programs and other common and preferred equity investments published as of the end of the most recent fiscal quarter for which financial statements have been delivered pursuant to Section 6.01 (or, to the extent no such published Net Asset Value exists for a Managed Program or other common and preferred equity investments, the amount of the investment by the Company and its Subsidiaries in such Managed Program or other common and preferred equity investments (as applicable) as of the end of such fiscal quarter determined in accordance with the equity method of accounting); plus

(k) investments in Real Property under construction which is proceeding to completion in the ordinary course (valued at the aggregate costs incurred and paid to date); provided that the amount under this clause (k) shall be limited to 10% of Total Value; plus

(l) investments (at the lower of cost or market value) in Real Property consisting of undeveloped land.

Notwithstanding the foregoing and solely for the purposes of this definition, the sum of the aggregate investments described in clauses (f), (g) and (l) above shall not exceed 30% of Total Value with any excess over the foregoing limits being excluded from Total Value.

“Tranche” means each of the Dollar Tranche and the Alternative Currency Tranche.

“Tranche Required Lenders” means, at any time, with respect to a Tranche, Lenders under such Tranche holding more than 50% of the sum of the (a) Total Revolving Credit Outstandings (with the aggregate amount of each Lender’s risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed “held” by such Lender for purposes of this definition) of such Tranche other than the Outstanding Amount of Competitive Loans and (b) aggregate unused Commitments of such Tranche (determined without giving effect to any Competitive Loans outstanding on such date); provided that the unused Commitment of, and the portion of the Total Revolving Credit Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Tranche Required Lenders; provided further that, the amount of any participation in any Swing Line Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Swing Line Lender or the applicable L/C Issuer, as the case may be, in making such determination.

“Treaty” has the meaning specified in the definition of “UK Treaty State.”

“Type” means, (a) with respect to a Competitive Loan, its character as an Absolute Rate Loan or a Term SOFR Margin Bid Loan and (b) with respect to any other Loan, its character as a Base Rate Loan, a Eurocurrency Rate Daily SOFR Loan, a Term SOFR Loan, an Alternative Currency Daily Rate Loan or an Alternative Currency Term Rate Loan.⁷

~~“Type” means, (a) with respect to a Competitive Loan, its character as an Absolute Rate Loan or a Eurocurrency Margin Bid Loan and (b) with respect to any other Loan, its character as~~

⁷From First Amendment

a Base Rate Loan, a Eurocurrency Rate Loan, a LIBOR Floating Rate Loan or a Daily Floating Eurocurrency Rate Loan.⁸

“UCC” means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“UCP” means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce (“ICC”) Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

“UK Borrower DTTP Filing” means an H.M. Revenue & Customs’ Form DTTP2 duly completed and filed by a Designated UK Borrower, which contains the scheme reference number and jurisdiction of tax residence provided by a UK Treaty Lender under Section 3.01(e)(iii) and which (a) where it relates to a UK Treaty Lender that was a Lender on the date such Designated UK Borrower joined this Agreement as a Designated Borrower, is filed within 30 days of such date, or (b) where it relates to a UK Treaty Lender which becomes a Lender after the date such Designated UK Borrower joined this Agreement as a Designated Borrower, is filed within 30 days of the date on which that UK Treaty Lender becomes a Lender.

“UK CTA” means the Corporation Tax Act 2009.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended ~~from~~ from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK ITA” means the UK Income Tax Act 2007.

“UK Non-Bank Lender” means a Lender that is making an advance to a Designated UK Borrower and gives a UK Tax Confirmation to that Designated UK Borrower.

“UK Qualifying Lender” means:

(a) a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document and is:

(i) a Lender:

- (A) that is a bank (as defined for the purpose of section 879 of the UK ITA) making an advance under a Loan Document and is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance or would be within such charge as respects such payment apart from section 18A of the UK CTA; or
- (B) in respect of an advance made under a Loan Document by a Person that was a bank (as defined for the purpose of section 879 of the UK ITA) at

⁸ From original Credit Agreement

the time that that advance was made and within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance; or

(ii) a Lender that is:

(A) a company resident in the United Kingdom for United Kingdom tax purposes;

(B) a partnership each member of which is:

(1) a company so resident in the United Kingdom; or

(2) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the UK CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the UK CTA; (C) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the UK CTA) of that company; or

(iii) a UK Treaty Lender; or

(b) a Lender that is a building society (as defined for the purposes of section 880 of the UK ITA) making an advance under a Loan Document.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“UK Tax Confirmation” means a confirmation by a Lender that the Person beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document is either:

(a) a company resident in the United Kingdom for United Kingdom tax purposes;

(b) a partnership each member of which is:

(i) a company so resident in the United Kingdom; or

(ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the UK CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the UK CTA; or

(c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the UK CTA) of that company.

“UK Treaty Lender” means a Lender that

(a) is treated as a resident of a UK Treaty State for the purposes of the Treaty; and

(b) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in a Loan or Letter of Credit is effectively connected.

“UK Treaty State” means a jurisdiction having a double taxation agreement (a “Treaty”) with the United Kingdom which makes provision for full exemption from tax imposed by the United Kingdom on interest.

“Unencumbered Asset Value” means, as of any date, the sum, without duplication, of:

(a) unrestricted Cash and Cash Equivalents which would be included on the Consolidated Businesses' consolidated balance sheet as of such date including fully refundable deposits associated with any potential acquisition and unrestricted cash in respect of Section 1031 exchanges;

(b) in respect of Unencumbered Eligible Projects (excluding Unencumbered Eligible Projects described in clause (d) or (e) below) owned or ground-leased by the Property Borrower and its Subsidiaries for at least four full fiscal quarters, (i) the portion of Unencumbered Property NOI derived from such Unencumbered Eligible Projects for the then most recently ended fiscal quarter multiplied by four, divided by (ii) the Capitalization Rate;

(c) the investment (at cost without depreciation) in Unencumbered Eligible Projects (excluding Unencumbered Eligible Projects described in clause (d) or (e) below) owned or ground-leased by the Company or its Subsidiaries for less than four full fiscal quarters;

(d) an amount equal to 50% of the book value of investments made by the Company and its Subsidiaries in Unencumbered Eligible Projects consisting of properties that have been vacant for less than twelve months, as adjusted in accordance with GAAP to reflect impairment charges; and

(e) investments in Real Property under construction which is proceeding to completion in the ordinary course (valued at the aggregate costs incurred and paid to date).

Notwithstanding the foregoing and solely for the purposes of this definition:

(A) the sum of the aggregate investments described in clauses (d) and (e) above shall not exceed 15% of Unencumbered Asset Value, in each case, with any excess over the foregoing limits being excluded from the Unencumbered Asset Value; and

(B) not more than 25% of the Unencumbered Asset Value at any time may be in respect of Unencumbered Eligible Projects that are not located in Specified Jurisdictions, with any excess over such limit being excluded from the Unencumbered Asset Value.

“Unencumbered Eligible Project” means an Eligible Project (a) with respect to which either (i) one or more of the Loan Parties has a direct or indirect ownership interest of 100% or a ground leasehold interest under an Eligible Ground Lease, or (ii) (A) one or more of the Loan Parties has an ownership interest (whether directly or indirectly through a Subsidiary or through an interest in a Joint Venture) of more than 25%, (B) one or more Managed Programs has all of the remaining ownership interests in such Eligible Project and (C) the Company (whether directly or through a Subsidiary or a Joint Venture Controlled by the Company) controls the

management of such Project, and (b) which is not subject (nor are any equity interests therein owned by the Company and Subsidiaries thereof subject) to any Liens or preferred equity interests, except for Permitted Encumbrances and buy sell rights with respect to Joint Ventures on customary terms and conditions. As used in this definition only, the term “control” shall mean the authority, with sole discretion, to make major management decisions with respect to the applicable Project, including with respect to sale, financing, refinancing, capital improvements, leasing and the grant of Liens on such Project and to manage the day to day operations of such Project. Notwithstanding the foregoing, (x) an Eligible Project located in a Designated Jurisdiction shall not qualify as an Unencumbered Eligible Project and (y) if any Consolidated Business that directly or indirectly owns an Eligible Project or a portion thereof is a borrower or guarantor of, or otherwise incurs a payment obligation in respect of, any Indebtedness of the type described in clause (a) of such definition that is not (1) owing to any of the Consolidated Businesses or (2) Secured Indebtedness (including, without limitation and for the avoidance of doubt, Indebtedness (other than Secured Indebtedness) that is incurred under or in connection with notes or bonds issued in a Rule 144A Transaction) and is not a Guarantor, such Eligible Project shall not qualify as an Unencumbered Eligible Project.

“Unencumbered Property NOI” means the aggregate Net Operating Income from the Unencumbered Eligible Projects. Unencumbered Property NOI from Unencumbered Eligible Projects owned by Joint Ventures with Managed Programs will be calculated as the Net Operating Income from such Unencumbered Eligible Projects allocated to the Company and its Subsidiaries based on their ownership interest in such Joint Venture.

“United States” and “U.S.” mean the United States of America.

“Unreimbursed Amount” has the meaning specified in Section 2.04(c)(i).

“U.S. Government Securities Business Day” means any Business Day, except any Business Day on which any of the Securities Industry and Financial Markets Association, the New York Stock Exchange or the Federal Reserve Bank of New York is not open for business because such day is a legal holiday under the federal laws of the United States or the laws of the State of New York, as applicable.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 3.01(e)(ii)(B)(III).

“Wells Fargo Bank” means Wells Fargo Bank, N.A. and its successors.

“Wholly-Owned REIT Subsidiary” means any REIT in which the Company or the Parent Borrower owns, directly or indirectly, 100% of the voting equity thereof.

“Wholly-Owned Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity all of the Equity Interests of which (except directors’ qualifying shares) are at the time directly or indirectly owned by such Person and/or another Wholly-Owned Subsidiary of such Person. For purposes hereof, so long as the Parent Borrower remains a Subsidiary of the Company, the Parent Borrower and its Wholly-Owned Subsidiaries shall be deemed to be Wholly-Owned Subsidiaries of the Company.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-

down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

“Yen” and “¥” mean the lawful currency of Japan.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “hereto,” “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including,” the words “to” and “until” each mean “to but excluding,” and the word “through” means “to and including.”

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a ~~division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation)~~ Division, as if it were a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any ~~division of a limited liability company~~ Division Successor shall constitute a separate Person hereunder (and each

~~division~~ Division of any ~~limited liability company~~ Person that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

1.03 Accounting Terms. (a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Consolidated Businesses shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

(a) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Parent Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Parent Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Parent Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(b) Consolidation of Variable Interest Entities. All references herein to consolidated financial statements of the Company and its Subsidiaries or to the determination of any amount for the Company and its Subsidiaries on a consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that the Company is required to consolidate pursuant to FASB ASC 810 as if such variable interest entity were a Subsidiary as defined herein.

(c) Pro Forma Calculation. With respect to any reference herein to determining compliance with Section 7.11 on a *pro forma* basis after giving effect to a transaction or other event, such determination or compliance shall be calculated as though such transaction or other event had been consummated or made as of the first day of the four fiscal quarter period most recently ended for which financial information pursuant to Section 6.01(a) or (b) has been delivered to the Administrative Agent and the Lenders, and on the basis of such financial information.

1.04 Rounding. Any financial ratios required to be maintained pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

1.06 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of

Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

1.07 Exchange Rates; Currency Equivalents; Interest Rates. (a) The Administrative Agent or the Alternative Currency L/C Issuer, as applicable, shall determine the ~~Spot Rates as of each Revaluation Date to be used for calculating~~ Dollar Equivalents of Credit Extensions and Outstanding Amounts denominated in Alternative Currencies as of each Revaluation Date. Such ~~Spot Rates~~ Dollar Equivalent shall become effective as of such Revaluation Date and shall be the ~~Spot Rates employed in converting any~~ Dollar Equivalent of such amounts ~~between the applicable currencies~~ until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent as so determined by the Administrative Agent or the Alternative Currency L/C Issuer, as applicable.

(a) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of ~~a Eurocurrency Rate Loan or a Daily Floating Eurocurrency Rate~~ an Alternative Currency Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Borrowing, ~~Eurocurrency Rate Loan, Daily Floating Eurocurrency Rate~~ Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent or the Alternative Currency L/C Issuer, as the case may be.

(b) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related ~~to the rates in the definition of "Eurocurrency Rate", "Daily Floating Eurocurrency Rate", "LIBOR Daily Floating Rate" or with respect to any reference rate that is an alternative or replacement for or successor to any of such rates (including, without limitation, any Successor Rate) or the effect of any of the foregoing, or of any Successor Rate Conforming Changes.~~

Interest Rates. ~~The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definitions of "Alternative Currency Daily Rate" or "Alternative Currency Term Rate" referred to herein or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or replacement for or successor to any such rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes.~~⁹ The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any Successor Rate (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damag

⁹ From First Amendment

es of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

1.08 Additional Alternative Currencies. (a) The Parent Borrower may from time to time request (each, a “Supplemental Request”) that the Alternative Currency Tranche Lenders provide one or more commitments for ~~Eurocurrency Rate~~Alternative Currency Loans to be made and/or that Letters of Credit to be issued in a currency (each, a “Supplemental Currency”) other than those specifically listed in the definition of “Alternative Currency” at the time such request is made; provided that the requested Supplemental Currency is ~~a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars~~an Eligible Currency. Each Supplemental Request shall be (i) subject to the approval of the Administrative Agent and, in the case of a Supplemental Request with respect to the issuance of Letters of Credit, shall be subject to the approval of the Alternative Currency L/C Issuer and (ii) made in writing to the Administrative Agent not later than 11:00 a.m., 20 Business Days prior to the date that the desired commitment in such Supplemental Currency would take effect (or such other time or date as may be agreed by the Administrative Agent and, in the case of a Supplemental Request pertaining to Letters of Credit, the Alternative Currency L/C Issuer, in its or their sole discretion) in substantially the form of Exhibit J (a “Supplemental Addendum”) and shall set forth the proposed Supplemental Currency and the other matters set forth on the form of Supplemental Addendum.

(a) The Administrative Agent shall promptly notify each Alternative Currency Tranche Lender following its receipt of a Supplemental Request; and in the case of a Supplemental Request pertaining to Letters of Credit, the Administrative Agent shall also promptly notify the Alternative Currency L/C Issuer thereof.

(b) No Alternative Currency Tranche Lender shall be obligated to provide a commitment in a Supplemental Currency. Each Alternative Currency Tranche Lender that agrees to provide a commitment in a Supplemental Currency (each, an “Authorizing Lender”) shall notify the Administrative Agent, not later than 11:00 a.m., ten (10) Business Days after receipt of such Supplemental Request whether it agrees to provide a commitment for ~~Eurocurrency Rate~~Alternative Currency Loans in the applicable Supplemental Currency. Any Alternative Currency Tranche Lender that has failed to respond to such request within the time period specified in the preceding sentence shall be deemed to have declined to provide a commitment in the applicable Supplemental Currency.

(c) If the Administrative Agent and, if applicable, the Alternative Currency L/C Issuer, consent to a Supplemental Request, and one or more Alternative Currency Tranche Lenders agree to provide a commitment in the applicable Supplemental Currency, and the Administrative Agent and such Alternative Currency Tranche Lenders reasonably determine that an appropriate interest rate is available to be used for such requested Supplemental Currency, the Administrative Agent shall so notify the Parent Borrower, and (i) the Administrative Agent and the applicable Authorizing Lenders may amend the definition of Alternative Currency Daily Rate or Alternative Currency Term Rate, as applicable, and the definition of Relevant Rate, in each case, to the extent necessary to add the applicable rate for such Supplemental Currency and any applicable adjustment for such rate and (ii) to the extent the definition of Alternative Currency Daily Rate or Alternative Currency Term Rate, as applicable, and the definition of Relevant Rate have been amended to reflect the appropriate rate for such Supplemental Currency, the Administrative Agent and the Parent Borrower shall determine the date such ~~commitment~~commitments in the Supplemental Currency shall become effective (the “Supplemental Tranche Effective Date”), and any other terms relating thereto. The Administrative Agent shall promptly distribute a revised Schedule 2.01 to each Revolving Credit

Lender reflecting such new commitment and notify each Revolving Credit Lender of the Supplemental Tranche Effective Date. For the avoidance of doubt, from and after the Supplemental Tranche Effective Date with respect to any Supplemental Currency, all references in this Agreement to Alternative Currency or Alternative Currencies shall be deemed, unless the context otherwise requires, to include a reference to such Supplemental Currency. If the Administrative Agent shall fail to obtain any requisite consent to a Supplemental Request or no Alternative Currency Tranche Lender agrees to provide a commitment in the applicable Supplemental Currency, the Administrative Agent shall promptly so notify the Parent Borrower.

(d) As a condition precedent to the addition of a commitment in a Supplemental Currency to this Agreement: (i) each applicable Authorizing Lender must be able to make Revolving Credit Loans in the Supplemental Currency in accordance with applicable laws and regulations, (ii) each applicable Authorizing Lender providing a commitment in the Supplemental Currency and the Administrative Agent, and the Alternative Currency L/C Issuer if its consent to the addition of such commitment is required, must execute the requested Supplemental Addendum, (iii) the Parent Borrower and each other Loan Party must execute the Supplemental Addendum and (iv) any other documents or certificates that shall be reasonably requested by the Administrative Agent in connection with the addition of such commitment shall have been delivered to the Administrative Agent in form and substance reasonably satisfactory to the Administrative Agent.

(e) In connection with the addition of a commitment in a Supplemental Currency, the Administrative Agent, the Parent Borrower and the Alternative Currency L/C Issuer and Authorizing Lenders with such commitments may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Parent Borrower, to implement the provisions of this Section, a copy of which shall be made available to each Lender.

(f) This Section shall supersede any provisions in Section 11.01 to the contrary to the extent necessary to give effect to this Section 1.08.

1.09 Change of Currency. (a) Each obligation of any Borrower to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption. If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the ~~London~~ interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Borrowing, at the end of the then current Interest Period.

(a) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro, and the Administrative Agent shall provide three (3) Business Days prior notice to the Parent Borrower and the Lenders of any such changes of construction prior to application thereof to any provision of this Agreement.

(b) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be

appropriate to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

Article b
THE COMMITMENTS AND CREDIT EXTENSIONS

1.01 The Loans. (a) The Term Borrowing.

(i) Subject to the terms and conditions set forth herein, each Term Lender severally agrees to make one or more loans (each such loan, a "Term Loan") to the Parent Borrower each in Euro or Sterling on the Closing Date, in an aggregate amount not to exceed such Term Lender's Term Commitment. Each Term Borrowing on the Closing Date shall consist of Term Loans made simultaneously by the Term Lenders in the same currency in accordance with their respective Applicable Percentages of the Term Facility. Amounts borrowed under this Section 2.01(a) and repaid or prepaid may not be reborrowed. On and after the Third Amendment Effective Date, Term Loans shall only be ~~Eurocurrency~~ Alternative Currency Daily Rate Loans or Alternative Currency Term Rate Loans, in each case as further provided herein.

(ii) If the Term Loans are to be made in more than one currency, then on the Closing Date each Term Lender's Term Commitment and the Term Facility shall be allocated by the Administrative Agent into tranches to reflect the Term Loans made by such Term Lender in each currency and the Administrative Agent shall restate Schedule 2.01 to reflect the Term Commitments and the Term Facility as so tranced (which restated schedule the Administrative Agent will make available to the Lenders and the Parent Borrower). The Administrative Agent and the Parent Borrower may, without the consent of any Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Parent Borrower, to reflect any tranching of the Term Facility as contemplated above.

(a) The Revolving Credit Borrowings.

(i) Dollar Tranche Loans. Subject to the terms and conditions set forth herein, each Dollar Tranche Lender severally agrees to make loans (each such loan, a "Dollar Tranche Loan") to the Parent Borrower and any Domestic Designated Borrower in Dollars from time to time, on any Business Day during the Availability Period, in an aggregate amount as to all Borrowers not to exceed at any time outstanding the amount of such Revolving Credit Lender's Dollar Tranche Commitment; provided, however, that after giving effect to any Revolving Credit Borrowing under this Section 2.01(b)(i), (w) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility at such time, (x) the Outstanding Amount of Dollar Tranche Loans plus the Outstanding Amount of all L/C Obligations, plus the Outstanding Amount of all Swing Line Loans shall not exceed the Aggregate Dollar Tranche Commitments, (y) the Outstanding Amount of the Revolving Credit Loans of any Revolving Credit Lender, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all L/C Obligations, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Credit Lender's Revolving Credit Commitment and (z) the Outstanding Amount of the Dollar Tranche Loans of any Revolving Credit Lender, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all L/C Obligations, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Lender's Dollar Tranche Commitment. Within the

limits of each Revolving Credit Lender's Dollar Tranche Commitment, and subject to the other terms and conditions hereof, each Borrower may borrow under this [Section 2.01\(b\)\(i\)](#), prepay under [Section 2.06](#), and reborrow under this [Section 2.01\(b\)\(i\)](#). Dollar Tranche Loans may be Base Rate Loans, ~~LIBOR Floating Rate~~ [Daily SOFR](#) Loans or ~~Eurocurrency Rate~~ [Term SOFR](#) Loans, as further provided herein.

(ii) Alternative Currency Tranche Loans. Subject to the terms and conditions set forth herein, each Alternative Currency Tranche Lender severally agrees to make loans (each such loan, an "Alternative Currency Tranche Loan") to the Parent Borrower and any Designated Borrower in Dollars or in an Alternative Currency for which such Alternative Currency Tranche Lender has an Alternative Currency Tranche Commitment from time to time, on any Business Day during the Availability Period, in an aggregate amount as to all Borrowers not to exceed at any time outstanding the amount of such Revolving Credit Lender's Alternative Currency Tranche Commitment or, with respect to any single Alternative Currency, not to exceed the maximum amount (if any) that such Revolving Credit Lender has committed to provide with respect to such Alternative Currency as part of its Alternative Currency Tranche Commitment; provided, however, that after giving effect to any Revolving Credit Borrowing under this [Section 2.01\(b\)\(ii\)](#), (w) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility at such time, (x) the Outstanding Amount of Alternative Currency Tranche Loans shall not exceed the Aggregate Alternative Currency Tranche Commitments, (y) the Outstanding Amount of all Revolving Credit Loans (including Swing Line Loans) denominated in Alternative Currencies shall not exceed the Alternative Currency Sublimit and (z) the Outstanding Amount of the Revolving Credit Loans of any Revolving Credit Lender, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all L/C Obligations, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Credit Lender's Revolving Credit Commitment. Within the limits of each Revolving Credit Lender's Alternative Currency Tranche Commitment, and subject to the other terms and conditions hereof, each Borrower may borrow under this [Section 2.01\(b\)\(ii\)](#), prepay under [Section 2.06](#), and reborrow under this [Section 2.01\(b\)\(ii\)](#). Alternative Currency Tranche Loans in Dollars may be Base Rate Loans, ~~LIBOR Floating Rate~~ [Daily SOFR](#) Loans or ~~Eurocurrency Rate~~ [Term SOFR](#) Loans and Alternative Currency Tranche Loans in currencies other than Dollars shall only be ~~Eurocurrency~~ [Alternative Currency Daily Rate Loans](#) or [Alternative Currency Term](#) Rate Loans, in each case as further provided herein.

(iii) Selection of Tranches. A Borrower may borrow from one or more Tranches as selected by the Parent Borrower in the applicable Loan Notice, but each Borrowing within a Tranche shall be made in a currency permitted under such Tranche of the same Type made simultaneously by all Revolving Credit Lenders with a Commitment with respect to such Tranche and currency ratably according to their Commitments with respect to such Tranche and currency.

(b) The Delayed Draw Term Borrowing.

(i) Subject to the terms and conditions set forth herein, each Delayed Draw Term Lender severally agrees to make one or more loans (each such loan, a "Delayed Draw Term Loan") to the Parent Borrower or any Designated Borrower each in Dollars, Euro or Sterling on any single Business Day (the "Delayed Draw Funding Date") on or prior to the Delayed Draw Termination Date, in an aggregate amount not to exceed such Delayed Draw Term Lender's Delayed Draw Term Commitment. Each Delayed Draw Term Borrowing on the Delayed Draw Funding Date shall consist of Delayed

Draw Term Loans made simultaneously by the Delayed Draw Term Lenders in the same currency in accordance with their respective Applicable Percentages of the Delayed Draw Term Facility. Amounts borrowed under this Section 2.01(c) and repaid or prepaid may not be reborrowed. On and after the Third Amendment Effective Date, Delayed Draw Term Loans in Dollars may be Base Rate Loans, ~~Eurocurrency Rate~~ Daily SOFR Loans or ~~LIBOR Floating Rate~~ Term SOFR Loans, and Delayed Draw Term Loans in Euro or Sterling shall only be ~~Eurocurrency~~ Alternative Currency Daily Rate Loans or Alternative Currency Term Rate Loans, in each case as further provided herein.

(ii) If the Delayed Draw Term Loans are to be made in more than one currency, then on the Delayed Draw Funding Date each Delayed Draw Term Lender's Delayed Draw Term Commitment and the Delayed Draw Term Facility shall be allocated by the Administrative Agent into tranches to reflect the Delayed Draw Term Loans made by such Delayed Draw Term Lender in each currency and the Administrative Agent shall restate Schedule 2.01 to reflect the Delayed Draw Term Commitments and the Delayed Draw Term Facility as so tranced (which restated schedule the Administrative Agent will make available to the Lenders and the Parent Borrower). The Administrative Agent and the Parent Borrower may, without the consent of any Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Parent Borrower, to reflect any tranching of the Delayed Draw Term Facility as contemplated above.

~~(iii) For the avoidance of doubt, notwithstanding the foregoing, on and after the Second Amendment Effective Date, no Delayed Draw Term Loans denominated in Dollars shall be requested or made hereunder.~~

1.02 Borrowings, Conversions and Continuations of Loans. (a) Each Term Borrowing, each Delayed Draw Term Borrowing, each Revolving Credit Borrowing, each conversion of Delayed Draw Term Loans or Revolving Credit Loans denominated in Dollars from one Type to ~~the other~~ another, and each continuation of ~~Eurocurrency Term~~ Rate-Committed Loans shall be made upon the Parent Borrower's (on its own behalf and on behalf of any Designated Borrower) irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Loan Notice; provided that any telephone notice must be confirmed promptly by delivery to the Administrative Agent of a Loan Notice. Each such Loan Notice must be received by the Administrative Agent not later than 11:00 a.m. (i) two Business Days prior to the requested date of any Borrowing of, conversion to or continuation of ~~Eurocurrency Rate Term SOFR~~ Committed Loans ~~denominated in Dollars~~ or of any conversion of ~~Eurocurrency Rate Term SOFR~~ Committed Loans ~~denominated in Dollars~~ to Daily SOFR Loans or Base Rate Loans, (ii) three Business Days (or four Business Days in the case of a Special Notice Currency) prior to the requested date of any Borrowing of Alternative Currency Loans or any continuation of ~~Eurocurrency~~ Alternative Currency Term Rate ~~Committed Loans~~ ~~denominated in Alternative Currencies~~, and (iii) on the requested date of any Borrowing of Daily SOFR Loans or Base Rate Loans or the conversion of Daily SOFR Loans to Base Rate Loans or of Base Rate Loans to Daily SOFR Loans. Each Borrowing of, conversion to or continuation of ~~Eurocurrency Rate Term SOFR~~ Committed Loans, Daily SOFR Loans and Alternative Currency Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof. Except as provided in Sections 2.04(c) and 2.05(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof. Each Loan Notice shall specify (i) whether the Parent Borrower is requesting a Term Borrowing, a Delayed Draw Term Borrowing, a Revolving Credit Borrowing, a conversion of Revolving Credit Loans of Delayed Draw Term Loans denominated in Dollars from one Type to ~~the other~~ another, or a continuation of ~~Eurocurrency Term~~ Rate-Committed Loans, (ii) the

requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the currency and principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Revolving Credit Loans or Delayed Draw Term Loans denominated in Dollars are to be converted, (v) if applicable, the duration of the Interest Period with respect thereto, (vi) the Tranche ~~and currency~~ of any Revolving Credit Loans requested to be borrowed or continued, and (vii) the name of the Borrower (which shall be the Parent Borrower or a permitted Designated Borrower). If the Parent Borrower fails to specify a currency in a Loan Notice requesting a Revolving Credit Borrowing, then the Loan so requested shall be made in Dollars. If the Parent Borrower fails to specify a Tranche in a Loan Notice requesting a Revolving Credit Borrowing, then the Loan Notice shall be deemed to be a request for a Borrowing under the Dollar Tranche if the request is for a Borrowing in Dollars and the Alternative Currency Tranche if the request is for a Borrowing in an Alternative Currency. If the Parent Borrower fails to specify a Type of Loan in a Loan Notice ~~requesting a Revolving Credit Borrowing~~ or if the Parent Borrower fails to give a timely notice requesting a conversion or continuation of ~~Revolving Credit~~ Term Rate Loans, then the applicable ~~Revolving~~ Loans shall be made as, or converted to, Base Rate Loans; provided, however, that in the case of a failure to timely request a continuation of Loans denominated in an Alternative Currency Alternative Currency Term Rate ~~Committed~~ Loans in their original currency with an Interest Period of one month. Any automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable ~~Eurocurrency Rate~~ Term SOFR ~~Committed~~ Loans. If the Parent Borrower requests a Borrowing of, conversion to, or continuation of ~~Eurocurrency Term Rate~~ Committed Loans in any such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. No Loan may be converted into or continued as a Loan denominated in a different currency or in a different Tranche, but instead must be prepaid in the original currency of such Loan and reborrowed in the other currency or reborrowed in a different Tranche to the extent permitted herein. Notwithstanding anything to the contrary herein, ~~(x) a Swing Line Loan may not be converted to a Eurocurrency or an Alternative Currency Term Rate Loan and, except to the extent required by Section 2.02(c), (y) no Term Loan or Delayed Draw Term Alternative Currency Loan may be converted to a Base Rate Loan and (z) on and after the Second Amendment Effective Date, this Section 2.02(a) shall remain subject to the provisions of the First Amendment with respect to Borrowings of Alternative Currency Loans and continuations of Alternative Currency Term Rate Loans.~~

~~Alternative Currency Loans. Each Borrowing of Alternative Currency Loans, and each continuation of an Alternative Currency Term Rate Loan shall be made upon the Parent Borrower's (on its own behalf and on behalf of any Designated Borrower) irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Loan Notice; provided that any telephonic notice must be confirmed promptly by delivery to the Administrative Agent of a Loan Notice. Each such Loan Notice must be received by the Administrative Agent not later than 11:00 a.m. three Business Days prior to the requested date of any Borrowing of Alternative Currency Loans or, in the case of Alternative Currency Term Rate Loans, any continuation. Each Borrowing of or continuation of Alternative Currency Loans shall be in a principal amount of the Dollar Equivalent of \$5,000,000 or a whole multiple of the Dollar Equivalent of \$1,000,000 in excess thereof. Each Loan Notice shall specify (i) whether the Parent Borrower is requesting a Borrowing of Alternative Currency Loans or a continuation of Alternative Currency Term Rate Loans, (ii) the requested date of the Borrowing or continuation, as the case may be (which shall be a Business Day), (iii) the currency and principal amount of Loans to be borrowed or continued, (iv) the Type of Loans to be borrowed, (v) if applicable, the duration of the Interest Period with respect thereto and (vi) the name of the Borrower (which shall be the Parent Borrower or a permitted Designated Borrower). If the Parent Borrower fails to specify a currency in a Loan Notice requesting a Borrowing, then the Loans so requested shall be made in Dollars. If the Parent Borrower fails to specify a Tranche in a Loan Notice requesting a~~

~~Revolving Credit Borrowing, then the Loan Notice shall be deemed to be a request for a Borrowing under the Dollar Tranche if the request is for a Borrowing in Dollars and the Alternative Currency Tranche if the request is for a Borrowing in an Alternative Currency. If the Parent Borrower fails to specify a Type of Loan in a Loan Notice or if the Parent Borrower fails to give a timely notice requesting a continuation, then the applicable Loans shall be made as Base Rate Loans denominated in Dollars; provided, however, that in the case of a failure to timely request a continuation of Alternative Currency Term Rate Loans, such Loans shall be continued as Alternative Currency Term Rate Loans in their original currency with an Interest Period of one month. If the Parent Borrower requests a Borrowing of Alternative Currency Loans or continuation of Alternative Currency Term Rate Loans in any such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. Except as otherwise specified in the Credit Agreement, no Alternative Currency Loan may be converted into or continued as a Loan denominated in a different currency or in a different Tranche, but instead must be prepaid in the original currency of such Alternative Currency Loan and reborrowed in the other currency or reborrowed in a different Tranche.⁺⁰~~

(a) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Appropriate Lender of the amount (and currency) of its Applicable Percentage under the applicable Facility (and Applicable Tranche Percentage in the case of Revolving Credit Loans) of the applicable Term Loans, Delayed Draw Term Loans or Revolving Credit Loans, and if no timely notice of a conversion or continuation is provided by the Parent Borrower, the Administrative Agent shall notify each Appropriate Lender of the details of any automatic conversion to Base Rate Loans or continuation of Loans denominated in a currency other than Dollars, in the case described in Section 2.02(a). In the case of a Term Borrowing, a Delayed Draw Term Borrowing or a Revolving Credit Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent's Office for the applicable currency not later than 1:00 p.m., in the case of any Loan denominated in Dollars, and not later than the Applicable Time specified by the Administrative Agent in the case of any Loan in an Alternative Currency, in each case on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall make all funds so received available to the Parent Borrower or the applicable Designated Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of such Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Parent Borrower; provided, however, that if, on the date a Loan Notice with respect to a Revolving Credit Borrowing denominated in Dollars is given by the Parent Borrower, there are L/C Borrowings outstanding, then the proceeds of such Revolving Credit Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the applicable Borrower as provided above.

(b) Except as otherwise provided herein, a ~~Eurocurrency Rate Term SOFR~~ Committed Loan may be continued or converted only on the last day of an Interest Period for such ~~Eurocurrency Rate Term SOFR~~ Committed Loan, and an Alternative Currency Term Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as ~~Eurocurrency Rate Committed SOFR~~ Loans ~~(whether in Dollars or any Alternative Currency)~~ Loans without the consent of the Required Revolving Lenders (in the case of any Revolving Credit Loans) ~~or~~, the Required Delayed Draw Term Lenders (in the case of any Delayed Draw Term Loans), or the Required Term Lenders (in the case of any Term Loans), as applicable, and the Required Revolving Lenders (in the case of any Revolving Credit Loans) ~~or~~.

⁺⁰ ~~From First Amendment~~

the Required Delayed Draw Term Lenders (in the case of any Delayed Draw Term Loans) or the Required Term Lenders (in the case of any Term Loans) may demand that any or all of the then outstanding ~~Eurocurrency Rate Committed~~ Alternative Currency Loans under the applicable Facility ~~denominated in an Alternative Currency~~ be prepaid, or redenominated into Dollars and converted into Base Rate Loans in the amount of the Dollar Equivalent thereof, immediately or, in the case of Term SOFR Loans and Alternative Currency Term Rate Loan, on the last day of the then current Interest Period with respect thereto. ~~Once any such Loan is converted into a Base Rate Loan, unless and until the occurrence of the Successor Amendment Effective Date, such Loan shall remain a Base Rate Loan until prepaid or repaid in accordance with the terms of this Agreement.~~

(c) The Administrative Agent shall promptly notify the Parent Borrower and the Lenders of the interest rate applicable to any Interest Period for ~~Eurocurrency Rate~~ Term SOFR Loans upon determination of such interest rate.

(d) After giving effect to all Term Borrowings and all continuations of Term Loans, there shall not be more than five Interest Periods in effect in respect of the Term Facility. After giving effect to all Revolving Credit Borrowings, all conversions of Revolving Credit Loans denominated in Dollars from one Type to ~~the~~ another other, and all continuations of Revolving Credit Loans as the same Type, there shall not be more than 15 Interest Periods in effect in respect of the Revolving Credit Facility. After giving effect to all Delayed Draw Term Borrowings, all conversions of Delayed Draw Term Loans denominated in Dollars from one Type to ~~the other~~ another, and all continuations of Delayed Draw Term Loans as the same Type, there shall not be more than five Interest Periods in effect in respect of the Delayed Draw Term Facility.

(e) Notwithstanding anything to the contrary in this Agreement, any Lender may exchange, continue or rollover all of the portion of its Loans in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement, pursuant to a cashless settlement mechanism approved by the Company, the Administrative Agent, and such Lender.

(f) ~~(f) Conforming Changes~~ With respect to any of SOFR, Daily Simple SOFR, Term SOFR, any Alternative Currency Daily Rate and, any Alternative Currency Term Rate, any Relevant Rate or any Successor Rate, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein, ~~in the Credit Agreement~~ or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this ~~Agreement, the Credit~~ Agreement or any other Loan Document; provided, that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Parent Borrower and the Lenders reasonably promptly after such amendment becomes effective. ⁺⁺

(g) Notwithstanding anything to the contrary contained herein or elsewhere: (a) Each Eurocurrency Rate Loan (as defined in the Existing Credit Agreement) that is outstanding on the Third Amendment Effective Date and denominated in Dollars shall continue to accrue interest at the per annum interest rate that would apply to such Eurocurrency Rate Loan under the Existing Credit Agreement, and such interest shall be payable on the dates that such interest would be payable under the Existing Credit Agreement and otherwise in accordance with the terms thereof and (b) on the last day of the Interest Period (solely for purposes of this paragraph, as defined in the Existing Credit Agreement) with respect to each Eurocurrency Rate Loan outstanding on the Third Amendment Effective Date, each such Eurocurrency Rate Loan

⁺⁺ ~~From First Amendment~~

denominated in Dollars shall, at the election of the Parent Borrower made in accordance with Sections 2.01(a) and 2.02, be converted to a Term SOFR Loan, Daily SOFR Loan or Base Rate Loan. In the event that the Parent Borrower fails to provide a Loan Notice with respect to the conversion of any such Eurocurrency Rate Loan in accordance with Section 2.02(a), such Eurocurrency Rate Loan shall be converted to a Base Rate Loan at the end of the relevant Interest Period.

1.03 Competitive Loans. (a) General. Subject to the terms and conditions set forth herein, as long as the Company maintains at least two Investment Grade Credit Ratings from S&P, Moody's or Fitch each Lender agrees that the Parent Borrower may from time to time prior to the Maturity Date request the Lenders to submit offers to make loans in Dollars (each such loan, a "Competitive Loan") to the Parent Borrower and any Designated Borrower pursuant to this Section 2.03; provided, however, that after giving effect to any Competitive Borrowing, (i) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility, and (ii) the Outstanding Amount of all Competitive Loans shall not exceed the Competitive Loan Sublimit. There shall not be more than five different Interest Periods in effect with respect to Competitive Loans at any time. Notwithstanding anything to the contrary contained herein, only a Revolving Credit Lender may make a Competitive Loan.

(a) Requesting Competitive Bids. The Parent Borrower (on its own behalf and on behalf of any Designated Borrower) may request the submission of Competitive Bids by delivering a Competitive Bid Request to the Administrative Agent not later than 11:00 a.m. (i) one Business Day prior to the requested date of any Competitive Borrowing that is to consist of Absolute Rate Loans or (ii) three Business Days prior to the requested date of any Competitive Borrowing that is to consist of EurocurrencyTerm SOFR Margin Bid Loans. Each Competitive Bid Request shall specify (i) the requested date of the Competitive Borrowing (which shall be a Business Day), (ii) the aggregate principal amount of Competitive Loans requested (which must be \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof), (iii) the Type of Competitive Loans requested, (iv) the duration of the Interest Period with respect thereto and (v) the name of the Borrower (which shall be the Parent Borrower or a Designated Borrower), and shall be signed by a Responsible Officer of the Parent Borrower. No Competitive Bid Request shall contain a request for Competitive Loans having more than three different Interest Periods. Unless the Administrative Agent otherwise agrees in its sole discretion, the Parent Borrower may not submit a Competitive Bid Request (on its own behalf or on behalf of any Designated Borrower) if it has submitted another Competitive Bid Request within the prior five Business Days.

(b) Submitting Competitive Bids.

(i) The Administrative Agent shall promptly notify each Lender of each Competitive Bid Request received by it from the Parent Borrower and the contents of such Competitive Bid Request.

(ii) Each Lender may (but shall have no obligation to) submit a Competitive Bid containing an offer to make one or more Competitive Loans in response to such Competitive Bid Request. Such Competitive Bid must be delivered to the Administrative Agent not later than 10:30 a.m. (A) on the requested date of any Competitive Borrowing that is to consist of Absolute Rate Loans, and (B) two Business Days prior to the requested date of any Competitive Borrowing that is to consist of EurocurrencyTerm SOFR Margin Bid Loans; provided, however, that any Competitive Bid submitted by Bank of America in its capacity as a Lender in response to any Competitive Bid Request must be submitted to the Administrative Agent not later than 10:15 a.m. on the date on which Competitive Bids are required to be delivered by the other Lenders in response to such Competitive Bid Request. Each Competitive Bid

shall specify (A) the proposed date of the Competitive Borrowing; (B) the principal amount of each Competitive Loan for which such Competitive Bid is being made, which principal amount (x) may be equal to, greater than or less than the Revolving Credit Commitment of the bidding Lender, (y) must be \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof, and (z) may not exceed the principal amount of Competitive Loans for which Competitive Bids were requested; (C) if the proposed Competitive Borrowing is to consist of Absolute Rate Bid Loans, the Absolute Rate offered for each such Bid Loan and the Interest Period applicable thereto; (D) if the proposed Competitive Borrowing is to consist of ~~Eurocurrency~~Term SOFR Margin Bid Loans, the ~~Eurocurrency~~Term SOFR Bid Margin with respect to each such ~~Eurocurrency~~Term SOFR Margin Bid Loan and the Interest Period applicable thereto; and (E) the identity of the bidding Lender.

(iii) Any Competitive Bid shall be disregarded if it (A) is received after the applicable time specified in clause (ii) above, (B) is not substantially in the form of a Competitive Bid as specified herein, (C) contains qualifying, conditional or similar language, (D) proposes terms other than or in addition to those set forth in the applicable Bid Request, or (E) is otherwise not responsive to such Competitive Bid Request. Any Lender may correct a Competitive Bid containing a manifest error by submitting a corrected Competitive Bid (identified as such) not later than the applicable time required for submission of Competitive Bids. Any such submission of a corrected Competitive Bid shall constitute a revocation of the Competitive Bid that contained the manifest error. The Administrative Agent may, but shall not be required to, notify any Lender of any manifest error it detects in such Lender's Competitive Bid.

(iv) Subject only to the provisions of Sections 3.02, 3.03 and 4.02 and clause (iii) above, each Competitive Bid shall be irrevocable.

(c) Notice to Parent Borrower of Competitive Bids. Not later than 11:00 a.m. (i) on the requested date of any Competitive Borrowing that is to consist of Absolute Rate Loans or (ii) two Business Days prior to the requested date of any Competitive Borrowing that is to consist of ~~Eurocurrency~~Term SOFR Margin Bid Loans, the Administrative Agent shall notify the Parent Borrower of the identity of each Lender that has submitted a Competitive Bid that complies with Section 2.03(c) and of the terms of the offers contained in each such Competitive Bid.

(d) Acceptance of Competitive Bids. Not later than 11:30 a.m. (i) on the requested date of any Competitive Borrowing that is to consist of Absolute Rate Loans and (ii) two Business Days prior to the requested date of any Competitive Borrowing that is to consist of ~~Eurocurrency~~Term SOFR Margin Bid Loans, the Parent Borrower shall notify the Administrative Agent of its acceptance or rejection of the Competitive Bids notified to it pursuant to Section 2.03(d). The Parent Borrower shall be under no obligation to accept any Competitive Bid and may choose to reject all Competitive Bids. In the case of acceptance, such notice shall specify the aggregate principal amount of Competitive Bids for each Interest Period that is accepted. The Parent Borrower may accept any Competitive Bid in whole or in part; provided that:

(i) the aggregate principal amount of each Competitive Borrowing may not exceed the applicable amount set forth in the related Competitive Bid Request;

(ii) the principal amount of each Competitive Loan must be \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof;

(iii) the acceptance of Competitive Bids may be made only on the basis of ascending Absolute Rates or ~~Eurocurrency~~Term SOFR Bid Margins within each Interest Period; and

(iv) the Parent Borrower may not accept any Competitive Bid that is described in Section 2.03(c)(iii) or that otherwise fails to comply with the requirements hereof.

(e) Procedure for Identical Bids. If two or more Lenders have submitted Competitive Bids at the same Absolute Rate or ~~Eurocurrency~~Term SOFR Bid Margin, as the case may be, for the same Interest Period, and the result of accepting all of such Competitive Bids in whole (together with any other Competitive Bids at lower Absolute Rates or ~~Eurocurrency~~Term SOFR Bid Margins, as the case may be, accepted for such Interest Period in conformity with the requirements of Section 2.03(e)(iii)) would be to cause the aggregate outstanding principal amount of the applicable Competitive Borrowing to exceed the amount specified therefor in the related Competitive Bid Request, then, unless otherwise agreed by the Parent Borrower, the Administrative Agent and such Lenders, such Competitive Bids shall be accepted as nearly as possible in proportion to the amount offered by each such Lender in respect of such Interest Period, with such accepted amounts being rounded to the nearest whole multiple of \$1,000,000.

(f) Notice to Lenders of Acceptance or Rejection of Competitive Bids. The Administrative Agent shall promptly notify each Lender having submitted a Competitive Bid whether or not its Competitive Bid has been accepted and, if its Competitive Bid has been accepted, of the amount of the Competitive Loan or Competitive Loans to be made by it on the date of the applicable Competitive Borrowing. Any Competitive Bid or portion thereof that is not accepted by the Parent Borrower by the applicable time specified in Section 2.03(e) shall be deemed rejected.

(g) Notice of ~~Eurocurrency~~Term SOFR Rate. If any Competitive Borrowing is to consist of ~~Eurocurrency~~Term SOFR Margin Bid Loans, the Administrative Agent shall determine ~~the Eurocurrency Rate~~Term SOFR for the relevant Interest Period, and promptly after making such determination, shall notify the Parent Borrower and the Lenders that will be participating in such Competitive Borrowing of such ~~Eurocurrency Rate~~rate.

(h) Funding of Competitive Loans. Each Lender that has received notice pursuant to Section 2.03(g) that all or a portion of its Competitive Bid has been accepted by the Parent Borrower shall make the amount of its Competitive Loan(s) available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the date of the requested Competitive Borrowing. Upon satisfaction of the applicable conditions set forth in Section 4.02, the Administrative Agent shall make all funds so received available to the Parent Borrower or the applicable Designated Borrower in like funds as received by the Administrative Agent.

(i) Notice of Range of Competitive Bids. After each Competitive Bid auction pursuant to this Section 2.03, the Administrative Agent shall notify each Lender that submitted a Competitive Bid in such auction of the ranges of Competitive Bids submitted (without the bidder's name) and accepted for each Competitive Loan and the aggregate amount of each Competitive Borrowing.

1.04 Letters of Credit. (a) The Letter of Credit Commitment. (i) Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees, in reliance upon the agreements of the Dollar Tranche Lenders set forth in this Section 2.04, (1) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit denominated in Dollars, and, solely in the case of the Alternative Currency L/C

Issuer, in one or more Alternative Currencies, in each case, for the account of the Parent Borrower or a Subsidiary thereof, and to amend or extend Letters of Credit previously issued by it, in accordance with Section 2.04(b), and (2) to honor compliant drawings under the Letters of Credit; and (B) the Dollar Tranche Lenders severally agree to participate in Letters of Credit issued for the account of the Parent Borrower or a Subsidiary thereof and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (v) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility at such time, (w) the Outstanding Amount of Dollar Tranche Loans plus the Outstanding Amount of all L/C Obligations, plus the Outstanding Amount of all Swing Line Loans shall not exceed the Aggregate Dollar Tranche Commitments, (x) the Outstanding Amount of the Dollar Tranche Loans of any Lender, plus such Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations, plus such Lender's Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Lender's Dollar Tranche Commitment, (y) the Outstanding Amount of the Revolving Credit Loans of any Revolving Credit Lender, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all L/C Obligations, plus such Lender's Dollar Tranche Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Credit Lender's Revolving Credit Commitment, and (z) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Parent Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Parent Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Parent Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Parent Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Closing Date shall be subject to and governed by the terms and conditions hereof.

(i) No L/C Issuer shall issue any Letter of Credit if:

(A) subject to Section 2.04(b)(iii), the expiry date of the requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Administrative Agent and such L/C Issuer have approved such expiry date; provided that in no event will any Letter of Credit have an expiry date that is later than the first anniversary of the Maturity Date; or

(B) the expiry date of the requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless the Administrative Agent and such L/C Issuer have approved such expiry date.

(ii) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing that Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or that Letter of Credit in particular or shall impose upon such L/C Issuer with respect to that Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on

the Closing Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which such L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of such L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and such L/C Issuer, such Letter of Credit is in an initial stated amount less than \$500,000;

(D) such Letter of Credit is to be denominated in a currency other than Dollars or, in the case of the Alternative Currency L/C Issuer, an Alternative Currency;

(E) such L/C Issuer does not as of the issuance date of such requested Letter of Credit issue Letters of Credit in the requested currency;

(F) any Lender is at that time a Defaulting Lender, unless such L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to such L/C Issuer (in its sole discretion) with the Parent Borrower or such Lender to eliminate such L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.18(a)(iv)) with respect to the Defaulting Lender arising from that Letter of Credit and all other L/C Obligations as to which such L/C Issuer has actual or potential Fronting Exposure with respect to such Defaulting Lender, as it may elect in its sole discretion; or

(G) after giving effect to any L/C Credit Extension with respect to such Letter of Credit, the L/C Obligations with respect to all Letters of Credit issued by such L/C Issuer would exceed one-third of the Letter of Credit Sublimit (the "L/C Commitment Amount"); provided that, subject to the limitations set forth in the proviso to Section 2.04(a)(i), any L/C Issuer may issue Letters of Credit in excess of such L/C Issuer's L/C Commitment Amount.

(iii) No L/C Issuer other than the Alternative Currency L/C Issuer shall issue a Letter of Credit denominated in a currency other than Dollars.

(iv) No L/C Issuer shall amend any Letter of Credit if such L/C Issuer would not be permitted at such time to issue that Letter of Credit in its amended form under the terms hereof.

(v) No L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue that Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of that Letter of Credit does not accept the proposed amendment to that Letter of Credit.

(vi) Each L/C Issuer shall act on behalf of the Revolving Credit Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included the L/C Issuers with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuers.

(a) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit. (i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Parent Borrower delivered to an L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Parent Borrower. Such Letter of Credit Application may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the applicable L/C Issuer, by personal delivery or by any other means acceptable to such L/C Issuer. Such Letter of Credit Application must be received by the applicable L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least two Business Days (or such later date and time as the Administrative Agent and such L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the applicable L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount and currency thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the applicable L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the applicable L/C Issuer (1) the Letter of Credit to be amended; (2) the proposed date of amendment thereof (which shall be a Business Day); (3) the nature of the proposed amendment; and (4) such other matters as the applicable L/C Issuer may require. Additionally, the Parent Borrower shall furnish to the applicable L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as such L/C Issuer or the Administrative Agent may require.

(i) Promptly after receipt of any Letter of Credit Application, the applicable L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Parent Borrower and, if not, such L/C Issuer will provide the Administrative Agent with a copy thereof. Unless an L/C Issuer has received written notice from any Revolving Credit Lender, the Administrative Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, such L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Parent Borrower or the applicable Subsidiary or enter into the applicable amendment, as the case may be, in each case in accordance with such L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Dollar Tranche Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from such L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Revolving Credit Lender's Dollar Tranche Percentage times the amount of such Letter of Credit.

(ii) If the Parent Borrower so requests in any applicable Letter of Credit Application, the applicable L/C Issuer may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit such L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is

issued. Unless otherwise directed by an L/C Issuer, the Parent Borrower shall not be required to make a specific request to such L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Credit Lenders shall be deemed to have authorized (but may not require) the applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the first anniversary of the Maturity Date; provided, however, that no L/C Issuer shall permit any such extension if (A) such L/C Issuer has determined that it would not be permitted, or would have no obligation at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.04(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Revolving Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Credit Lender or the Parent Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each such case directing such L/C Issuer not to permit such extension.

(iii) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the applicable L/C Issuer will also deliver to the Parent Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(iv) If the expiry date of any Letter of Credit (including any Auto-Extension Letter of Credit) would occur after the Maturity Date, the Parent Borrower hereby agrees that it will not later than the Letter of Credit Expiration Date (or, in the case of a Letter of Credit issued or extended on or after the Letter of Credit Expiration Date, on the date of such issuance or extension, as applicable) Cash Collateralize such Letter of Credit in an amount equal to the L/C Obligations arising in connection with such Letter of Credit.

(b) Drawings and Reimbursements; Funding of Participations. (i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the applicable L/C Issuer shall notify the Parent Borrower and the Administrative Agent thereof (such notification provided by such L/C Issuer to the Parent Borrower and the Administrative Agent being referred to herein as an "L/C Draw Notice"). If an L/C Draw Notice with respect to a Letter of Credit is received by the Parent Borrower (x) on or prior to 11:00 a.m. on the date of any payment by the applicable L/C Issuer under a Letter of Credit to be reimbursed in Dollars, or the Applicable Time on the date of any payment by the applicable L/C Issuer under a Letter of Credit to be reimbursed in an Alternative Currency (each such date a payment is made by an L/C Issuer under a Letter of Credit being referred to herein as an "Honor Date"), then, not later than 1:00 p.m. on the Honor Date under a Letter of Credit to be reimbursed in Dollars, or the Applicable Time on the Honor Date under a Letter of Credit to be reimbursed in an Alternative Currency, the Parent Borrower shall (or shall cause the applicable Subsidiary to) reimburse the applicable L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing and in the applicable currency or (y) after 11:00 a.m. on the Honor Date under a Letter of Credit to be reimbursed in Dollars, or the Applicable Time on the Honor Date under a Letter of Credit to be reimbursed in an Alternative Currency, then, not later than 1:00 p.m. under a Letter of Credit to be reimbursed in Dollars, or the Applicable Time under a Letter of Credit to be reimbursed in an Alternative Currency on the first Business Day following the Honor Date, Parent Borrower shall (or shall cause the applicable Subsidiary to) reimburse the applicable L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing and in the applicable currency (such date on which the Parent Borrower, pursuant to clauses (x) and (y) of this sentence, is required to reimburse (or cause to be reimbursed) the applicable L/C Issuer for a drawing under a Letter of Credit is

referred to herein as the “L/C Reimbursement Date”); provided, however, that if the L/C Reimbursement Date for a drawing under a Letter of Credit is the Business Day following the Honor Date pursuant to clause (y) of this sentence, the Unreimbursed Amount shall accrue interest from and including the Honor Date until such time as the applicable L/C Issuer is reimbursed in full therefor (whether through payment by the Parent Borrower or the applicable Subsidiary and/or through a Loan or L/C Borrowing made in accordance with paragraph (ii) or (iii) of this Section 2.04(c)) at a rate equal to (A) for the period from and including the Honor Date to but excluding the first Business Day to occur thereafter, the rate of interest then applicable to a Revolving Credit Loan that is a Base Rate Loan and (B) thereafter, at the Default Rate applicable to a Revolving Credit Loan that is a Base Rate Loan. Interest accruing on the Unreimbursed Amount pursuant to the proviso to the immediately preceding sentence shall be payable by the Parent Borrower promptly to the Administrative Agent, solely for the account of the applicable L/C Issuer. If the Parent Borrower fails to (or fails to cause the applicable Subsidiary to) timely reimburse the applicable L/C Issuer by such time, the Administrative Agent shall promptly notify each Dollar Tranche Lender of the Honor Date, the amount of the unreimbursed drawing (expressed in Dollars in the Dollar Equivalent thereof in the case of a Letter of Credit denominated in an Alternative Currency) (the “Unreimbursed Amount”), and the amount of such Revolving Credit Lender’s Dollar Tranche Percentage thereof. In such event, the Parent Borrower shall be deemed to have requested a Revolving Credit Borrowing of Base Rate Loans under the Dollar Tranche to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Dollar Tranche Commitments and the conditions set forth in Section 4.02 (other than the delivery of a Loan Notice). Any notice given by an L/C Issuer or the Administrative Agent pursuant to this Section 2.04(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice. For the avoidance of doubt, in the case of a Letter of Credit denominated in an Alternative Currency, the Parent Borrower shall (or shall cause the applicable Subsidiary to) reimburse the applicable L/C Issuer in such Alternative Currency, unless (A) such L/C Issuer (at its option) shall have specified in its L/C Draw Notice that it will require reimbursement in Dollars, or (B) in the absence of any such requirement for reimbursement in Dollars, the Parent Borrower shall have notified such L/C Issuer promptly following receipt of the L/C Draw Notice that the Parent Borrower will (or will cause the applicable Subsidiary to) reimburse such L/C Issuer in Dollars. In the case of any such reimbursement in Dollars of a drawing under a Letter of Credit denominated in an Alternative Currency, the applicable L/C Issuer shall notify the Parent Borrower of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. In the event that (A) a drawing denominated in an Alternative Currency is to be reimbursed in Dollars pursuant to the preceding two sentences and (B) the Dollar amount paid (or caused to be paid by) the Parent Borrower, whether on or after the Honor Date, shall not be adequate on the date of that payment to purchase in accordance with normal banking procedures a sum denominated in the Alternative Currency equal to the drawing, the Parent Borrower agrees, as a separate and independent obligation, to indemnify the applicable L/C Issuer for the loss resulting from its inability on that date to purchase the Alternative Currency in the full amount of the drawing.

(i) Each Dollar Tranche Lender shall upon any notice pursuant to Section 2.04(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral for this purpose) for the account of the applicable L/C Issuer, in Dollars, at the Administrative Agent’s Office for Dollar denominated payments in an amount equal to its Dollar Tranche Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.04(c)(iii), each Dollar Tranche Lender that so makes funds available shall be deemed to have made a Revolving Credit Loan under the Dollar Tranche that is a Base Rate Loan to the Parent Borrower in such

amount. The Administrative Agent shall remit the funds so received to the applicable L/C Issuer in Dollars.

(ii) With respect to any Unreimbursed Amount that is not fully refinanced by a Revolving Credit Borrowing of Base Rate Loans because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the Parent Borrower shall be deemed to have incurred from the applicable L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Dollar Tranche Lender's payment to the Administrative Agent for the account of the applicable L/C Issuer pursuant to Section 2.04(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.04.

(iii) Until each Dollar Tranche Lender funds its Revolving Credit Loan or L/C Advance pursuant to this Section 2.04(c), to reimburse the applicable L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Dollar Tranche Percentage of such amount shall be solely for the account of such L/C Issuer.

(iv) Each Dollar Tranche Lender's obligation to make Revolving Credit Loans or L/C Advances to reimburse an L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.04(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against such L/C Issuer, the Parent Borrower, any Subsidiary thereof or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Dollar Tranche Lender's obligation to make Revolving Credit Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Parent Borrower of a Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Parent Borrower to reimburse the L/C Issuer for the amount of any payment made by such L/C Issuer under any Letter of Credit, together with interest as provided herein.

(v) If any Dollar Tranche Lender fails to make available to the Administrative Agent for the account of an L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(ii), then, without limiting the other provisions of this Agreement, such L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the applicable Overnight Rate from time to time in effect, plus any administrative, processing or similar fees customarily charged by such L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Loan included in the relevant Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be as of the date of such Borrowing or L/C Advance. A certificate of the applicable L/C Issuer submitted to any Dollar Tranche Lender (through the Administrative Agent) with respect to any amounts owing under this Section 2.04(c)(vi) shall be conclusive absent manifest error.

(c) Repayment of Participations. (i) At any time after an L/C Issuer has made a payment under any Letter of Credit and has received from any Dollar Tranche Lender such

Lender's L/C Advance or proceeds of such Dollar Tranche Lender's Revolving Credit Loan in respect of such payment in accordance with Section 2.04(c), if the Administrative Agent receives for the account of an L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Parent Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Dollar Tranche Percentage thereof in Dollars and in the same funds as those received by the Administrative Agent.

(i) If any payment received by the Administrative Agent for the account of an L/C Issuer pursuant to Section 2.04(c)(i) and paid to the Dollar Tranche Lenders entitled thereto is required to be returned under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by an L/C Issuer in its discretion), each Dollar Tranche Lender shall pay to the Administrative Agent for the account of such L/C Issuer its Dollar Tranche Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Overnight Rate from time to time in effect; provided that, any demand made by the Administrative Agent after 2:00 p.m. on any Business Day shall be deemed received by the Lenders on the immediately following Business Day. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(d) Obligations Absolute. The Parent Borrower's obligation to reimburse the applicable L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing and each Revolving Credit Loan made pursuant to Section 2.04(c) shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Parent Borrower or any Subsidiary thereof may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the applicable L/C Issuer, any Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by the applicable L/C Issuer of any requirement that exists for such L/C Issuer's protection and not the protection of the Parent Borrower;

(v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vi) any payment made by the applicable L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date

by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

(vii) any payment by the applicable L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the applicable L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(viii) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to the Parent Borrower or any Subsidiary thereof or in the relevant currency markets generally; or

(ix) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Parent Borrower or any of its Subsidiaries.

The Parent Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Parent Borrower's instructions or other irregularity, the Parent Borrower will immediately notify the applicable L/C Issuer. The Parent Borrower shall be conclusively deemed to have waived any such claim against the applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(e) Role of L/C Issuer. Each Lender and the Parent Borrower agree that, in paying any drawing under a Letter of Credit, no L/C Issuer shall have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of any L/C Issuer, the Administrative Agent, any Lender, any of their respective Related Parties nor any correspondent, participant or assignee of any L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Revolving Credit Lenders, the Required Revolving Lenders or the Required Dollar Tranche Lender, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Parent Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Parent Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of any L/C Issuer, the Administrative Agent, any Lender, any of their respective Related Parties nor any correspondent, participant or assignee of any L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (vii) of Section 2.04(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Parent Borrower may have a claim against an L/C Issuer, and such L/C Issuer may be liable to the Parent Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Parent Borrower which the Parent Borrower proves were caused by such L/C Issuer's willful misconduct or gross negligence or such L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit (other than as a result of an order of a court of competent jurisdiction). In furtherance and not in limitation of the foregoing,

an L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and such L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason. An L/C Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication (“SWIFT”) message or overnight courier, or any other commercially reasonable means of communicating with such beneficiary.

(f) Applicability of ISP and UCP 600; Limitation of Liability. Unless otherwise expressly agreed by an L/C Issuer and the Parent Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), the rules of the ISP or UCP 600 shall apply to such Letter of Credit. Notwithstanding the foregoing, no L/C Issuer shall be responsible to the Parent Borrower for, and no L/C Issuer’s rights and remedies against the Parent Borrower shall be impaired by, any action or inaction of such L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where such L/C Issuer or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(g) Letter of Credit Fees. The Borrowers shall pay to the Administrative Agent for the account of each Dollar Tranche Lender in accordance, subject to adjustment as provided in Section 2.18, with its Dollar Tranche Percentage, in Dollars, a Letter of Credit fee (the “Letter of Credit Fee”) for each Letter of Credit equal to the Applicable Rate times the Dollar Equivalent of the daily amount available to be drawn under such Letter of Credit; provided, however, any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the L/C Issuer pursuant to this Section 2.04 shall be payable, to the maximum extent permitted by applicable Law, to the other Dollar Tranche Lenders in accordance with the upward adjustments in their respective Dollar Tranche Percentages allocable to such Letter of Credit pursuant to Section 2.18(a)(iv), with the balance of such fee, if any, payable to the L/C Issuer for its own account. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (i) due and payable on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the expiry date of such Letter of Credit and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Revolving Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(h) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuers. The Borrowers shall pay directly to each L/C Issuer for its own account, in Dollars, a fronting fee with respect to each Letter of Credit issued by such L/C Issuer, at a rate per annum equal to 0.125%, computed on the Dollar Equivalent of the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth Business Day after the end of each March, June, September and December

in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the expiry date of such Letter of Credit and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, the Borrowers shall pay directly to each L/C Issuer for its own account, in Dollars, the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(i) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(j) Letters of Credit Issued for the Parent Borrower and its Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of the Parent Borrower, or is for the account of a Subsidiary thereof, the Parent Borrower shall be obligated to reimburse the applicable L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Parent Borrower hereby acknowledges that the issuance of such Letters of Credit inures to the benefit of the Parent Borrower, and that the Parent Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

(k) Letters of Credit Issued Under Dollar Tranche. Without regard to the currency in which a Letter of Credit is denominated, each Letter of Credit may only be issued under the Dollar Tranche. Letters of Credit may not be issued under any other Tranche.

(l) Outstanding Letters of Credit. Each L/C Issuer shall deliver to the Administrative Agent an accounting of all Letters of Credit issued by such L/C Issuer and outstanding as of the end of each fiscal quarter of the Parent Borrower.

1.05 Swing Line Loans. (a) The Swing Line. Subject to the terms and conditions set forth herein, the Swing Line Lender, in reliance upon the agreements of the other Lenders set forth in this Section 2.05, may in its sole discretion, make loans in Euro or Sterling (each such loan, a "Swing Line Loan") to the Parent Borrower and any Designated Borrower from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of the Swing Line Sublimit and when aggregated with (i) the Outstanding Amount of Revolving Credit Loans of any Revolving Credit Lender that is an Affiliate of the Swing Line Lender and the Dollar Tranche Percentage of L/C Obligations of such Revolving Credit Lender, may not exceed the amount of such Revolving Credit Lender's Revolving Credit Commitment and (ii) the Outstanding Amount of the Alternative Currency Tranche Loans of any Alternative Currency Tranche Lender that is an Affiliate of the Swing Line Lender, may not exceed the amount of such Alternative Currency Tranche Lender's Alternative Currency Tranche Commitment; provided, however, that after giving effect to any Swing Line Loan, (i) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility at such time, (ii) the Outstanding Amount of the Revolving Credit Loans of any Revolving Credit Lender at such time, plus such Revolving Credit Lender's Dollar Tranche Percentage of the Outstanding Amount of all L/C Obligations at such time, plus the aggregate amount of such Revolving Credit Lender's Applicable Tranche Percentage of the Outstanding Amount of each Swing Line Loan at such time shall not exceed such Revolving Credit Lender's Revolving Credit Commitment, (iii) the Outstanding Amount of the Alternative Currency Tranche Loans of any Revolving Credit Lender, plus such Revolving Credit Lender's Applicable Tranche Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Credit Lender's Alternative Currency Tranche Commitment and (iv) the Outstanding Amount of all Alternative Currency Tranche Loans, plus the Outstanding Amount of all Swing Line Loans shall not exceed the Alternative Currency Sublimit, and provided further that (x) the Parent

Borrower or relevant Designated Borrower, as applicable, shall not use the proceeds of any Swing Line Loan to refinance any outstanding Swing Line Loan and (y) the Swing Line Lender shall not be under any obligation to make any Swing Line Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure. Within the foregoing limits, and subject to the other terms and conditions hereof, the Parent Borrower and any Designated Borrower may borrow under this Section 2.05, prepay under Section 2.06, and reborrow under this Section 2.05. Each Swing Line Loan shall bear interest at a rate based on the applicable Alternative Currency Daily Floating Eurocurrency Rate. Immediately upon the making of a Swing Line Loan denominated in Euro, each Euro Tranche Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swing Line Lender a risk participation in such Swing Line Loan in an amount equal to the product of such Revolving Credit Lender's Applicable Tranche Percentage times the amount of such Swing Line Loan, and immediately upon the making of a Swing Line Loan denominated in Sterling, each Sterling Tranche Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swing Line Lender a risk participation in such Swing Line Loan in an amount equal to the product of such Revolving Credit Lender's Applicable Tranche Percentage times the amount of such Swing Line Loan.

(a) Borrowing Procedures. Each Swing Line Borrowing shall be made upon the Parent Borrower's (on its own behalf or on behalf of any Designated Borrower) irrevocable notice to the Swing Line Lender and the Administrative Agent, which may be given by (A) telephone or (B) by a Swing Line Loan Notice; provided that any telephonic notice must be confirmed promptly by delivery to the Swing Line Lender and the Administrative Agent of a Swing Line Loan Notice. Each such Swing Line Loan Notice must be received by the Swing Line Lender and the Administrative Agent not later than 11:00 a.m. (London time) on the requested borrowing date (or with respect to Swing Line Loans requested for a day on which banks are not open for general business in New York but are open for general business in London, one Business Day prior to the requested borrowing date), and shall specify (i) the aggregate amount to be borrowed, which shall be a minimum of \$100,000, (ii) the currency of the Swing Line Loan being requested and (iii) the requested borrowing date, which shall be a Business Day. Following receipt by the Swing Line Lender of any Swing Line Loan Notice, the Swing Line Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swing Line Loan Notice and, if not, the Swing Line Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swing Line Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Revolving Credit Lender) prior to 2:00 p.m. (London time) on the date of the proposed Swing Line Borrowing (A) directing the Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.05(a), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, the Swing Line Lender will, not later than 3:00 p.m. (London time) on the borrowing date specified in such Swing Line Loan Notice, make the amount of its Swing Line Loan available to the Parent Borrower or the applicable Designated Borrower in Same Day Funds either by (i) crediting the account of such Borrower on the books of the Swing Line Lender or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Parent Borrower (on its own behalf or on behalf of the applicable Designated Borrower).

(b) Refinancing of Swing Line Loans. (i) The Swing Line Lender at any time in its sole and absolute discretion may request, on behalf of the Parent Borrower (which hereby irrevocably authorizes the Swing Line Lender to so request on its behalf), that each Euro Tranche Lender or Sterling Tranche Lender, as the case may be, make a ~~Eurocurrency Rate Committed~~ Alternative Currency Loan denominated in Euro or Sterling, as applicable, in an amount equal to

such Lender's Applicable Tranche Percentage of the amount of Swing Line Loans denominated in such currency then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of ~~Eurocurrency Rate~~ Alternative Currency Loans, but subject to the unutilized portion of the Aggregate Alternative Currency Tranche Commitments with respect to each such currency and the conditions set forth in Section 4.02. The Swing Line Lender shall furnish the Parent Borrower with a copy of the applicable Loan Notice promptly after delivering such notice to the Administrative Agent. Each Euro Tranche Lender and/or Sterling Tranche Lender, as applicable, shall make an amount equal to its Applicable Tranche Percentage of the amount specified in such Loan Notice available to the Administrative Agent in Same Day Funds (and the Administrative Agent may apply Cash Collateral available with respect to the applicable Swing Line Loan) for the account of the Swing Line Lender at the Administrative Agent's Office for the applicable currency not later than 11:00 a.m. on the day specified in such Loan Notice (or on the immediately following Business Day if such notice is received by the Lenders after 11:00 a.m. on the specified funding date), whereupon, subject to Section 2.05(c)(ii), each Alternative Currency Tranche Lender that so makes funds available shall be deemed to have made a ~~a Eurocurrency Rate Committed~~ an Alternative Currency Loan to the Parent Borrower in such amount. The Administrative Agent shall remit the funds so received to the Swing Line Lender.

(i) If for any reason any Swing Line Loan cannot be refinanced by such a Revolving Credit Borrowing in accordance with Section 2.05(c)(i), the request for ~~Eurocurrency Rate Committed~~ Alternative Currency Loans submitted by the Swing Line Lender as set forth herein shall be deemed to be a request by the Swing Line Lender that each of the Euro Tranche Lenders or Sterling Tranche Lenders, as applicable, fund its risk participation in the relevant Swing Line Loan and each such Lender's payment to the Administrative Agent for the account of the Swing Line Lender pursuant to Section 2.05(c)(i), shall be deemed payment in respect of such participation.

(ii) If any Euro Tranche Lender or Sterling Tranche Lender fails to make available to the Administrative Agent for the account of the Swing Line Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.05(c) by the time specified in Section 2.05(c)(i), the Swing Line Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swing Line Lender at a rate per annum equal to the applicable Overnight Rate from time to time in effect, plus any administrative, processing or similar fees customarily charged by the Swing Line Lender in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Loan included in the relevant Borrowing or funded participation in the relevant Swing Line Loan, as the case may be, as of the date of such Borrowing or the required date of funding of such participations. A certificate of the Swing Line Lender submitted to any Euro Tranche Lender or Sterling Tranche Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iii) Each Euro Tranche Lender's and each Sterling Tranche Lender's obligation to make Alternative Currency Tranche Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.05(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the Swing Line Lender, the Parent Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other

occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each such Lender's obligation to make Revolving Credit Loans pursuant to this Section 2.05(c) is subject to the conditions set forth in Section 4.02 other than Section 4.02(b). No such funding of risk participations shall relieve or otherwise impair the obligation of the Parent Borrower to repay Swing Line Loans, together with interest as provided herein.

(c) Repayment of Participations. (i) At any time after any Euro Tranche Lender or Sterling Tranche Lender has purchased and funded a risk participation in a Swing Line Loan or made a Revolving Credit Loan pursuant to Section 2.05(c), if the Swing Line Lender receives any payment on account of such Swing Line Loan, the Swing Line Lender will distribute to such Lender its Applicable Tranche Percentage thereof in the same funds as those received by the Swing Line Lender.

(i) If any payment received by the Swing Line Lender in respect of principal or interest on any Swing Line Loan paid to the Euro Tranche Lenders or the Sterling Tranche Lenders is required to be returned by the Swing Line Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the Swing Line Lender in its discretion), each Euro Tranche Lender or Sterling Tranche Lender, as applicable, shall pay to the Swing Line Lender its Applicable Tranche Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the applicable Overnight Rate. The Administrative Agent will make such demand upon the request of the Swing Line Lender. The obligations of the Euro Tranche Lenders and the Sterling Tranche Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(d) Interest for Account of Swing Line Lender. The Administrative Agent shall invoice the Parent Borrower (on its own behalf and on behalf of any Designated Borrower) for interest on all Swing Line Loans. Until each Euro Tranche Lender or Sterling Tranche Lender, as the case may be, funds its ~~Eurocurrency Rate Committed~~ Alternative Currency Loan or risk participation pursuant to this Section 2.05 to refinance such Revolving Credit Lender's Applicable Tranche Percentage of any Swing Line Loan, interest in respect of such Applicable Tranche Percentage shall be solely for the account of the Swing Line Lender.

(e) Payments to Swing Line Lender. Each Borrower shall make all payments of principal and interest in respect of the Swing Line Loans to such Borrower through the Administrative Agent for the account of the Swing Line Lender.

(f) Swing Line Loan Made Under Alternative Currency Tranche. Each Swing Line Loan may only be made under the Alternative Currency Tranche. Swing Line Loans may not be made under any other Tranche.

1.06 Prepayments. (a) Optional. (i) Each Borrower may, upon notice from the Parent Borrower (on its own behalf and on behalf of any Designated Borrower) to the Administrative Agent pursuant to delivery to the Administrative Agent of a Notice of Loan Prepayment, at any time or from time to time voluntarily prepay its Term Loans, Delayed Draw Term Loans and Revolving Credit Loans, as applicable, in whole or in part without premium or penalty; provided that (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three Business Days prior to any date of prepayment of ~~Eurocurrency Rate~~ Term SOFR Committed Loans ~~denominated in Dollars~~, (2) four Business Days (or five Business Days, in the case of prepayment of Loans denominated in a Special Notice ~~Currencies~~ Currency) prior to any date of prepayment of ~~Eurocurrency Rate Committed Loans denominated in~~ Alternative Currencies Currency Loans, and (3) on the date of prepayment of Base Rate Loans and ~~LIBOR~~

~~Floating Rate~~Daily SOFR Loans; (B) any prepayment of ~~Eurocurrency Rate~~Term SOFR Committed Loans ~~(whether denominated in Dollars or in~~and Alternative Currencies)~~Currency Loans~~ shall be in a minimum principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof; and (C) any prepayment of Base Rate Loans shall be in a minimum principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment, the Facility, the name of the Borrower (which shall be the Parent Borrower or a Designated Borrower), the Tranche (if applicable) and the Type(s) of Loans to be prepaid and, if ~~Eurocurrency Term~~ Rate ~~Committed~~ Loans are to be prepaid, the currency and Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Appropriate Lender of its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (based on such Lender's Applicable Percentage in respect of any prepayment of the Term Facility or the Delayed Draw Term Facility and such Lender's Applicable Tranche Percentage in respect of any prepayment of any Tranche under the Revolving Credit Facility). If such notice is given by the Parent Borrower, the Parent Borrower or the applicable Designated Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a ~~Eurocurrency Term~~ Rate ~~Committed~~ Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.18, each such prepayment shall be promptly paid to the Lenders in accordance with their respective Applicable Percentages in respect of any prepayment of the Term Facility or the Delayed Draw Term Facility, their respective Dollar Tranche Percentage in respect of any prepayment of the Dollar Tranche and their respective Applicable Tranche Percentage in respect of any prepayment of the Alternative Currency Tranche.

(i) No Competitive Loan may be prepaid without the prior consent of the applicable Competitive Loan Lender.

(ii) Any Borrower may, upon notice from the Parent Borrower (on its own behalf or on behalf of any Designated Borrower) to the Swing Line Lender pursuant to delivery to the Swing Line Lender of a Notice of Loan Prepayment (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swing Line Loans in whole or in part without premium or penalty; provided that (A) such notice must be received by the Swing Line Lender and the Administrative Agent not later than 11:00 a.m. (London time) on the date of the prepayment, and (B) any such prepayment shall be in a minimum principal amount of \$100,000. Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Parent Borrower, the Parent Borrower or applicable Designated Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(a) Mandatory. (i) If the Administrative Agent notifies the Parent Borrower at any time that the Total Revolving Credit Outstandings exceed the Revolving Credit Facility then in effect, then within two Business Days after receipt of such notice, the Borrowers shall prepay Revolving Credit Loans (including Swing Line Loans and L/C Borrowings) and/or Cash Collateralize the L/C Obligations (other than the L/C Borrowings) in an aggregate amount at least equal to such excess; provided, however, that, the Borrowers shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.06(b) unless after the prepayment in full of the Revolving Credit Loans the Total Revolving Credit Outstandings exceed the Revolving Credit Facility then in effect. The Administrative Agent may, at any time and from time to time after the initial deposit of such Cash Collateral, request that additional Cash Collateral be provided in order to protect against the results of further exchange rate fluctuations which have occurred.

(i) If the Administrative Agent notifies the Parent Borrower at any time that the Outstanding Amount of all Revolving Credit Loans (including Swing Line Loans) denominated in Alternative Currencies at such time exceeds an amount equal to 105% of the Alternative Currency Sublimit then in effect, then, within two Business Days after receipt of such notice, the Borrowers shall prepay Revolving Credit Loans (including Swing Line Loans, which for the avoidance of doubt shall be prepaid in the currency in which such Swing Line Loan is denominated) in an aggregate amount sufficient to reduce such Outstanding Amount as of such date of payment to an amount not to exceed 100% of the Alternative Currency Sublimit then in effect.

(ii) Prepayments of the Revolving Credit Facility made pursuant to the foregoing provisions of this Section 2.06(b), first, shall be applied ratably to the L/C Borrowings and the Swing Line Loans, second, shall be applied ratably to the outstanding Revolving Credit Loans, and, third, shall be used to Cash Collateralize the remaining L/C Obligations. Upon a drawing under any Letter of Credit that has been Cash Collateralized, the funds held as Cash Collateral shall be applied (without any further action by or notice to or from any Loan Party) to reimburse the L/C Issuers or the Revolving Credit Lenders, as applicable.

(iii) If the Administrative Agent notifies the Parent Borrower at any time that the Outstanding Amount of the L/C Obligations exceeds 105% of the Letter of Credit Sublimit then in effect, then, within two Business Days after receipt of such notice, the Borrowers shall Cash Collateralize the L/C Obligations to the extent necessary, such that, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder does not exceed 100% of the Letter of Credit Sublimit.

(iv) If the Administrative Agent notifies the Parent Borrower at any time or the Parent Borrower notifies the Administrative Agent at any time that the obligations of the Parent Borrower under Article X with respect to any outstanding Guaranteed Obligations owing by any Designated Borrower (herein, the "Affected Borrower") shall for any reason (1) be terminated, (2) cease to be in full force and effect or (3) not be the legal, valid and binding obligations of the Parent Borrower enforceable against the Parent Borrower in accordance with its terms, then, within two Business Days after receipt of such notice, the Affected Borrower shall prepay (or the Parent Borrower shall prepay or cause to be prepaid) the full principal of and interest on the Loans owing by such Affected Borrower and all other amounts whatsoever payable hereunder by such Affected Borrower (including, without limitation, all amounts payable under Section 3.05 as a result of such prepayment).

1.07 Termination or Reduction of Commitments. (a) Optional. The Parent Borrower may, upon notice to the Administrative Agent, (x) terminate the Revolving Credit Facility, the Letter of Credit Sublimit, the Swing Line Sublimit or the Alternative Currency Sublimit, (y) from time to time permanently reduce the Revolving Credit Facility, the Letter of Credit Sublimit, the Swing Line Sublimit or the Alternative Currency Sublimit or (z) prior to the Delayed Draw Termination Date, terminate or permanently reduce the Delayed Draw Term Facility; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. five Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of \$5,000,000 or any whole multiple of \$1,000,000 in excess thereof, and (iii) the Parent Borrower shall not terminate or reduce (A) the Revolving Credit Facility if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Credit Outstandings would exceed the Revolving Credit Facility (as so reduced), (B) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit (as so reduced), (C) the Swing Line Sublimit if, after giving effect thereto and to

any concurrent prepayments hereunder, the Outstanding Amount of Swing Line Loans would exceed the Swing Line Sublimit (as so reduced), (D) the Alternative Currency Sublimit if, after giving effect thereto and to any concurrent prepayments hereunder, the Outstanding Amount of all Revolving Credit Loans (including Swing Line Loans) denominated in Alternative Currencies would exceed the Alternative Currency Sublimit (as so reduced), (E) the Aggregate Dollar Tranche Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the aggregate Outstanding Amount of Dollar Tranche Loans would exceed the Aggregate Dollar Tranche Commitments (as so reduced), or (F) the Aggregate Alternative Currency Tranche Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the aggregate Outstanding Amount of Alternative Currency Tranche Loans would exceed the Aggregate Alternative Currency Tranche Commitments (as so reduced).

(a) Mandatory. (i) The aggregate Term Commitments shall be automatically and permanently reduced to zero on the date of the Term Borrowing after giving effect thereto.

(i) If, after giving effect to any reduction or termination of (x) Revolving Credit Commitments under this Section 2.07, the Letter of Credit Sublimit, the Aggregate Dollar Tranche Commitments or the Aggregate Alternative Currency Tranche Commitments exceeds the Revolving Credit Facility at such time, the Letter of Credit Sublimit, the Aggregate Dollar Tranche Commitments or the Aggregate Alternative Currency Tranche Commitments, as the case may be, shall be automatically reduced by the amount of such excess, (y) the Aggregate Dollar Tranche Commitments under this Section 2.07, the Letter of Credit Sublimit exceeds the Aggregate Dollar Tranche Commitments at such time, the Letter of Credit Sublimit shall be automatically reduced by the amount of such excess or (z) the Aggregate Alternative Currency Tranche Commitments under this Section 2.07, the Swing Line Sublimit exceeds the Aggregate Alternative Currency Tranche Commitments at such time, the Swing Line Sublimit shall be automatically reduced by the amount of such excess.

(ii) The aggregate unfunded Delayed Draw Term Commitments shall be automatically and permanently reduced to zero on the Delayed Draw Termination Date.

(b) Application of Commitment Reductions; Payment of Fees. (i) The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Letter of Credit Sublimit, the Swing Line Sublimit, the Alternative Currency Sublimit or the Revolving Credit Facility under this Section 2.07. Upon any reduction of the Revolving Credit Facility, the Revolving Credit Commitment of each Revolving Credit Lender shall be reduced by such Lender's Applicable Revolving Credit Percentage of such reduction amount. All fees in respect of the Revolving Credit Facility accrued until the effective date of any termination of the Revolving Credit Facility shall be paid on the effective date of such termination.

(i) The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Delayed Draw Term Facility under this Section 2.07. Upon any reduction of the Delayed Draw Term Facility, the Delayed Draw Term Commitment of each Delayed Draw Term Lender shall be reduced by such Lender's ratable portion of such reduction amount. All fees in respect of the Delayed Draw Term Facility accrued until the effective date of any termination of the Delayed Draw Term Facility shall be paid on the effective date of such termination.

1.08 Repayment of Loans. (a) Term Loans. The Parent Borrower shall repay to the Term Lenders on the Maturity Date the aggregate principal amount of all Term Loans outstanding on such date.

(a) Revolving Credit Loans. Each Borrower shall repay to the Revolving Credit Lenders on the Maturity Date the aggregate principal amount of all Revolving Credit Loans made to such Borrower outstanding on such date.

(b) Delayed Draw Term Loans. Each Borrower shall repay to the Delayed Draw Term Lenders on the Maturity Date the aggregate principal amount of all Delayed Draw Term Loans made to such Borrower outstanding on such date.

(c) Competitive Loans. Each Borrower shall repay each Competitive Loan made to such Borrower on the last day of the Interest Period in respect thereof.

(d) Swing Line Loans. Each Borrower shall repay each Swing Line Loan made to such Borrower on the earlier to occur of (i) the date ten Business Days after such Swing Line Loan is made and (ii) the Maturity Date. At any time that there shall exist a Defaulting Lender, promptly upon the request of the Swing Line Lender, the Borrowers shall repay the outstanding Swing Line Loans made by the Swing Line Lender in an amount sufficient to eliminate any Fronting Exposure in respect of such Swing Line Loans.

1.09 Interest. (a) Subject to the provisions of Section 2.09(b), (i) each ~~Eurocurrency Rate~~ Daily SOFR Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Daily Simple SOFR plus the Applicable Rate for the Facility under which such Loan was made; (ii) each Term SOFR Committed Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to ~~the Eurocurrency Rate~~ Term SOFR for such Interest Period plus the Applicable Rate for the Facility under which such Loan was made; (iii) each Alternative Currency Daily Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Alternative Currency Daily Rate plus the Applicable Rate for the Facility under which such Loan was made; (iv) each Alternative Currency Term Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Alternative Currency Term Rate for such Interest Period plus the Applicable Rate for the Facility under which such Loan was made; (v) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for the Facility under which such Loan was made; (vi) each Competitive Loan shall bear interest on the outstanding principal amount thereof for the Interest Period therefor at a rate per annum equal to ~~the Eurocurrency Rate~~ Term SOFR for such Interest Period plus (or minus) the Eurocurrency Term SOFR Bid Margin, or at the Absolute Rate for such Interest Period, as the case may be, and (vii) each Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Alternative Currency Daily Floating Eurocurrency Rate plus the Applicable Rate for the Revolving Credit Facility.⁺²

~~Subject to the provisions of the Credit Agreement with respect to default interest, (x) each Alternative Currency Daily Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Alternative Currency Daily Rate plus the Applicable Rate applicable to Eurocurrency Rate Loans; and (y) each Alternative Currency Term Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Alternative Currency Term Rate for such Interest Period plus the Applicable Rate applicable to Eurocurrency Rate Loans.~~⁺³

⁺² From original Credit Agreement

⁺³ From First Amendment

(a) (i) While any Event of Default arising under Section 8.01(a)(i) exists, or upon the request of the Required Lenders while any other Event of Default exists, the Borrowers shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(i) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(b) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.⁺⁴

~~Interest on each Alternative Currency Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified the Credit Agreement. Interest on each Alternative Currency Loan shall be due and payable in accordance with the terms hereof and of the Credit Agreement before and after judgment, and before and after the commencement of any proceeding under any debtor relief law.⁺⁵~~

1.10 Fees. In addition to certain fees described in Sections 2.04(h) and (i):

(a) Revolving Credit Facility Fees. At all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, the Borrowers agree to pay to the Administrative Agent for the account of each Revolving Credit Lender a facility fee (the "Facility Fee") equal to the Applicable Rate on the actual daily amount of the Revolving Credit Facility (or, if the Revolving Credit Commitments have terminated, on the Total Revolving Credit Outstandings) times its Applicable Revolving Credit Percentage. Accrued Facility Fees shall be payable quarterly in arrears on the last Business Day of March, June, September and December of each year commencing on the first such date after the Closing Date, and on the date on which the Revolving Credit Commitments terminate; provided that any Facility Fees accruing after the date on which the Revolving Credit Commitments terminate shall be payable on demand. The Facility Fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Delayed Draw Term Facility Fees. At all times during the period from the Closing Date through the Delayed Draw Termination Date, including at any time during which one or more of the conditions in Article IV is not met, the Borrowers shall pay to the Administrative Agent, for the account of each Delayed Draw Term Lender in accordance with its Applicable Percentage of the Delayed Draw Term Facility, a per annum unused line fee (the "Delayed Draw Term Loan Unused Fee") equal to 0.20% times the actual daily amount of the Delayed Draw Term Facility, subject to adjustment as provided in Section 2.18. Accrued Delayed Draw Term Loan Unused Fees shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the Delayed Draw Termination Date.

(c) Other Fees. (i) The Parent Borrower shall pay to the Arrangers and the Administrative Agent for their own respective accounts, in Dollars, fees in the amounts and at

⁺⁴~~From original Credit Agreement~~

⁺⁵~~From First Amendment~~

the times specified in the Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(i) The Parent Borrower shall pay to the Lenders, in Dollars, such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

1.11 Computation of Interest and Fees. All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to Term SOFR) and for Alternative Currency Loans (other than Alternative Currency Loans with respect to SARON and EURIBOR) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed, or, in the case of interest in respect of Loans denominated in Alternative Curreney LoansCurrencies as to which market practice differs from the foregoing, in accordance with such market practice. All other computations of fees and interest, including those with respect to Daily SOFR Loans and Alternative Currency Loans determined by reference to SARON and EURIBOR, shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). ~~Interest shall accrue on each Alternative Currency Loan for the day on which the Alternative Currency Loan is made, and shall not accrue on an Alternative Currency Loan, or any portion thereof, for the day on which the Alternative Currency Loan or such portion is paid, provided that any Alternative Currency Loan that is repaid on the same day on which it is made shall, subject to Section 2.13(a) of the Credit Agreement, bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.~~⁺¹⁶

~~All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurocurrency Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year), or, in the case of interest in respect of extensions of credit denominated in Alternative Currencies as to which market practice differs from the foregoing, in accordance with such market practice. Upon request by the Parent Borrower upon the making of a Loan denominated in an Alternative Currency, the Administrative Agent will endeavor to confirm to the Parent Borrower whether any differing market practice exists with respect to such Alternative Currency. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.13(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error. With respect to all Non-LIBOR Quoted Currencies, the calculation of the applicable interest rate shall be determined in accordance with market practice.~~⁺¹⁷

1.12 Evidence of Debt. (a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to each of the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of any Borrower hereunder to pay any amount owing with

⁺¹⁶ ~~From First Amendment~~

⁺¹⁷ ~~From original Credit Agreement~~

respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made to a Borrower through the Administrative Agent, such Borrower shall execute and deliver to such Lender (through the Administrative Agent) one or more Notes, which shall evidence such Lender's Loans to such Borrower in addition to such accounts or records. Each Lender may attach schedules to its Notes and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

(d) In addition to the accounts and records referred to in Section 2.12(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swing Line Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

1.13 Payments Generally; Administrative Agent's Clawback. (a) General. All payments to be made by any Loan Party shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Each prepayment of a Eurocurrency Term Rate Loan shall be accompanied by any additional amount required pursuant to Section 3.05. Subject to Section 2.18, (i) each prepayment of a Loan under the Term Facility or the Delayed Draw Term Facility shall be paid to the Appropriate Lenders in accordance with their Applicable Percentages, (ii) each prepayment of a Dollar Tranche Loan under the Revolving Credit Facility shall be paid to the Appropriate Lenders in accordance with their respective Applicable Dollar Tranche Percentages and (iii) each prepayment of an Alternative Currency Tranche Loan under the Revolving Credit Facility shall be paid to the Lenders holding an Alternative Currency Tranche Commitment with respect to such Alternative Currency in accordance with their Applicable Tranche Percentages. Except as otherwise expressly provided herein and except with respect to principal of and interest on Loans denominated in an Alternative Currency, all payments by any Loan Party hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in Dollars and in Same Day Funds not later than 2:00 p.m. on the date specified herein. Except as otherwise expressly provided herein, all payments by any Loan Party hereunder with respect to principal of and interest on Loans denominated in an Alternative Currency shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in such Alternative Currency and in Same Day Funds not later than the Applicable Time specified by the Administrative Agent on the dates specified herein. Without limiting the generality of the foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States. If, for any reason, any Loan Party is prohibited by any Law from making any required payment hereunder in an Alternative Currency, such Loan Party shall make such payment in Dollars in the Dollar Equivalent of the Alternative Currency payment amount. The Administrative Agent will promptly distribute to each Lender such Lender's applicable share of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent (i) after 2:00 p.m. in the case of payments in Dollars, or (ii) after the Applicable Time specified by the Administrative Agent in the case of payments in an Alternative Currency, shall in each case be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by any Loan Party shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(e) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of ~~Eurocurrency Rate~~ Term SOFR Committed Loans or Alternative Currency Loans (or, in the case of any Borrowing of Base Rate Loans or ~~LIBOR Floating Rate~~ Daily SOFR Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans or ~~LIBOR Floating Rate~~ Daily SOFR Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the Parent Borrower and the applicable Designated Borrower if any, jointly and severally, and the applicable Lender severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the applicable Overnight Rate, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Parent Borrower or a Designated Borrower, the interest rate applicable to Base Rate Loans under the applicable Facility. If the Parent Borrower or a Designated Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Parent Borrower or such Designated Borrower, as applicable, the amount of such interest paid by the Parent Borrower or such Designated Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing as of the date of such Borrowing. Any payment by the Parent Borrower or a Designated Borrower shall be without prejudice to any claim the Parent Borrower or such Designated Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(i) Payments by Borrowers; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Parent Borrower (on its own behalf or on behalf of any Designated Borrower) prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or any L/C Issuer hereunder that the Borrower designated in such notice will not make such payment, the Administrative Agent may assume that such payment has been made on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Appropriate Lenders or the applicable L/C Issuer, as the case may be, the amount due. ~~in such event, if such payment has not in fact been made,~~

With respect to any payment that the Administrative Agent makes for the account of the Lenders or any L/C Issuer hereunder as to which the Administrative Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies (such payment referred to as the "Rescindable Amount"): (1) the applicable Borrower has not in fact made such payment; (2) the Administrative Agent has made a payment in excess of the amount so paid by such Borrower (whether or not then owed); or (3) the Administrative agent has for any reason otherwise erroneously made such payment; then each of the Appropriate Lenders or the applicable L/C ~~Issuer~~ Issuers, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the ~~amount~~ Rescindable Amount so distributed to such Appropriate Lender or such L/C Issuer, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the

Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Parent Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(f) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender to any Borrower as provided in the foregoing provisions of this Article II, and such funds are not made available to such Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(g) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Term Loans, Delayed Draw Term Loans and Revolving Credit Loans, to fund participations in Letters of Credit and Swing Line Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c).

(h) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(i) Insufficient Funds. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, L/C Borrowings, interest and fees then due hereunder, such funds shall be applied (i) first, toward payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due such parties, and (ii) second, toward payment of principal and L/C Borrowings then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and L/C Borrowings then due such parties.

1.14 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of (a) Obligations in respect of any of the Facilities due and payable to such Lender under the Loan Documents at such time in excess of its ratable share (according to the proportion of (i) Total Outstandings then due and payable to such Lender (with the aggregate amount of such Lender's risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed "owing" to such Lender for purposes hereof) to (ii) Total Outstandings then due and payable to all Lenders) of payments on account of the Obligations due and payable to all Lenders under the Loan Documents at such time or (b) Obligations in respect of any of the Facilities owing (but not due and payable) to such Lender under the Loan Documents at such time in excess of its ratable share (according to the proportion of (i) Total Outstandings owing (but not due and payable) to such Lender at such time (with the aggregate amount of such Lender's risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed "owing" to such Lender for purposes hereof) to (ii) Total Outstandings owing (but not due and payable) at such time) of payments obtained by all of the Lenders at such time on account of the Obligations owing (but not due and payable) to all Lenders under the Loan Documents at such time, then the Lender receiving such greater proportion shall (x) notify the Administrative Agent of such fact, and (y) purchase (for cash at face value) participations in the Loans and subparticipations in L/C

Obligations and Swing Line Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of Obligations then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of any Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.17, or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations or Swing Line Loans to any assignee or participant, other than an assignment to the Company or any Affiliate thereof (as to which the provisions of this Section shall apply).

Revolving Credit Loans denominated in Alternative Currencies will automatically, at any time that the Administrative Agent determines it necessary or desirable to calculate the pro rata share of the Lenders under this Section 2.14 or Section 8.03, be converted on a notional basis into the Dollar Equivalent thereof solely for the purposes of making any allocations required under this Section 2.14 or Section 8.03.

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

1.15 [Intentionally Omitted].

1.16 Increase in Commitments.

(a) Request for Increase. Provided there exists no Default, upon written notice to the Administrative Agent, the Parent Borrower, may from time to time, elect to increase the Facilities to an amount not exceeding the Dollar Equivalent of ~~\$2,750,000,000~~ 3,050,000,000 (as determined by the Administrative Agent on the applicable Increase Effective Date) by increasing the Revolving Credit Facility and/or the Term Facility and/or after the Delayed Draw Termination Date, the Delayed Draw Term Facility, or, if the Term Facility has been terminated or is otherwise no longer outstanding, with a new term facility on substantially the same terms as the Term Facility (and after the Increase Effective Date with respect thereto all references to the "Term Facility" herein and in any other Loan Documents shall mean such new term facility (the "New Term Facility")); provided that any such request for an increase shall be in a minimum amount of \$25,000,000 or a whole multiple of \$5,000,000 in excess thereof, or such other amount agreed to by the Parent Borrower and the Administrative Agent. In such written notice, the Parent Borrower shall specify the Facility that it proposes to increase or that it is requesting a New Term Facility, the currency it proposes to borrow in the case of an increase in the Term Facility or the Delayed Draw Term Facility or a New Term Facility (which shall be Dollars, Euro or Sterling) and the identity of each Appropriate Lender and each Eligible Assignee that it proposes to approach to provide all or a portion of such increase (subject in each case to any requisite consents required under Section 11.06); provided, however, that (i) any existing

Appropriate Lender approached to provide all or a portion of such increase may elect or decline, in its sole discretion, to provide all or a portion of such increase in the applicable Facility or New Term Facility offered to it (and any Lender that has failed to respond to any such request shall be deemed to have declined to increase its Revolving Credit Commitment, Term Commitment or Delayed Draw Term Commitment or participate in the New Term Facility, as applicable) and (ii) any Eligible Assignee providing any portion of such increase in the applicable Facility or New Term Facility that is not an existing Lender shall become a Lender pursuant to a joinder agreement in form and substance reasonably satisfactory to the Administrative Agent and its counsel (a “New Lender Joinder Agreement”). ~~For the avoidance of doubt, notwithstanding the foregoing, on and after the Second Amendment Effective Date, (x) any increase of the Term Facility shall be in Sterling, (y) any increase of the Delayed Draw Term Facility shall be in Euro, and (z) unless and until the occurrence of the Successor Amendment Effective Date, any New Term Facility shall be in Sterling or Euro (and not Dollars) and there shall not be any increase in the Revolving Credit Facility.~~

(b) Effective Date and Allocations. If any of the Facilities is increased or a New Term Facility is established in accordance with this Section, the Administrative Agent and the Parent Borrower shall determine the effective date (each an “Increase Effective Date”) and the final allocation of such increase among the Appropriate Lenders.

(c) Conditions to Effectiveness of Increase. As conditions precedent to each such increase, on or prior to the applicable Increase Effective Date, (i) the Administrative Agent shall have received a certificate of each Loan Party dated as of such Increase Effective Date signed by a Responsible Officer of such Loan Party (x) (1) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase or (2) solely in connection with the first Increase Effective Date to occur after the Closing Date, certifying that, as of such Increase Effective Date, the resolutions delivered to the Administrative Agent and the Lenders on the Closing Date (which resolutions include approval to increase the Facilities to an amount at least equal to the Dollar Equivalent of \$2,750,000,000) are and remain in full force and effect and have not been modified, rescinded or superseded since the date of adoption, and (y) in the case of the Parent Borrower, certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in Article V and the other Loan Documents are true and correct in all material respects on and as of such Increase Effective Date, except to the extent that (1) such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, (2) any representation or warranty that is already by its terms qualified as to “materiality”, “Material Adverse Effect” or similar language shall be true and correct in all respects as of such date after giving effect to such qualification, and (3) for purposes of this Section 2.16, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01, and (B) no Default exists, (ii) the Administrative Agent shall have received (x) a New Lender Joinder Agreement duly executed by the Parent Borrower and each Eligible Assignee that is becoming a Lender in connection with such increase, which New Lender Joinder Agreement shall be acknowledged and consented to in writing by the Administrative Agent and, if such Eligible Assignee is becoming a Revolving Credit Lender, by the Swing Line Lender and each L/C Issuer and (y) written confirmation from each existing Lender, if any, participating in such increase of the amount by which its Commitment will be increased, which confirmation, if from a Revolving Credit Lender, shall be acknowledged and consented to in writing by the Swing Line Lender and each L/C Issuer, (iii) the Parent Borrower shall pay such fees to the Bookrunners, and to the Administrative Agent, for its own account and for the benefit of the Lenders providing such increase, as are agreed mutually at the time such increase is established and (iv) upon the reasonable request of any Lender made at least ten days prior to the applicable Increase Effective Date, the Parent Borrower shall have provided to such Lender, and such Lender shall be reasonably satisfied with, the documentation and other information so requested in connection

with applicable “know your customer” and anti-money-laundering rules and regulations, including, without limitation, the USA PATRIOT Act and the Beneficial Ownership Regulation, in each case at least five days prior to such effectiveness date.

(d) Settlement Procedures. On each Increase Effective Date, promptly following fulfillment of the conditions set forth in clause (c) of this Section 2.16, the Administrative Agent shall notify the Appropriate Lenders of the occurrence of the increase of the applicable Facility or New Term Facility effected on such Increase Effective Date and the amount of the applicable Commitments and Applicable Percentage of each Appropriate Lender as a result thereof. In the event that the increase in the applicable Facility results in any change to the Applicable Percentage of any Appropriate Lender, then on the Increase Effective Date, as applicable, (i) the participation interests of the Appropriate Lenders in any outstanding Letters of Credit and Swing Line Loans shall be automatically reallocated among the Appropriate Lenders in accordance with their respective Applicable Dollar Tranche Percentages or Applicable Tranche Percentages, as the case may be, after giving effect to such increase, (ii) any new Lender, and any existing Lender whose Commitment has increased, shall pay to the Administrative Agent such amounts as are necessary to fund its new or increased share of all Revolving Credit Loans, Delayed Draw Term Loans or Term Loans, as applicable, (iii) the Administrative Agent will use the proceeds thereof to pay to all existing Lenders whose Applicable Percentage with respect to any Facility is decreasing such amounts as are necessary so that each Lender’s share of all Revolving Credit Loans, Delayed Draw Term Loans or Term Loans, as applicable, will be equal to its adjusted Applicable Percentage of such Facility, and (iv) if the Increase Effective Date occurs on a date other than the last day of an Interest Period applicable to any outstanding Loan that is a EurocurrencyTerm Rate Loan, then the Borrowers shall pay any amounts required pursuant to Section 3.05 on account of the payments made pursuant to clause (iii) of this sentence.

(e) Conflicting Provisions. This Section shall supersede any provisions in Section 2.14 or 11.01 to the contrary.

1.17 Cash Collateral. (a) Certain Credit Support Events. Upon the request of the Administrative Agent or any L/C Issuer (i) if an L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the Borrowers shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations. At any time that there shall exist a Defaulting Lender, immediately upon the request of the Administrative Agent, the applicable L/C Issuer or the Swing Line Lender, the Borrowers shall deliver to the Administrative Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.18(a)(iv)) and any Cash Collateral provided by all Defaulting Lenders). If at any time the Administrative Agent determines that any funds held as Cash Collateral are subject to any right or claim of any Person other than the Administrative Agent or that the total amount of such funds is less than the Outstanding Amount of all L/C Obligations, the Borrowers will, forthwith upon demand by the Administrative Agent, pay to the Administrative Agent, as additional funds to be deposited as Cash Collateral, an amount equal to the excess of (x) such Outstanding Amount over (y) the total amount of funds, if any, then held as Cash Collateral that the Administrative Agent determines to be free and clear of any such right and claim. Upon the drawing under any Letter of Credit for which funds are on deposit as Cash Collateral, such funds shall be applied, to the extent permitted under applicable Laws, to reimburse the applicable L/C Issuer.

(f) Grant of Security Interest. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, interest bearing deposit accounts at Bank of America. The Borrowers shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with

the maintenance and disbursement of Cash Collateral and shall earn all interest paid on such account. The Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to (and subject to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuers and the Lenders (including the Swing Line Lender), and agree to maintain, a first priority security interest in all such cash, such deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.17(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure and other obligations secured thereby, the Borrowers or the relevant Defaulting Lender will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency.

(g) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.17 or Sections 2.04, 2.05, 2.06, 2.07, 2.18 or 8.02 in respect of Letters of Credit or Swing Line Loans shall be held and applied to the satisfaction of the specific L/C Obligations, Swing Line Loans, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation), and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(h) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi))) or (ii) the Administrative Agent's good faith determination that there exists excess Cash Collateral; provided, however, (x) that Cash Collateral furnished by or on behalf of a Loan Party shall not be released during the continuance of a Default (and following application as provided in this Section 2.17 may be otherwise applied in accordance with Section 8.03), and (y) the Person providing Cash Collateral and the L/C Issuers or the Swing Line Lender, as applicable, may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

1.18 Defaulting Lenders. (a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders", "Required Revolving Lenders", "Required Term Lenders", "Required Delayed Draw Term Lenders", "Tranche Required Lenders" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise, and including any amounts made available to, or received by, the Administrative Agent from a Defaulting Lender pursuant to Section 11.08), shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the

Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to any L/C Issuer or the Swing Line Lender hereunder; *third*, if so determined by the Administrative Agent or requested by any L/C Issuer or the Swing Line Lender, to be held as Cash Collateral for future funding obligations of that Defaulting Lender of any participation in any Swing Line Loan or Letter of Credit; *fourth*, as the Parent Borrower may request (so long as no Default exists), to the funding of any Revolving Credit Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, in the case of a Defaulting Lender that is a Revolving Credit Lender or a Delayed Draw Term Lender, if so determined by the Administrative Agent and the Parent Borrower, to be held in a non-interest bearing deposit account and released pro rata in order to (x) satisfy potential future funding obligations of that Defaulting Lender to fund Revolving Credit Loans and/or Delayed Draw Term Loans, as applicable under this Agreement and (y) Cash Collateralize the L/C Issuers' and the Swing Line Lender's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued and Swing Line Loans made under this Agreement, in accordance with Section 2.17; *sixth*, to the payment of any amounts owing to the Lenders, any L/C Issuer or the Swing Line Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, such L/C Issuer or the Swing Line Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default exists, to the payment of any amounts owing to the Parent Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Parent Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Loans or L/C Borrowings were made, or the related Letters of Credit were issued, at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, that Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swing Line Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.18(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.18(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any fee payable under Section 2.10(a) or Section 2.10(b) for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.17.

(C) With respect to any fee payable under Section 2.10(a), Section 2.10(b) or any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrowers shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations or Swing Line Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the L/C Issuers and the Swing Line Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuers' or the Swing Line Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Dollar Tranche Percentages and Applicable Tranche Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Dollar Tranche Percentages (calculated without regard to such Defaulting Lender's Commitment), and all or any part of such Defaulting Lender's participation in Swing Line Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Tranche Percentages (calculated without regard to such Defaulting Lender's Commitment) but, in each case, only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. Subject to Section 11.23, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, (x) first, prepay Swing Line Loans in an amount equal to the Swing Line Lender's Fronting Exposure and (y) second, Cash Collateralize the L/C Issuers' Fronting Exposure in accordance with the procedures set forth in Section 2.17.

(i) Defaulting Lender Cure. If the Parent Borrower, the Administrative Agent, the Swing Line Lender and the L/C Issuers agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Credit Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with the provisions of this Agreement (without giving effect to Section 2.18(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

1.19 Designated Borrowers. (a) The Parent Borrower may at any time, upon not less than 30 days' notice from the Parent Borrower to the Administrative Agent (or such shorter

period as may be agreed by the Administrative Agent in its sole discretion), designate any Wholly-Owned Subsidiary of the Parent Borrower (an “Applicant Borrower”) as a Designated Borrower to receive Revolving Credit Loans, Swing Line Loans, Competitive Loans and Delayed Draw Term Loans hereunder by delivering to the Administrative Agent (which shall promptly deliver counterparts thereof to each Lender) a duly executed notice and agreement in substantially the form of Exhibit K (a “Designated Borrower Request and Assumption Agreement”); provided that the designation of an Applicant Borrower organized under the laws of a jurisdiction other than the United States, Canada, the United Kingdom, Netherlands or Germany as a Designated Borrower shall require the consent of each Alternative Currency Tranche Lender and the Swing Line Lender; provided, further that the designation of an Applicant Borrower organized under the laws of Canada, the United Kingdom, Netherlands or Germany shall require the consent of each Alternative Currency Tranche Lender and the Swing Line Lender if any Change in Law adversely affects the legality or ability of an Alternative Currency Tranche Lender to make Loans to such Applicant Borrower or to conduct business in the jurisdiction of organization of such Applicant Borrower. The Administrative Agent shall promptly notify each Lender of each such designation by the Parent Borrower and the identity of the Applicant Borrower. Following delivery of a Designated Borrower Request and Assumption Agreement, the Parent Borrower shall promptly upon the request of the Administrative Agent or any Lender provide all documentation and other information concerning such Applicant Borrower that the Administrative Agent or such Lender requests in order to comply with its obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the USA PATRIOT Act and the Beneficial Ownership Regulation. The parties hereto acknowledge and agree that prior to any Applicant Borrower becoming entitled to utilize the credit facilities provided for herein the Administrative Agent and the Lenders shall have received (i) all documentation and other information concerning such Applicant Borrower that the Administrative Agent or any Lender requests in order to comply with its obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the USA PATRIOT Act and the Beneficial Ownership Regulation (the “Required Information”), (ii) such supporting resolutions, incumbency certificates, opinions of counsel and other documents or information, in form, content and scope reasonably satisfactory to the Administrative Agent, as may be required by the Administrative Agent or the Required Lenders in their sole discretion, and (iii) one or more Notes signed by such Applicant Borrower to the extent any Lenders so require.

(j) Promptly following receipt of all resolutions, incumbency certificates, opinions of counsel and other documents or information requested or required pursuant to the last sentence of Section 2.19(a), but in no event earlier than the later of (i) 10 Business Days following receipt by the Administrative Agent and the Lenders of the Required Information and (ii) 15 Business Days following the Administrative Agent’s receipt of such Designated Borrower Request and Assumption Agreement and subject to the Administrative Agent’s consent (such consent not to be unreasonably withheld or delayed) to the Applicant Borrower’s designation as a Designated Borrower, the Administrative Agent shall send a notice in substantially the form of Exhibit L (a “Designated Borrower Notice”) to the Parent Borrower and the Lenders specifying the effective date upon which the Applicant Borrower shall constitute a Designated Borrower for purposes hereof, whereupon each of the Lenders agrees to permit such Designated Borrower to receive Revolving Credit Loans, Swing Line Loans, Competitive Loans and Delayed Draw Term Loans, as applicable, hereunder, on and subject to the terms and conditions set forth herein, and each of the parties agrees that such Designated Borrower otherwise shall be a Borrower for all purposes of this Agreement; provided that only a Domestic Designated Borrower may receive Dollar Tranche Loans; provided further that no Loan Notice, Swing Line Loan Notice or Competitive Bid Request may be submitted on behalf of such Designated Borrower until the date five Business Days after such effective date.

(k) The Obligations of the Parent Borrower and each Domestic Designated Borrower shall be joint and several in nature. The Obligations of all Designated Borrowers that are Foreign Subsidiaries shall be several in nature, and no Designated Borrower that is a Foreign Subsidiary shall be required to become a Guarantor. The Parent Borrower and each Domestic Designated Borrower shall guarantee the Obligations of all Designated Borrowers pursuant to Article X. The obligations of the Parent Borrower and each Domestic Designated Borrower are those of primary obligor, and not merely as surety, and are independent of the Obligations and the obligations of any other Borrower or any part thereof, and a separate action may be brought against any of the Parent Borrower or any Domestic Designated Borrower to enforce this Agreement whether or not any other Borrower or any other Person is joined as a party. The Parent Borrower and each Domestic Designated Borrower waive (i) any defense arising by reason of any disability or other defense of any other Borrower, any other Loan Party or any other guarantor of the Obligations or any part thereof, or the cessation from any cause whatsoever (including any act or omission of any Creditor Party) of the liability of any Borrower (other than the defense of prior payment in full of the Obligations); (ii) any defense based on any claim that such Person's obligations exceed or are more burdensome than those of another Borrower; (iii) the benefit of any statute of limitations affecting such Person's liability hereunder; (iv) any requirement to proceed against any other Borrower or any other Loan Party, proceed against or exhaust any security for the Obligations, or pursue any other remedy in the power of any Creditor Party whatsoever; (v) any benefit of and any right to participate in any security now or hereafter held by any Creditor Party; and (vi) to the fullest extent permitted by law, any and all other defenses (other than the defense of prior payment in full of the Obligations) or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. The Parent Borrower and each Domestic Designated Borrower expressly waive all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Obligations, and all notices of acceptance of this Agreement or of the existence, creation or incurrence of new or additional Obligations.

(l) Each Subsidiary of the Parent Borrower that becomes a "Designated Borrower" pursuant to this Section 2.19 hereby irrevocably appoints and consents to the Parent Borrower as its agent for all purposes relevant to this Agreement and each of the other Loan Documents, including (i) the giving and receipt of notices and of service of any and all process which may be served in any suit, action or proceeding of the nature referred to in Section 11.14 (and the Parent Borrower hereby accepts such appointment for service), (ii) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto, and (iii) the receipt of the proceeds of any Loans made by the Lenders to any such Designated Borrower hereunder. Any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Parent Borrower, whether or not any such other Borrower joins therein. Any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Parent Borrower in accordance with the terms of this Agreement shall be deemed to have been delivered to each Designated Borrower.

(m) The Parent Borrower may from time to time, upon not less than 15 Business Days' notice from the Parent Borrower to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its sole discretion), terminate a Designated Borrower's status as such, provided that there are no outstanding Loans payable by such Designated Borrower, or other amounts payable by such Designated Borrower on account of any Loans made to it, as of the effective date of such termination. Such Designated Borrower shall also be released from its obligations under the Guaranty and the other Loan Documents, provided that such Designated Borrower (or if such Designated Borrower is not a Domestic

Subsidiary, the most immediate parents of such Subsidiary that are Domestic Wholly-Owned Subsidiaries of the Parent Borrower (if any)) is not, or substantially contemporaneously with the termination of such Designated Borrower's status as such would not be, required to be a Subsidiary Guarantor under this Agreement. The Administrative Agent will (at the sole cost of the Borrowers), and each of the Lenders and the L/C Issuers irrevocably authorizes the Administrative Agent to, execute and deliver such documents as the Parent Borrower or such terminated Designated Borrower may reasonably request to evidence the release of such Designated Borrower from its obligations hereunder, including under the Guaranty, and under the other Loan Documents, which documents shall be reasonably satisfactory to the Administrative Agent. The Administrative Agent will promptly notify the Lenders of any such termination of a Designated Borrower's status.

Article c
TAXES, YIELD PROTECTION AND ILLEGALITY

1.01 Taxes. (a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. (i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(a) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant

Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(b) Tax Indemnifications. (i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Parent Borrower by a Lender or an L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or an L/C Issuer, shall be conclusive absent manifest error. Each of the Loan Parties shall, and does hereby, jointly and severally indemnify the Administrative Agent, and shall make payment in respect thereof within 10 days after demand therefor, for any amount which a Lender or an L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.

(i) Each Lender and each L/C Issuer shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender or such L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Party to do so), (y) the Administrative Agent and the Loan Party, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Party, as applicable, against any Excluded Taxes attributable to such Lender or such L/C Issuer, in each case, that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender and each L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or such L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(c) Evidence of Payments. Upon request by the Parent Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by any Loan Party or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Parent Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Parent Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Parent Borrower or the Administrative Agent, as the case may be.

(d) Status of Lenders; Tax Documentation. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Parent Borrower and the Administrative Agent, at the time or times reasonably requested by the Parent Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or the taxing authorities of

a jurisdiction pursuant to such applicable law or reasonably requested by the Parent Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Parent Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Parent Borrower or the Administrative Agent as will enable the Parent Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation either (A) set forth in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below or (B) required by applicable law other than the Code or the taxing authorities of the jurisdiction pursuant to such applicable law to comply with the requirements for exemption or reduction of withholding tax in that jurisdiction) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Parent Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax.

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Parent Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent Borrower or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty,

(II) executed copies of IRS Form W-8ECI,

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Parent Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the

Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

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

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

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Parent Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Parent Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Parent Borrower or the Administrative Agent as may be necessary for the Parent Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(ii) In case of an advance by a Lender to a Designated UK Borrower:

(A) A UK Treaty Lender and a Designated UK Borrower which makes a payment to which that UK Treaty Lender is entitled shall cooperate in completing any procedural formalities necessary for that Designated UK Borrower to obtain authorization to make that payment without a deduction or withholding for or on account of Tax.

(B) A UK Treaty Lender which becomes a party to this Agreement on the date on which this Agreement is entered into which holds a passport under the

Treaty Passport scheme and which desires that such scheme should apply to this Agreement shall on or before the date on which this Agreement is entered into indicate to the Administrative Agent that it wishes the scheme to apply to Credit Extensions made by it to a Designated UK Borrower under this Agreement and provide the Administrative Agent and the Parent Borrower with its scheme reference number and its jurisdiction of tax residence.

(C) A UK Treaty Lender which becomes a party to this Agreement after the Closing Date and which holds a passport under the HMRC DT Treaty Passport scheme and desires that such scheme should apply to this Agreement shall indicate to the Administrative Agent that it wishes the scheme to apply to Credit Extensions made by it to a Designated UK Borrower under this Agreement and provide the Administrative Agent with its scheme reference number and its jurisdiction of tax residence in the Assignment and Assumption which it executes, and having done so, that UK Treaty Lender shall be under no obligation pursuant to Section (iii)(A) above.

(D) If a Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with Section (B) or (C) above and (1) a Designated UK Borrower that is making a payment to that Lender has not made a UK Borrower DTTP Filing in respect of that Lender or (2) a Designated UK Borrower that is making a payment to that Lender has made a UK Borrower DTTP Filing in respect of that Lender but (a) that UK Borrower DTTP Filing has been rejected by H.M. Revenue & Customs or (b) H.M. Revenue & Customs has not given such Designated UK Borrower authority to make payments to that Lender without any deduction or withholding for or on account of Tax within 60 days of the date of the UK Borrower DTTP Filing, and, in each case, such Designated UK Borrower has notified that Lender in writing, that Lender and such Designated UK Borrower shall co-operate in completing any additional procedural formalities necessary for that Designated UK Borrower to obtain authorization to make that payment without any deduction or withholding for or on account of Tax.

(E) If a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with Section (B) or (C) above, no Designated UK Borrower shall make a UK Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment or its participation in any utilization of a Credit Extension unless the Lender otherwise agrees.

(F) Each Designated UK Borrower shall, promptly on making a UK Borrower DTTP Filing, deliver a copy of that UK Borrower DTTP Filing to the Administrative Agent and to the relevant Lender.

(G) In the case of a Credit Extension made to a Designated UK Borrower, a UK Non-Bank Lender shall promptly notify the Administrative Agent if there is any change in the position from that set out in the UK Tax Confirmation.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it

shall update such form or certification or promptly notify the Parent Borrower and the Administrative Agent in writing of its legal inability to do so.

(iv) For purposes of determining withholding Taxes imposed under FATCA, from and after the Closing Date, the Borrower and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) this Agreement as not qualifying as a “grandfathered obligation” within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

(e) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or an L/C Issuer, or have any obligation to pay to any Lender or any L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or such L/C Issuer, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to such Loan Party (plus any penalties (other than those stated to be imposed as a result of the gross negligence or willful misconduct of the Administrative Agent or such Lender), interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(f) Payments made by Administrative Agent. For the avoidance of doubt, any payments made by the Administrative Agent to any Lender shall be treated as payments made by the applicable Loan Party.

(g) Lender treated as Partnership. If any Lender is treated as a partnership for purposes of an applicable Indemnified Tax or Other Tax, any withholding made by such Lender shall be treated as if such withholding had been made by the Parent Borrower or a Designated Borrower or the Administrative Agent.

(h) L/C Issuers and Swing Line Lender. For purposes of this Section 3.01, the term “Lender” shall include the L/C Issuers and the Swing Line Lender.

(i) Survival. Each party’s obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender or an L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

1.02 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable

Lending Office to ~~perform any of its obligations hereunder or~~ make, maintain or fund Loans whose interest is determined by reference to ~~the Eurocurrency Rate, the Daily Floating Eurocurrency Rate or the LIBOR Daily Floating Rate (whether denominated in Dollars or an Alternative Currency)~~ a Relevant Rate, or to determine or charge interest rates based upon ~~the Eurocurrency Rate, the Daily Floating Eurocurrency Rate or the LIBOR Daily Floating Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender~~ a Relevant Rate or to purchase or sell, or to take deposits of, ~~Dollars or~~ any Alternative Currency in the applicable interbank market, then, ~~on~~ upon notice thereof by such Lender to the ~~Parent Borrower~~ Borrowers (through the Administrative Agent), ~~(a)~~ any obligation of such Lender to ~~issue, make, or maintain, fund or charge interest with respect to any such Credit Extension or to make or continue Eurocurrency Rate~~ Alternative Currency Loans in the affected currency or currencies or, in the case of ~~Eurocurrency Rate~~ Loans denominated in Dollars, to ~~make or maintain Daily SOFR Loans, to make or continue Term SOFR Loans or to~~ convert Base Rate Loans or ~~LIBOR Floating Rate~~ Daily SOFR Loans to ~~Eurocurrency~~ Term SOFR Loans or Base Rate Loans or Term SOFR Loans; ~~to Daily SOFR Loans~~ shall be, in each case, suspended, ~~or, in the case of LIBOR Floating Rate Loans, to convert Base Rate Loans or Eurocurrency Rate Loans in Dollars to LIBOR Floating Rate Loans~~ and ~~(ib)~~ if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the ~~Eurocurrency Rate~~ Term SOFR component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the ~~Eurocurrency Rate~~ Term SOFR component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the ~~Parent Borrower~~ Borrowers that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, ~~(xi)~~ the Borrowers shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay all SOFR Loans or Alternative Currency Loans, as applicable, in the affected currency or currencies or, if applicable and such Loans are denominated in Dollars, convert all ~~such Eurocurrency Rate Loans and/or LIBOR Floating Rate~~ SOFR Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the ~~Eurocurrency Rate~~ Term SOFR component of the Base Rate), in each case, immediately, ~~or, in the case of LIBOR Floating Rate~~ Term SOFR Loans and, ~~in the case of Eurocurrency~~ Alternative Currency Term Rate Loans, ~~either~~ Loan, on the last day of the Interest Period therefor; if such Lender may lawfully continue to maintain such ~~Eurocurrency Rate~~ Term SOFR Loans ~~or Alternative Currency Term Rate Loans, as applicable,~~ to such day, ~~or immediately, if such Lender may not lawfully continue to maintain such Eurocurrency Rate Loans~~ and ~~(yii)~~ if such notice asserts the illegality of such Lender determining or charging interest rates based upon ~~the Eurocurrency Rate~~ Term SOFR, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the ~~Eurocurrency Rate~~ Term SOFR component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon ~~the Eurocurrency Rate~~ Term SOFR. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 3.05.

~~Notwithstanding the foregoing, if the Parent Borrower has been notified that any Lender has made a determination described in the first sentence of this Section, the Administrative Agent, in consultation with the Parent Borrower and the affected Lenders, may establish an alternative interest rate for the Loans, if any, made by such affected Lenders in an Alternative Currency (the "Affected Loans"), in which case, such alternative rate of interest shall apply with respect to the Affected Loans of each affected Lender until (1) such Lender revokes the notice delivered under the first sentence of this Section, (2) the Administrative Agent or the affected Lenders notify the Administrative Agent and the Parent Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Affected Loans, or (3) any Lender determines that any Law has made it unlawful, or that any~~

Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Parent Borrower written notice thereof.

1.03 Inability to Determine Rates; Replacement of Relevant Rates or Successor Rates. (a)

(a) Inability to Determine Rates. If in connection with any request for a ~~Eurocurrency Rate Loan, Daily Floating Eurocurrency Rate~~ SOFR Loan or ~~LIBOR Floating Rate~~ an Alternative Currency Loan, a conversion to a Eurocurrency of Base Rate Loans or a LIBOR Floating Rate Loan, ~~Term SOFR Loans to Daily SOFR Loans, a conversion of Base Rate Loans or Daily SOFR Loans to Term SOFR Loans~~ or a continuation of a Eurocurrency Rate Loan any of such Loans, as applicable, (i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (x) deposits (whether in Dollars or an Alternative Currency) are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period of such Eurocurrency Rate Loan or the no Successor Rate for the Relevant Rate for the applicable Agreed Currency has been determined in accordance with Section 3.03(b) or Section 3.03(c) and the circumstances under clause (i) of Section 3.03(b) or of Section 3.03(c) or the Scheduled Unavailability Date, or the SOFR Scheduled Unavailability Date, as applicable term, has occurred with respect to any Daily Floating Eurocurrency Rate Loan or LIBOR Floating Rate Loans such Relevant Rate (as applicable), or (y) adequate and reasonable means do not otherwise exist for determining the Eurocurrency Relevant Rate for the applicable Agreed Currency for any determination date(s) or requested Interest Period, as applicable, with respect to a proposed Eurocurrency Rate SOFR Loan (whether denominated in Dollars or an Alternative Currency) Loan or in connection with an existing or proposed Base Rate Loan or LIBOR Floating Rate Loan or the Daily Floating Eurocurrency Rate in connection with an existing or proposed Daily Floating Eurocurrency Rate Loan (in each case with respect to clause (i) above, "Impacted Loans"), or (ii) the Administrative Agent or the affected Required Lenders determine that for any reason that the Eurocurrency Relevant Rate with respect to a proposed Loan denominated in an Agreed Currency for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan or determination date(s) does not adequately and fairly reflect the cost to such Lenders of funding such Loan or (iii) the Administrative Agent or the Swing Line Lender determines that for any reason the Daily Floating Eurocurrency Rate for any requested Interest Period with respect to a proposed Daily Floating Eurocurrency Rate Loan does not adequately and fairly reflect the cost to the Swing Line Lender of funding such Loan, the Administrative Agent will promptly so notify the Parent Borrower Borrowers and each Lender.

Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Rate Loans in the affected currency or currencies, as applicable, or to convert Base Rate Loans or Term SOFR Loans to Daily SOFR Loans or to convert Base Rate Loans or Daily SOFR Loans to Term SOFR Loans, shall be suspended (in each case to the extent of the affected Eurocurrency Rate Alternative Currency Loans or Interest Periods) Period or determination date(s), as applicable, and (y) in the event of a determination described in the preceding sentence with respect to the Eurocurrency Rate Term SOFR component of the Base Rate, the utilization of the Eurocurrency Rate Term SOFR component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (or, in the case of a determination by the Required Lenders described in clause (ii) of Section 3.03(a), until the Administrative Agent upon the instruction of the affected Required Lenders) revokes such notice.

Upon receipt of such notice, ~~(i) the Parent Borrower~~Borrowers may revoke any pending request for a Committed Borrowing of, or conversion to Daily SOFR Loans, Borrowing of, conversion to, or continuation of Eurocurrency Rate Term SOFR Loans in the affected currency or currencies ~~(, or Borrowing of, or continuation of Alternative Currency Loans to the extent of the affected Eurocurrency Rate Alternative Currency Loans or Interest Periods)Period~~ or ~~any pending request for a Borrowing of LIBOR Floating Rate Loans (to the extent of the affected LIBOR Floating Rate Loans or periods)determination date(s), as applicable~~ or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans denominated in Dollars in the amount (or Dollar Equivalent thereof) of the amount specified therein and (ii) (A) any outstanding SOFR Loans shall be deemed to have been converted to Base Rate Loans immediately, in the case of a Daily SOFR Loan, or at the end of the applicable Interest Period, in the case of a Term SOFR Loan, and (B) any outstanding affected Alternative Currency Loans, at the Borrowers' election, shall either (1) be converted into a Borrowing of Base Rate Loans denominated in Dollars in the Dollar Equivalent of the amount of such outstanding Alternative Currency Loan immediately, in the case of an Alternative Currency Daily Rate Loan or at the end of the applicable Interest Period, in the case of an Alternative Currency Term Rate Loan or (2) be prepaid in full immediately, in the case of an Alternative Currency Daily Rate Loan, or at the end of the applicable Interest Period, in the case of an Alternative Currency Term Rate Loan; provided that if no election is made by the Borrowers (x) in the case of an Alternative Currency Daily Rate Loan, by the date that is three (3) Business Days after receipt by the Borrowers of such notice or (y) in the case of an Alternative Currency Term Rate Loan, by the last day of the current Interest Period for the applicable Alternative Currency Term Rate Loan, the Borrowers shall be deemed to have elected clause (1) above.

~~(b) Notwithstanding the foregoing, if the Administrative Agent has made the determination described in clause (i) of Section 3.03(a), the Administrative Agent, in consultation with the Parent Borrower and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (i) of Section 3.03(a), (2) the Administrative Agent or the affected Lenders notify the Administrative Agent and the Parent Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Parent Borrower written notice thereof.~~

~~(b) (e) Replacement of SOFR or SOFR Successor Rate.~~ Notwithstanding anything to the contrary in this Agreement or any other Loan Documents ~~(including any interest rate or related definitions contained in Section 1.01)~~, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or ~~the Parent~~any Borrower or ~~the~~ Required Lenders notify~~(ies)~~ the Administrative Agent (with, in the case of the Required Lenders, a copy to the Parent Borrower) that the ~~Parent Borrower~~Borrowers or ~~the~~ Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining ~~LIBOR in Dollars or an Alternative Currency for any requested~~SOFR and one month, three month and six month Interest ~~Period~~Periods of Term SOFR, including, ~~without limitation,~~ because SOFR or the Term SOFR Screen Rate, as applicable ~~rate~~, is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority has made a public statement identifying a specific date after which SOFR and one month, three month and six month Interest Periods of Term SOFR or the Term SOFR Screen Rate, as applicable shall or will no longer be made available, or permitted to be used for determining the interest rate of syndicated loans denominated in Dollars, or shall or will otherwise cease, provided that, in each case, at the time of such statement, there are no successor administrators that are satisfactory to the Administrative Agent that will continue to provide SOFR or such Interest Periods of Term SOFR, as applicable, after such specific date (the latest date on which SOFR or one month, three month and six month Interest Periods of Term SOFR or the Term SOFR Screen Rate are no longer available permanently or indefinitely, the “SOFR Scheduled Unavailability Date”);

or if the events or circumstances of the type described in Section 3.03(b)(i) or (ii) have occurred with respect to the SOFR Successor Rate then in effect, then, the Administrative Agent and the Borrowers may amend this Agreement solely for the purpose of replacing SOFR and/or Term SOFR for Dollars or any then current SOFR Successor Rate for Dollars in accordance with this Section 3.03 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such benchmarks (any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a “SOFR Successor Rate”), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrowers unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(c) Replacement of Relevant Rate or Non-SOFR Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or any Borrower or Required Lenders notify(ies) the Administrative Agent (with, in the case of the Required Lenders, a copy to the Parent Borrower) that the Borrowers or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining the Relevant Rate (other than SOFR) for an Agreed Currency (other than Dollars) because none of the tenors of such Relevant Rate (other than SOFR) under this Agreement is available or published on a current basis, and such circumstances are unlikely to be temporary; or

(ii) the ~~administrator of the applicable rate or a Governmental~~Applicable Authority ~~having jurisdiction over the Administrative Agent~~ has made a public statement identifying a specific date after which ~~LIBOR~~all tenors of the Relevant Rate (other than SOFR) for an Agreed Currency (other than Dollars) under this Agreement shall or will no longer be ~~representative or made available with respect to Dollars or an Alternative Currency~~, or ~~permitted to be~~ used for determining the interest rate of ~~Loans~~syndicated loans denominated in ~~Dollars or an Alternative~~such Agreed Currency (other than Dollars), or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent; that will continue to provide ~~LIBOR for the applicable currency(ies)~~such representative tenor(s) of the Relevant Rate (other than SOFR) ~~after for such specific date (such specific date~~Agreed Currency (other than Dollars) (the latest date on which all tenors of the Relevant Rate for such Agreed Currency (other

than Dollars) under this Agreement are no longer representative or available permanently or indefinitely, the “Scheduled Unavailability Date”); or;

~~(iii) syndicated loans denominated in Dollars or an Alternative Currency that are currently being executed, or that include language similar to that contained in this section, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace LIBOR for the applicable currency(ies);~~

~~then, reasonably promptly after such determination by the Administrative Agent or receipt by the Administrative Agent of such notice, as applicable, or if the events or circumstances of the type described in Section 3.03(c)(i) or (ii) have occurred with respect to the Successor Rate then in effect, then, the Administrative Agent and the Parent Borrower/Borrowers may amend this agreement/Agreement solely for the purpose of replacing LIBOR (a “the Relevant Rate for an Agreed Currency or any then current Successor Rate Amendment”) for an Agreed Currency in accordance with this section/Section 3.03 with (1) in the case of Dollar-denominated Loans (x) one or more SOFR-Based Rates or (y) another alternate/an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar Dollar-denominated syndicated credit facilities for such alternative benchmarks/syndicated and (2) agented in the ease-of Loans U.S. and denominated in an Alternative/such Agreed Currency; another alternate benchmark rate giving due consideration to any evolving or then existing convention for syndicated credit facilities denominated in such currency for such alternative benchmarks; and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similarly denominated syndicated/similar credit facilities syndicated and agented in the U.S. and denominated in such Agreed Currency for such benchmarks, which adjustment or method for calculating such adjustment shall be published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion and may be periodically updated (the “Adjustment,” and (any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a “Non-SOFR Successor Rate”, and collectively with the SOFR Successor Rate, each a “Successor Rate”), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Parent Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders (A) in the case of an amendment to replace LIBOR with a rate described in clause (1)(x) above, object to the Adjustment; or (B) in the case of an amendment to replace LIBOR with a rate described in clause (1)(y) or (2) above, object to such amendment; provided that for the avoidance of doubt, in the case of clause (A), the Required Lenders shall not be entitled to object to/object to such amendment.~~

(d) Successor Rates. The Administrative Agent will promptly (in one or more notices) notify the Parent Borrower and each Lender of the implementation of any SOFR-Based/Successor Rate contained in any such amendment. Such

Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

~~If no Successor Rate has been determined and the circumstances under clause (i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Administrative Agent will promptly so notify the Parent Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Rate Loans and/or LIBOR Daily Floating Rate Loans and/or Swing Line Loans shall be suspended (to the extent of the affected Loans or Interest Periods), and (y) the Eurocurrency Rate component shall no longer be utilized in determining the~~

~~Base Rate. Upon receipt of such notice and subject to clause (y) of the preceding sentence, the Parent Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurocurrency Rate Loans (to the extent of the affected Loans or Interest Periods), or a Borrowing of or conversion to LIBOR Daily Floating Rate Loans, or a Borrowing of Swing Line Loans; or, failing that will be deemed to have converted such request for a Loan into a request for a Borrowing of or conversion to (as applicable) a Base Rate Loan under the same Tranche or Facility as that requested (and, in the case of a request for a Loan denominated in a LIBOR Quoted Currency other than Dollars, such Base Rate Loan shall be the requested loan amount converted into Dollars determined at a spot rate selected by the Administrative Agent in consultation with the Parent Borrower as in effect on the date two Business Days immediately prior to the date of the requested funding).~~

Notwithstanding anything ~~to the contrary~~ else herein, if at any definition of time any Successor Rate ~~shall provide that in no event shall such Successor Rate~~ as so determined would otherwise be less than zero, the Successor Rate will be deemed to be zero for the purposes of this Agreement and the other Loan Documents.

In connection with the implementation of a Successor Rate, the Administrative Agent will have the right to make ~~Successor Rate~~ Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such ~~Successor Rate~~ Conforming Changes will become effective without any further action or consent of any other party to any Loan Document; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such ~~Successor~~ Conforming Changes to the Borrowers and the Lenders reasonably promptly after such amendment becomes effective.

Any ~~Adjustment~~ adjustment and Successor Rate agreed and proposed to the Required Lenders in the context of a Successor Rate Amendment shall be in form and substance acceptable to each of the Administrative Agent and the Parent Borrower; provided, however, that the Administrative Agent shall in any event approve such terms as are generally no less favorable to the Parent Borrower than corresponding terms included in similar facilities for similarly situated borrowers in general, but not necessarily all such borrowers in transactions in which Bank of America serves as administrative agent; provided, further, that nothing herein shall obligate the Administrative Agent to disclose any information regarding other borrowers or facilities.

(e) Exclusion of Certain Lenders. For purposes of this Section 3.03, those Lenders that either have not made, or do not have an obligation under this Agreement to make, the relevant Loans in the relevant Alternative Currency shall be excluded from any determination of Required Lenders.

1.04 Increased Costs; ~~Reserves on Eurocurrency Rate Loans, Daily Floating Eurocurrency Rate Loans and LIBOR Floating Rate Loans.~~

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

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender ~~(except any reserve requirement contemplated by Section 3.04(c) other than as set forth below)~~ or any L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of

Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any L/C Issuer or ~~the London~~ any applicable interbank market any other condition, cost or expense affecting this Agreement ~~or Eurocurrency Rate Loans, Daily Floating Eurocurrency Rate Loans or LIBOR Floating Rate, SOFR~~ Loans made by such Lender or Alternative Currency Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or such L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or such L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or such L/C Issuer, the Parent Borrower will pay (or cause the applicable Designated Borrower to pay) to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

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

(c) Certificates for Reimbursement. A certificate of a Lender or an L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or such L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Parent Borrower shall be conclusive absent manifest error. The Parent Borrower shall pay (or cause the applicable Designated Borrower to pay) such Lender or such L/C Issuer, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or any L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or such L/C Issuer's right to demand such compensation, provided that no Borrower shall be required to compensate a Lender or an L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or such L/C Issuer, as the case may be, notifies the Parent Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such L/C Issuer's intention to claim compensation therefor

(except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

~~(e) — Additional Reserve Requirements. The Parent Borrower shall pay (or cause the applicable Designated Borrower to pay) to each Lender, (i) as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as “Eurocurrency liabilities”), additional interest on the unpaid principal amount of each Eurocurrency Rate Loan and/or Daily Floating Eurocurrency Rate Loan and/or LIBOR Floating Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), and (ii) as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Eurocurrency Rate Loans and/or Daily Floating Eurocurrency Rate Loans and/or LIBOR Floating Rate Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which in each case shall be due and payable on each date on which interest is payable on such Loan, provided the Parent Borrower shall have received at least 10 days’ prior notice (with a copy to the Administrative Agent) of such additional interest or costs from such Lender. If a Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest or costs shall be due and payable 10 days from receipt of such notice.~~

1.05 Compensation for Losses. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Parent Borrower shall promptly compensate (or cause the applicable Designated Borrower to compensate) such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period, relevant interest payment date or payment period, as applicable, for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by any Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert into any Loan other than a Base Rate Loan on the date or in the amount notified by the Parent Borrower (on its own behalf or on behalf of any Designated Borrower);

(c) any failure by any Borrower to make payment of any Loan or drawing under any Letter of Credit (or interest due thereon) denominated in an Alternative Currency on its scheduled due date or any payment thereof in a different currency;

(d) any assignment of a ~~Eurocurrency~~Term Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Parent Borrower pursuant to Section 11.13; or

(e) the failure to borrow any Competitive Loan after accepting the Competitive Bid to make such Loan.

including any loss of anticipated profits, any foreign exchange losses and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan, from fees payable to terminate the deposits from which such funds were obtained or from the

performance of any foreign exchange contract. The Parent Borrower shall also pay (or cause the applicable Designated Borrower to pay) any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Parent Borrower (or the applicable Designated Borrower) to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each EurocurrencyTerm Rate ~~Loan made by it at the Eurocurrency Rate for such~~ Loan by a matching deposit or other borrowing in the ~~offshore~~ interbank market for such currency for a comparable amount and for a comparable period, whether or not such EurocurrencyTerm Rate Loan was in fact so funded.

A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender as specified in this Section and delivered to the Parent Borrower shall be conclusive absent manifest error.

1.06 Mitigation Obligations; Replacement of Lenders. (a) Designation of a Different Lending Office. Each Lender may make any Credit Extension to any Borrower through any Lending Office, provided that the exercise of this option shall not affect the obligation of any Borrower to repay the Credit Extension made to such Borrower in accordance with the terms of this Agreement. If any Lender requests compensation under Section 3.04, or any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender, any L/C Issuer, or any Governmental Authority for the account of any Lender or any L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then, at the request of the Parent Borrower, such Lender or such L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or such L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or such L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or such L/C Issuer, as the case may be. The Parent Borrower hereby agrees to pay (or cause the applicable Designated Borrower to pay) all reasonable costs and expenses incurred by any Lender or any L/C Issuer in connection with any such designation or assignment.

(a) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Parent Borrower may replace such Lender in accordance with Section 11.13.

1.07 Survival. All obligations of the Loan Parties under this Article III shall survive termination of the Aggregate Commitments, repayment of all obligations under any Loan Document, and resignation of the Administrative Agent.

Article d
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

1.01 Conditions of Effectiveness and Term Loans. The effectiveness of this Agreement and the obligation of each Term Lender to make its Term Loan hereunder on the Closing Date is subject to satisfaction (or valid waiver) of the following conditions precedent.

(a) The Administrative Agent's receipt of the following, each of which shall be originals, e-mails (in a .pdf format) or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer or a duly authorized officer of the signing Loan Party, each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) an executed counterpart of this Agreement;

(ii) a Revolving Credit Note, Term Note and/or Delayed Draw Term Note, as applicable, in each case, duly executed by the Parent Borrower in favor of each Lender requesting a Note;

(iii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(iv) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and each Loan Party is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(v) a favorable opinion of DLA Piper LLP (US), counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, as to such matters concerning the Loan Parties and the Loan Documents as the Administrative Agent may reasonably request;

(vi) a certificate of a Responsible Officer of the Parent Borrower either (A) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by each Loan Party and the validity against such Loan Party of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (B) stating that no such consents, licenses or approvals are so required;

(vii) a certificate signed by a Responsible Officer of the Parent Borrower certifying (A) that the conditions specified in this Section 4.01 and Sections 4.02(a) and (b) have been satisfied (other than those conditions contingent upon the satisfaction of the Administrative Agent and/or the Lenders with respect to certain items received by them under this Section 4.01), and (B) that no action, suit, investigation or proceeding is pending or, to the knowledge of any Loan Party, threatened in any court or before any arbitrator or Governmental Authority related to the Facility or that could reasonably be expected to be adversely determined and, if adversely determined, could reasonably be expected to have a Material Adverse Effect;

(viii) a Solvency Certificate from the Company certifying that each Loan Party is Solvent after giving effect to the Credit Extensions to occur on the Closing Date;

(ix) a duly completed Compliance Certificate as of the last day of the fiscal quarter of the Company ended immediately prior to the Closing Date for which

financial statements were required to be delivered to the Administrative Agent under the Original Credit Agreement, signed by a Responsible Officer of the Company and evidencing that both immediately before and after giving effect to all transactions contemplated to occur on the Closing Date (including, without limitation, all Credit Extensions to occur on the Closing Date) the Loan Parties shall be in compliance, on a *pro forma* basis, with the provisions of Section 7.11;

(x) evidence that the Existing Swing Line Loans and the Existing Term Loans have been or concurrently with the Closing Date are being repaid in full; and

(xi) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, any L/C Issuer, the Swing Line Lender or the Required Lenders reasonably may require.

(b) (i) All fees required to be paid to the Administrative Agent and the Arrangers on or before the Closing Date shall have been paid and (ii) all fees required to be paid to the Lenders on or before the Closing Date shall have been paid.

(c) Unless waived by the Administrative Agent, all reasonable fees, charges and disbursements of counsel to the Administrative Agent shall have been paid (directly to such counsel if requested by the Administrative Agent) to the extent invoiced at least one Business Day prior to the Closing Date, plus such reasonable additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

(d) Confirmation that the Company has delivered a written notice to each Departing Lender terminating as of the Closing Date all commitments of the Departing Lenders under the Original Credit Agreement, and all amounts owing (whether or not due) under the Original Credit Agreement and related documents through and including the Closing Date to each Departing Lender shall have been paid in full.

(e) The Administrative Agent and each Lender shall have received, at least five (5) Business Days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation, in each case as requested at least ten (10) Business Days prior to the Closing Date.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Notwithstanding anything contained elsewhere in this Agreement, each Lender that is a "Lender" (as defined in the Original Credit Agreement) hereby waives any right to indemnification for any funding loss or expense that such Lender may sustain or incur as a result of a prepayment by the Company of the Existing Term Loans or any prepayment of any Revolving Credit Loans outstanding under the Original Credit Agreement on the Closing Date prior to the last day of the "Interest Period" (as defined in the Original Credit Agreement) applicable thereto required to effect the refinancing of the Existing Term Loans with the Term

Loans and/or Revolving Credit Loans or as a result of the reallocation of such Revolving Credit Loans to Lenders that were not “Lenders” under the Original Credit Agreement.

1.02 Conditions to All Credit Extensions. The obligation of each Lender to honor any Request for a Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of ~~Eurocurrency~~Term Rate Loans) is subject to the following conditions precedent:

(a) The representations and warranties of each Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects on and as of the date of the proposed Credit Extension, except (i) to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, (ii) any representation or warranty that is already by its terms qualified as to “materiality”, “Material Adverse Effect” or similar language shall be true and correct in all respects as of such date after giving effect to such qualification, (iii) the representations and warranties set forth in Sections 5.05(c), 5.06(b) and 5.17 shall be made only as of the Closing Date and (iv) for purposes of this Section 4.02, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01;

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof;

(c) The Administrative Agent and, if applicable, an L/C Issuer or the Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof;

(d) If such Credit Extension is a Competitive Borrowing, on or before the date of such Competitive Borrowing, but prior to such Competitive Borrowing, the Administrative Agent shall have received, if requested by the applicable Competitive Loan Lender, a Competitive Loan Note payable to the order of such Competitive Loan Lender for each of the one or more Competitive Loans to be made by such Competitive Loan Lender as part of such Competitive Borrowing, in a principal amount equal to the principal amount of the Competitive Loan to be evidenced thereby and otherwise on such terms as were agreed to for such Competitive Loan in accordance with Section 2.03;

(e) If such Credit Extension is a Revolving Credit Borrowing or an L/C Credit Extension, after giving effect to the proposed Credit Extension, the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility at such time;

(f) In the case of a Credit Extension to be denominated in an Alternative Currency, there shall not have occurred any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls which in the reasonable opinion of the Administrative Agent and the Required Revolving Lenders (in the case of any Revolving Credit Loans to be denominated in an Alternative Currency), the Required Term Lenders (in the case of the Term Loans), the Required Delayed Draw Term Lenders (in the case of any Delayed Draw Term Loans to be denominated in an Alternative Currency), the Swing Line Lender (in the case of any Swing Line Loans) or the applicable L/C Issuer (in the case of any Letter of Credit to be denominated in an Alternative Currency) would make it impracticable for such Credit Extension to be denominated in the relevant Alternative Currency; and

(g) If the applicable Borrower is a Designated Borrower, then the conditions of Section 2.19 to the designation of such Borrower as a Designated Borrower shall have been met to the satisfaction of the Administrative Agent.

Each Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to another Type or a continuation of ~~Eurocurrency~~Term Rate Loans) submitted by the Parent Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a), (b) and (c) have been satisfied on and as of the date of the applicable Credit Extension.

Article e
REPRESENTATIONS AND WARRANTIES

The Company and each Loan Party represent and warrant to the Administrative Agent and the Lenders that:

1.01 Existence, Qualification and Power. Each Loan Party, and each of its Subsidiaries, (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, except, solely in the case of a Subsidiary of the Company that is not a Loan Party, to the extent that the failure of such Subsidiary to be duly organized or formed and in good standing could not reasonably be expected to have a Material Adverse Effect, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party and consummate the transactions contemplated by the Loan Documents, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

1.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of, and the consummation by each Loan Party of the transactions contemplated by, each Loan Document to which such Person is a party have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law.

1.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, or for the consummation of the transactions contemplated by the Loan Documents or (b) the exercise by the Administrative Agent or any Lender of its rights under the Loan Documents.

1.04 Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party

thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of each Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

1.05 Financial Statements; No Material Adverse Effect. (a) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (ii) fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in shareholders' equity for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein.

(a) The unaudited consolidated balance sheet of the Company and its Subsidiaries dated September 30, 2019, and the related consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in shareholders' equity for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(b) Since December 31, 2018, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

1.06 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of any Loan Party, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any of its Subsidiaries or against any of their respective properties or revenues that (a) could reasonably be expected to adversely affect this Agreement, any other Loan Document or any of the transactions contemplated hereby or thereby, or (b) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

1.07 No Default. Neither any Loan Party nor any Subsidiary thereof is in default under or with respect to any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

1.08 Ownership of Property; Liens. Each Loan Party and each of its Subsidiaries has good record and marketable title to, or valid leasehold interests in, all its Property material to its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The property of each Loan Party and its Subsidiaries is subject to no Liens, other than Liens permitted by Section 7.01.

1.09 Environmental Compliance. Except with respect to any matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither a Loan Party nor any of its Subsidiaries (i) has failed to comply with any applicable Environmental Law or to obtain, maintain or comply with any Environmental Permit required under any applicable Environmental Law, (ii) has become subject to any Environmental

Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

1.10 Taxes. Each Loan Party, and each of its Subsidiaries, has timely filed all federal, state and other material tax returns and reports required to be filed, and has timely paid all federal, state and other material Taxes (whether or not shown on a tax return), including in its capacity as a withholding agent, levied or imposed upon it or its properties, income or assets otherwise due and payable, except in each case, with respect to those Taxes or tax returns (i) which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP, or (ii) where the failure to timely file or timely pay could not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect. There is no proposed tax assessment against any Loan Party or any Subsidiary thereof that, if made, could reasonably be expected to have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is party to any tax sharing agreement. Except as could not be reasonably expected to, individually or in the aggregate, result in a Material Adverse Effect, neither any Loan Party nor any of its Subsidiaries has ever “participated” in a “listed transaction” within the meaning of Treasury Regulation Section 1.6011-4.

1.11 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other Federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) Except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) no ERISA Event has occurred, and neither the Company nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) the Company and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is 60% or higher and neither the Company nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; (iv) neither the Company nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither the Company nor any ERISA Affiliate has engaged in a transaction that is subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or

circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) Neither the Company nor any ERISA Affiliate maintains or contributes to, or has any unsatisfied obligation to contribute to, or liability under, any active or terminated Pension Plan other than those listed on Schedule 5.11(d) hereto.

1.12 Subsidiaries; Equity Interests; Loan Parties. As of the Closing Date (based on the Compliance Certificate delivered pursuant to Section 4.01(a)(ix)) and as of the date of each delivery of a Compliance Certificate concurrently with the financial statements referred to in Section 6.01(a), Part (a) of Schedule 5.12 is a complete and accurate list of the Company and its Subsidiaries, showing the correct name of each such Subsidiary and whether such Subsidiary is a Subsidiary Guarantor or a Borrower. The outstanding equity interests of the Company and all of its Subsidiaries are validly issued, fully paid and non-assessable and are owned free and clear of all Liens, except for Liens permitted by this Agreement, as indicated in Part (a) of Schedule 5.12. As of the Closing Date, no Loan Party has any equity investments in any other corporation or entity other than those specifically disclosed in Part (b) of Schedule 5.12. Set forth on Part (c) of Schedule 5.12 is a complete and accurate list of all Loan Parties, showing as of the Closing Date (as to each Loan Party) the jurisdiction of its incorporation or organization, the address of its chief executive office and principal place of business, the type of organization it is and its U.S. taxpayer identification number. The copy of the charter of each Loan Party and each amendment thereto provided pursuant to Section 4.01(a)(iv) is a true and correct copy of each such document, each of which is valid and in full force and effect.

1.13 Margin Regulations; Investment Company Act. (a) No Borrower is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock.

(e) None of the Company, any Person Controlling the Company, or any Subsidiary of the Company is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

1.14 Disclosure. The Parent Borrower has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, as of the Closing Date, and all other matters known to it as of the Closing Date, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the SEC Reports and none of the reports, financial statements, certificates or other information furnished (whether in writing or orally) by or on behalf of the Parent Borrower or any other Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case as modified or supplemented by other information so furnished) when taken as a whole as at such time, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Parent Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

1.15 Compliance with Laws. Each Loan Party and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either

individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

1.16 Intellectual Property; Licenses, Etc. Each Loan Party, and each of its Subsidiaries, owns, or possesses the right to use, all trademarks, trade names, copyrights, patents and other intellectual property material to its business, and the use thereof by the Loan Parties and their Subsidiaries does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

1.17 Solvency. Immediately after giving effect to the initial Credit Extensions made on the Closing Date, the Loan Parties are, together with their Subsidiaries on a consolidated basis, Solvent.

1.18 Casualty, Etc. Neither the businesses nor the properties of any Loan Party or any of its Subsidiaries are affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance), condemnation or eminent domain that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

1.19 SEC Reports. As of the Closing Date, the Company has filed all forms, reports, statements (including proxy statements) and other documents (such filings by the Company are collectively referred to as the “SEC Reports”), required to be filed by it with the Securities and Exchange Commission. The SEC Reports, including all SEC Reports filed after the Closing Date or on or prior to the date of this Agreement, (i) were or will be prepared in all material respects in accordance with the requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, as the case may be, and the rules and regulations of the Securities and Exchange Commission thereunder applicable to such SEC Reports at the time of filing thereof and (ii) did not at the time they were filed, or will not at the time they are filed, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

1.20 Anti-Money Laundering; Sanctions; Anti-Corruption Laws. (a) Neither the Company, nor any of its Subsidiaries, nor, to the knowledge of the Company and its Subsidiaries, any director, officer, employee, agent, affiliate or representative thereof (i) has violated or is in violation of any applicable anti-money laundering law or (ii) has engaged or engages in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of offenses designated in any applicable law, regulation or other binding measure implementing the “Forty Recommendations” and “Nine Special Recommendations” published by the Organisation for Economic Cooperation and Development’s Financial Action Task Force on Money Laundering.

(f) Neither the Company, nor any of its Subsidiaries, nor, to the knowledge of the Company and its Subsidiaries, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC’s List of Specially Designated Nationals, HMT’s Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

(g) The Company and its Subsidiaries have conducted their businesses in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act

2010, and other similar anti-corruption legislation in other jurisdictions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

1.21 Affected Financial Institutions. No Loan Party is an Affected Financial Institution.

1.22 Covered Entity. No Loan Party is a Covered Entity.

1.23 Representations as to Foreign Obligors. With respect to each Foreign Obligor:

(a) Such Foreign Obligor is subject to civil and commercial Laws with respect to its obligations under this Agreement and the other Loan Documents to which it is a party (collectively as to such Foreign Obligor, the “Applicable Foreign Obligor Documents”), and the execution, delivery and performance by such Foreign Obligor of the Applicable Foreign Obligor Documents constitute and will constitute private and commercial acts and not public or governmental acts. Neither such Foreign Obligor nor any of its property has any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) under the laws of the jurisdiction in which such Foreign Obligor is organized and existing in respect of its obligations under the Applicable Foreign Obligor Documents.

(b) The Applicable Foreign Obligor Documents are in proper legal form under the Laws of the jurisdiction in which such Foreign Obligor is organized and existing for the enforcement thereof against such Foreign Obligor under the Laws of such jurisdiction, and to ensure the legality, validity, enforceability, priority or admissibility in evidence of the Applicable Foreign Obligor Documents. It is not necessary to ensure the legality, validity, enforceability, priority or admissibility in evidence of the Applicable Foreign Obligor Documents that the Applicable Foreign Obligor Documents be filed, registered or recorded with, or executed or notarized before, any court or other authority in the jurisdiction in which such Foreign Obligor is organized and existing or that any registration charge or stamp or similar tax be paid on or in respect of the Applicable Foreign Obligor Documents or any other document, except for (i) any such filing, registration, recording, execution or notarization as has been made or is not required to be made until the Applicable Foreign Obligor Document or any other document is sought to be enforced and (ii) any charge or tax as has been timely paid.

(c) There is no tax, levy, impost, duty, fee, assessment or other governmental charge, or any deduction or withholding, imposed by any Governmental Authority in or of the jurisdiction in which such Foreign Obligor is organized and existing either (i) on or by virtue of the execution or delivery of the Applicable Foreign Obligor Documents or (ii) on any payment to be made by such Foreign Obligor pursuant to the Applicable Foreign Obligor Documents, except as has been disclosed to the Administrative Agent.

(d) The execution, delivery and performance of the Applicable Foreign Obligor Documents executed by such Foreign Obligor are, under applicable foreign exchange control regulations of the jurisdiction in which such Foreign Obligor is organized and existing, not subject to any notification or authorization except (i) such as have been made or obtained or (ii) such as cannot be made or obtained until a later date (provided that any notification or authorization described in clause (ii) shall be made or obtained as soon as is reasonably practicable).

Article f
AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Loan Parties shall, and shall cause each of their respective Subsidiaries to (or, solely in the case of the covenants set forth in Sections 6.01, 6.02 and 6.03 the Parent Borrower shall, and solely in the case of the covenants set forth in Sections 6.12(b) and 6.15 the Company shall):

1.01 Financial Statements. Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) as soon as available, but in any event within 90 days after the end of each fiscal year of the Company (or, if earlier, 15 days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)) (commencing with the fiscal year ended December 31, 2019), a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, changes in shareholders' equity, and cash flows for such fiscal year on Form 10-K, setting forth in each case in comparative form the figures as of the end of and for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of PricewaterhouseCoopers LLP or other "Big 4" accounting firm, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit, and which report shall state that such financial statements fairly present the consolidated financial condition of the Company and its Subsidiaries as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except for changes with which PricewaterhouseCoopers LLP or any such other independent certified public accountants, if applicable, shall concur and which shall have been disclosed in the notes to such financial statements) (which report shall be subject to the confidentiality limitations set forth herein); and

(b) as soon as available, but in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Company (or, if earlier, five days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income or operations for such fiscal quarter and for the portion of the Company's fiscal year then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the portion of the Company's fiscal year then ended on Form 10-Q, in each case setting forth in comparative form, as applicable, the figures as of the end of and for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail, certified by the chief executive officer, chief financial officer, treasurer or controller of the Company as fairly presenting the consolidated financial condition, results of operations, shareholders' equity and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

As to any information contained in materials furnished pursuant to Section 6.02(b), the Parent Borrower shall not be separately required to furnish such information under Section 6.01(a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Parent Borrower to furnish the information and materials described in Sections 6.01(a) and (b) above at the times specified therein.

1.02 Certificates; Other Information. Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b), a duly completed Compliance Certificate signed by a Responsible Officer of the Company (which delivery may, unless the Administrative Agent, or a Lender requests executed originals, be by electronic communication including fax or email and shall be deemed to be an original authentic counterpart thereof for all purposes) representing and certifying (1) that the officer signatory thereto has reviewed the terms of this Agreement, and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions contemplated hereby and the consolidated financial condition of the Company and its Subsidiaries, during the accounting period covered by such reports, that such review has not disclosed the existence during or at the end of such accounting period, and that such officer does not have knowledge of the existence as at the date of such Officer's Certificate, of any condition or event which constitutes a Default, or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Company or any of its Subsidiaries has taken, is taking and proposes to take with respect thereto, (2) calculations evidencing whether there has been compliance with each of the financial covenants set forth in Section 7.11 and (3) an update of Part (a) of Schedule 5.12, if applicable;

(b) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders or other equity holders of the Company, and copies of all annual, regular, periodic and special reports and registration statements which any Loan Party may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(c) promptly after the furnishing thereof, copies of any statement or report furnished to any holder of debt securities of any Loan Party or any Subsidiary thereof pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished pursuant to Section 6.01 or any other clause of this Section 6.02;

(d) promptly, and in any event within five Business Days after receipt thereof by any Loan Party, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party (in each case, to the extent such Loan Party is permitted to disclose such information to the Administrative Agent and the Lender);

(e) promptly after the assertion or occurrence thereof, notice of any action or proceeding against or of any noncompliance by any Loan Party or any of its Subsidiaries with any Environmental Law or Environmental Permit that could reasonably be expected to have a Material Adverse Effect;

(f) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Loan Parties or any of their Subsidiaries, or compliance with the terms of this Agreement, as the Administrative Agent may reasonably request including without limitation, tax returns, title reports, insurance certificates and results of environmental site assessments; and

(g) promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent, any L/C Issuer or any Lender for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and

regulations, including, without limitation, the USA PATRIOT Act and the Beneficial Ownership Regulation.

Documents required to be delivered pursuant to Section 6.01(a) or (b) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Company posts such documents, or provides a link thereto on the Company's website on the Internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Company's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that the Parent Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Company to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by any Loan Party with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Each of the Loan Parties hereby acknowledges that (a) the Administrative Agent, the Arrangers and/or the Bookrunners may, but shall not be obligated to, make available to the Lenders and the L/C Issuers materials and/or information provided by or on behalf of any Loan Party hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks, Syndtrak, ClearPar, or a substantially similar electronic transmission (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to any of the Borrowers or their respective Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. Each of the Loan Parties hereby agrees that it will identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (w) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Loan Parties shall be deemed to have authorized the Administrative Agent, the Arrangers, the Bookrunners, the L/C Issuers and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to any Loan Party or its securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) the Administrative Agent, the Bookrunners and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information."

1.03 Notices. Notify the Administrative Agent and each Lender promptly upon a Responsible Officer of the Company or the Parent Borrower having actual knowledge thereof:

(a) of the occurrence of any Default;

(b) any agreements, instruments which, and any corporate or other restrictions to which, it or any of its Subsidiaries enters into or becomes subject to after the Closing Date, and all other matters known to it, that, individually or in the aggregate, have or could reasonably be expected to result in a Material Adverse Effect, including any of the following if it could reasonably be expected to result in a Material Adverse Effect: (i) any breach or non-performance

of, or any default under, a Contractual Obligation of any Loan Party or any Subsidiary thereof; (ii) any dispute, litigation, investigation, proceeding or suspension between any Loan Party or any Subsidiary thereof and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting any Loan Party or any Subsidiary thereof, including pursuant to any applicable Environmental Laws;

(c) of the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of the Loan Parties and their Subsidiaries in an aggregate amount exceeding \$5,000,000;

(d) of any material change in accounting policies or financial reporting practices by any Loan Party or any Subsidiary thereof; and

(e) of any announcement by Moody's, S&P or Fitch of any change in a Debt Rating.

Each notice pursuant to this Section 6.03 (other than Section 6.03(e)) shall be accompanied by a statement of a Responsible Officer of the Company or the Parent Borrower setting forth details of the occurrence referred to therein and stating what action the Loan Parties and their Subsidiaries have taken and/or propose to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

1.04 Payment of Obligations. (a) Pay and discharge as the same shall become due and payable, (i) all federal, state and other material Tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted (which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien) and adequate reserves in accordance with GAAP are being maintained by such Loan Party or such Subsidiary, (ii) all lawful material claims which, if unpaid, would by law become a Lien (other than a Lien permitted under Section 7.01) upon its property; and (iii) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness, except to the extent that the failure to pay such Indebtedness would not constitute an Event of Default under Section 8.01(e); and (b) timely file all tax returns required to be filed, except where the failure to file such tax returns would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

1.05 Preservation of Existence, Etc. (a) Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except (i) in a transaction permitted by Section 7.04 or 7.05 or (ii) solely in the case of a Subsidiary of the Parent Borrower that is not a Loan Party, the failure to do so could not reasonably be expected to have a Material Adverse Effect; (b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

1.06 Maintenance of Properties. (a) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; (b) make all necessary repairs thereto and renewals and replacements thereof; and (c) use the standard of care typical in the industry for similar facilities in similar locations in the operation and maintenance of its facilities, except in the case

of clauses (a), (b) and (c) where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

1.07 Maintenance of Insurance. Maintain or cause each of its Subsidiaries to, maintain, or cause tenants of Projects to maintain, with financially sound and reputable insurance companies not Affiliates of the Company, insurance with respect to its properties and its business against general liability, property casualty and such casualties and contingencies as shall be commercially reasonable and in accordance with the customary and general practices of businesses having similar operations and real estate portfolios in similar geographic areas and in amounts, containing such terms, in such forms and for such periods as may be reasonable and prudent for such businesses, including without limitation, insurance policies and programs sufficient to cover (a) the replacement value of the improvements at Projects owned by the Loan Parties and their Subsidiaries (less commercially reasonable deductible amounts) and (b) liability risks associated with such ownership (less commercially reasonable deductible amounts).

1.08 Compliance with Laws. Comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

1.09 Books and Records. (a) Maintain proper books of record and account, in which full, true and correct entries in all material respects and in any event in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving its assets and business; and (b) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over it.

1.10 Inspection Rights. Permit representatives and independent contractors of the Administrative Agent and each Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the expense of the Borrowers and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Parent Borrower, provided that except as provided in the following proviso the Borrowers shall not be obligated to reimburse the Administrative Agent or any Lender (or any representative thereof) for more than one visit, inspection or examination conducted during any fiscal year of the Company; provided, however, that when an Event of Default exists the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrowers at any time during normal business hours and without advance notice.

1.11 Use of Proceeds. Use the proceeds of the Credit Extensions for working capital needs of the Company and its Subsidiaries, for acquisitions, including the acquisition of Managed Programs, and for other general corporate purposes not in contravention of any Law or of any Loan Document.

1.12 Additional Guarantors.

(a) If, after the Closing Date, any Subsidiary of the Company (including any Division Successor resulting from the consummation of a Division by a Subsidiary) that (x) either (i) receives fees under a Management Contract, (ii) is a Wholly-Owned REIT Subsidiary or (iii) owns, directly or indirectly, an Unencumbered Eligible Project and (y) is not a Subsidiary Guarantor becomes a borrower or guarantor of, or otherwise incurs a payment obligation in respect of, any Indebtedness of the type described in clause (a) of such definition that is not (A)

owing to any of the Consolidated Businesses or (B) Secured Indebtedness (including, without limitation and for the avoidance of doubt, Indebtedness (other than Secured Indebtedness) that is incurred under or in connection with notes or bonds issued in a Rule 144A Transaction), then within 15 Business Days of such event (or such other period as may be agreed by the Administrative Agent in its sole discretion), the Company may cause such Subsidiary, and shall cause such Subsidiary if it is a Domestic Wholly-Owned Subsidiary of the Company (and otherwise shall cause the most immediate parents of such Subsidiary that are Domestic Wholly-Owned Subsidiaries of the Company (if any)), to become a Subsidiary Guarantor under this Agreement and to execute and deliver a joinder agreement in substantially the form of Exhibit G, and the Company shall (x) as and to the extent requested by the Administrative Agent, deliver to the Administrative Agent the items referenced in Section 4.01(a)(iii), (iv) and (vi) with respect to each such Subsidiary, (y) as and to the extent requested by the Administrative Agent, deliver to the Administrative Agent a favorable opinion of counsel, which counsel shall be reasonably acceptable to the Administrative Agent, addressed to the Administrative Agent and each Lender, as to such matters concerning each such Subsidiary and the Loan Documents as the Administrative Agent may reasonably request and (z) provide the Administrative Agent with the U.S. taxpayer identification number for each such Domestic Wholly-Owned Subsidiary and the unique identification number issued by its jurisdiction of organization for each such Foreign Subsidiary and all documentation and other information concerning each such Subsidiary that the Administrative Agent or any Lender requests in order to comply with its obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Act.

(b) If at any time that the Company is not a Guarantor a Default occurs under Section 7.15, then within fifteen (15) Business Days (or such later date as the Required Lenders may agree) of the occurrence of such Default, the Company shall either (i) take such actions necessary to terminate the continuance of such Default or (ii) deliver to the Administrative Agent (A) a duly executed joinder agreement in form reasonably acceptable to the Administrative Agent pursuant to which the Company and each Intermediate Holding Company that is not at such time a Guarantor (if any) shall become party to this Agreement as a Guarantor, (B) the items referenced in Section 4.01(a)(iii), (iv) and (vi) with respect to the Company and each such Intermediate Holding Company and (C) a favorable opinion of counsel, which counsel shall be reasonably acceptable to the Administrative Agent, addressed to the Administrative Agent and each Lender, as to such matters concerning the Company, the Intermediate Holding Companies and the Loan Documents as the Administrative Agent may reasonably request.

1.13 Compliance with Environmental Laws. Comply in all material respects, with all applicable Environmental Laws and Environmental Permits held by it; obtain and renew or require the applicable tenant to obtain and renew, all Environmental Permits necessary for its operations; and conduct or require the applicable tenant to conduct any investigation, study, sampling and testing, and undertake any cleanup, response or other corrective action required under and in material compliance with Environmental Law necessary to remediate all Hazardous Materials at, on, under or emanating from any of the properties owned, leased or operated by it, in accordance with the requirements of all applicable Environmental Laws, except, in each case, where the failure to do so could not reasonably be expected to result in a Material Adverse Effect; provided, however, that the Loan Parties and their Subsidiaries shall not be required to undertake any such cleanup, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

1.14 Distributions in the Ordinary Course. Continue to follow its ordinary course of business practice of causing all of its Subsidiaries to make transfers of net cash and cash equivalents upstream to the Parent Borrower and not make net transfers of cash and cash equivalents downstream from the Parent Borrower to its Subsidiaries, except in the ordinary

course of business consistent with past practice and otherwise subject to the terms of this Agreement.

1.15 Company Status. At all times (i) remain publicly traded with securities listed on the New York Stock Exchange or another national stock exchange located in the United States, (ii) except as the result of a disposition otherwise permitted under this Agreement, retain Control of all Subsidiary Guarantors and all Borrowers, and (iii) continue to be organized and operated in a manner that will allow it to qualify for REIT Status.

1.16 Further Assurances. Promptly upon request by the Administrative Agent, or any Lender through the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, and (ii) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Administrative Agent for the benefit of the Lenders, the rights granted or now or hereafter intended to be granted to the Administrative Agent for the benefit of the Lenders under any Loan Document or under any other instrument executed in connection with any Loan Document to which any Loan Party or any of its Subsidiaries is or is to be a party, and cause each of its Subsidiaries to do so.

1.17 Compliance with Terms of Leaseholds. Make all payments and otherwise perform all obligations in respect of all material leases of Real Property to which the Company or any of its Subsidiaries is a party, keep such leases in full force and effect and not allow such leases to lapse or be terminated or any rights to renew such leases to be forfeited or cancelled, except, in any case, where (a) the Company or such Subsidiary determines in its reasonable business judgment that it will allow such lease to lapse or be terminated, or (b) the failure to do so, either individually or in the aggregate, could not be reasonably likely to have a Material Adverse Effect.

1.18 Material Contracts. Perform and observe all the terms and provisions of each material contract to be performed or observed by it, maintain each such material contract in full force and effect, enforce each such material contract in accordance with its terms, except, in any case, where (a) the Company or a Subsidiary thereof determines in its reasonable business judgment that it will agree to a work out, deliver a deed-in-lieu or allow such material contract to expire or that it will not enforce such material contract, or (b) where the failure to do so, either individually or in the aggregate, could not reasonably be likely to have a Material Adverse Effect.

1.19 Anti-Corruption Laws. Conduct its businesses in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and maintain policies and procedures designed to promote and achieve compliance with such laws.

Article g NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Loan Parties shall not, nor shall they permit any of their respective Subsidiaries to, directly or indirectly (and solely in the case of the covenants set forth in Section 7.15 the

Company, the OpCo GP and each Intermediate Holding Company shall not directly or indirectly):

1.01 Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, or sign or file or suffer to exist under the Uniform Commercial Code of any jurisdiction a financing statement that names the Company or any of its Subsidiaries as debtor, or assign any accounts or other right to receive income, other than the following:

(a) Permitted Encumbrances;

(b) Liens with respect to Capitalized Leases of equipment entered into in the ordinary course of business of the Consolidated Businesses; and

(c) Liens securing Secured Indebtedness, the incurrence of which is not prohibited by this Article VII.

1.02 Indebtedness. Create, incur, assume or suffer to exist any Indebtedness, except:

(a) the Obligations;

(b) Secured Indebtedness; provided that taking into account the incurrence of such Secured Indebtedness, the Loan Parties shall be in compliance, on a *pro forma* basis, with the provisions of Section 7.11;

(c) unsecured obligations (contingent or otherwise) existing or arising under any Swap Contract, provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or foreign exchange rates and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments to the defaulting party on outstanding transactions;

(d) unsecured Indebtedness outstanding on the Closing Date and listed on Schedule 7.02 and any refinancings, refundings, renewals or extensions thereof; provided that the Loan Parties shall be in compliance, on a *pro forma* basis, with the provisions of Section 7.11; and

(e) any other unsecured Indebtedness; provided that taking into account the incurrence of such Indebtedness, the Loan Parties shall be in compliance, on a *pro forma* basis, with the provisions of Section 7.11.

1.03 Investments. Make or hold any Investments, except:

(a) Investments held by the Loan Parties and their respective Subsidiaries in the form of Cash and Cash Equivalents;

(b) (i) Investments made on or prior to the Closing Date by the Loan Parties and their Subsidiaries in their respective Subsidiaries, (ii) additional Investments by the Loan Parties and their Subsidiaries in Loan Parties (other than the Company), (iii) additional Investments by Subsidiaries of the Company that are not Loan Parties in Subsidiaries of the Parent Borrower that are not Loan Parties, (iv) Investments made on or prior to the Closing Date in Joint Ventures and (v) additional Investments by the Loan Parties in Subsidiaries of the Parent Borrower that are not Loan Parties and Joint Ventures; provided that (A) no Default has occurred and is continuing or would result from such Investment and (B) taking into account the making

of such Investment, the Loan Parties shall be in compliance, on a *pro forma* basis, with the provisions of Section 7.11;

(c) Guarantees permitted by Section 7.02;

(d) Investments existing on the date hereof (other than those referred to in Section 7.03(b)(i) and (iv));

(e) [reserved];

(f) loans and advances to employees in the ordinary course of business not to exceed \$2,500,000 in the aggregate at any time outstanding;

(g) Investments by the Loan Parties and their Subsidiaries in the Parent Borrower or any Subsidiary thereof not otherwise permitted under this Section 7.03; provided that, with respect to each Investment made pursuant to this Section 7.03(g):

(i) such Investment shall not include or result in any contingent liabilities that could reasonably be expected to be material to the business, financial condition, operations or prospects of the Company and its Subsidiaries, taken as a whole (as determined in good faith (A) by the board of directors (or persons performing similar functions) of the Company or such Subsidiary if such board of directors is otherwise approving such transaction and (B) in each other case, by a Responsible Officer of the Company);

(ii) such Investment shall be in property that is part of, or in lines of business that are substantially the same lines of business as one or more of the principal businesses of the Parent Borrower and its Subsidiaries in the ordinary course or Persons that own such property; and

(iii) (A) immediately before and immediately after giving *pro forma* effect to any such Investment, no Default shall have occurred and be continuing or would result and (B) immediately after giving effect to such Investment, the Company and its Subsidiaries shall be in compliance, on a *pro forma* basis, with the provisions of Section 7.11.

1.04 Fundamental Changes. Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions and whether effected pursuant to a Division or otherwise) all or substantially all of its assets or all of substantially all of the stock of any of its Subsidiaries (in each case, whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default exists or would result therefrom:

(a) (i) any Person (other than the Company or the Parent Borrower) may merge into a Loan Party or a Subsidiary thereof in a transaction in which such Loan Party or such Subsidiary is the surviving Person, subject to the requirements of Section 6.12 and provided that if the Person merging into such Loan Party or Subsidiary is a Designated Borrower, then the Person surviving such merger shall be the Company, the Parent Borrower or a Designated Borrower (including any newly designated Designated Borrower pursuant to Section 2.19), (ii) any Loan Party or any Subsidiary thereof may sell, lease, transfer or otherwise Dispose of its assets to another Loan Party or another Subsidiary thereof, subject to the requirements of Section 6.12, (iii) any Subsidiary of the Company (other than a Subsidiary Guarantor or a Borrower) may liquidate or dissolve if the Company determines in good faith that such liquidation or dissolution is in the best interests of the Company and is not materially disadvantageous to the Lenders, and

(iv) if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing or would result, any Loan Party or any Subsidiary thereof may sell, transfer or otherwise Dispose of Equity Interests of a Subsidiary thereof (other than a Subsidiary Guarantor or a Borrower). For purposes of clarification, nothing in this Section 7.04 shall prevent the release of any Subsidiary Guarantor as permitted hereunder; and

(b) in connection with any acquisition permitted under Section 7.03, any Subsidiary of the Company (other than a Borrower) may merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it; provided that the Person surviving such merger shall be a Wholly-Owned Subsidiary of the Company and, if required thereby, shall comply with the requirements of Section 6.12.

1.05 Dispositions. Make any Disposition (whether in one transaction or in a series of transactions and whether effected pursuant to a Division or otherwise) or enter into any agreement to make any Disposition, except:

(a) Dispositions of obsolete or worn out property, whether now owned or hereafter acquired, in the ordinary course of business;

(b) Dispositions of property by any Subsidiary of the Company to the Company or to a Wholly-Owned Subsidiary thereof; provided that if the transferor of such property is a Borrower or a Subsidiary Guarantor, then the transferee thereof must be a Borrower or a Subsidiary Guarantor;

(c) Dispositions permitted by Section 7.04;

(d) (i) the Disposition of any Project or other Property and (ii) the sale or other Disposition of all, but not less than all, of the Equity Interests of any Subsidiary of the Parent Borrower that is not a Wholly-Owned REIT Subsidiary; provided that such Disposition shall not result in a Material Adverse Effect and at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing or would result therefrom.

1.06 Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that the following shall be permitted:

(a) each Subsidiary of the Parent Borrower may make Restricted Payments pro rata to the holders of its Equity Interests;

(b) the Parent Borrower may make Restricted Payments in an aggregate amount in any fiscal year not to exceed (i) the amount of Restricted Payments required to be paid by the Company (in the Company's reasonable judgment) in order for the Company to (x) maintain its REIT Status and (y) avoid the payment of federal or state income or excise tax plus (ii) additional Restricted Payments, so long as no Default arising under Section 8.01(a) or Section 8.01(b) (with respect to any of the covenants contained in Section 7.11) exists, both before and after giving effect to any such Restricted Payment on a *pro forma* basis; provided, that notwithstanding the foregoing, no Restricted Payments will be permitted following acceleration of any amount owing under any of the Facilities or during the existence of an Event of Default arising under Section 8.01(f) or (g); and

(c) following the Reorganization, the Company shall be permitted to make Restricted Payments with any amounts received by it directly or indirectly from the Parent Borrower pursuant to Section 7.06(b).

1.07 Change in Nature of Business. (a) Engage to any material extent in any business other than businesses of the type conducted by the Loan Parties and their Subsidiaries on the Closing Date and businesses reasonably related thereto, and (b) the Company shall not engage in any line of business which is not permitted to be engaged in by real estate investment trusts and shall not permit any of its taxable REIT Subsidiaries to engage in any line of business which is not permitted to be engaged in by taxable REIT Subsidiaries thereof.

1.08 Transactions with Affiliates. Enter into or permit to exist any transaction of any kind with any Affiliate of the Company (including, without limitation, the purchase, sale, lease or exchange of any property or the rendering of any service), whether or not in the ordinary course of business, with any holder or holders of more than 5% of any class of equity securities of the Company, or with any Affiliate of the Company which is not its Subsidiary of the Company, on terms that are less favorable to the Company or any of its Subsidiaries, as applicable, than those that might be obtained in an arm's length transaction at the time from Persons who are not such a holder or Affiliate. Nothing contained in this Section 7.08 shall prohibit (a) increases in compensation and benefits for officers and employees of the Loan Parties or any of their Subsidiaries which are customary in the industry or consistent with the past business practice of such Loan Party or such Subsidiary, provided that no Default has occurred and is continuing or would result; (b) payment of customary partners' indemnities; (c) performance of any obligations arising under the Loan Documents, (d) transactions between or among the Loan Parties, (e) Investments permitted by Section 7.03, (f) Dispositions permitted by Section 7.05; and (g) any Restricted Payment permitted by Section 7.06.

1.09 Amendments of Organizational Documents. Permit any Subsidiary of the Company to, at any time cause or permit its certificate of formation, limited liability company agreement, certificate of limited partnership, partnership agreement, articles of incorporation, by-laws, or other charter documents, as the case may be, to be modified, amended or supplemented in any respect whatsoever, without, in each case, the express prior written consent or approval of the Administrative Agent, if such changes would materially adversely affect the rights of the Administrative Agent or the Lenders hereunder or under any of the other Loan Documents; provided that if such prior consent or approval is not required, such Loan Party shall nonetheless notify the Administrative Agent in writing promptly after any such modification, amendment or supplement to the charter documents of such Loan Party.

1.10 Use of Proceeds. Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

1.11 Financial Covenants. (a) Maximum Leverage. Permit, as of the last day of each calendar quarter, the Leverage Ratio to exceed 60% (or, as of the last day of the four consecutive calendar quarters following the Company's acquisition, pursuant to one transaction or a series of related transactions occurring contemporaneously, of one or more entities or property portfolios with total assets of at least \$500,000,000, 65%); provided that in no event may the Leverage Ratio exceed 60% for more than four consecutive fiscal quarters in any five fiscal quarter period.

(a) Maximum Secured Debt. Permit, as of the last day of each calendar quarter Total Secured Outstanding Indebtedness to exceed 40% of Total Value (or, as of the last day of the four consecutive calendar quarters following the Company's acquisition, pursuant to one transaction or a series of related transactions occurring contemporaneously, of one or more entities or property portfolios with total assets of at least \$500,000,000, 45% of Total Value); provided that in no event may such ratio exceed 40% for more than four consecutive fiscal quarters in any five fiscal quarter period.

(b) Minimum Fixed Charge Coverage Ratio. Permit, as of the last day of each calendar quarter, the ratio of (i) Adjusted Total EBITDA for such calendar quarter to (ii) Fixed Charges for the same calendar quarter to be less than 1.50 to 1.00 for each calendar quarter.

(c) Unsecured Debt to Unencumbered Asset Value. Permit, as of the last day of each calendar quarter, Total Unsecured Outstanding Indebtedness to exceed 60% of Unencumbered Asset Value (or, as of the last day of the four consecutive calendar quarters following the Company's acquisition, pursuant to one transaction or a series of related transactions occurring contemporaneously, of one or more entities or property portfolios with total assets of at least \$500,000,000, 65% of Unencumbered Asset Value); provided that in no event may such ratio exceed 60% for more than four consecutive fiscal quarters in any five fiscal quarter period.

1.12 Prepayments, Etc. of Indebtedness. Prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner any Indebtedness at any time that an Event of Default exists or would result therefrom, except the prepayment of the Credit Extensions in accordance with the terms of this Agreement.

1.13 Fiscal Year Changes. Make any change in its fiscal year.

1.14 Anti-Money Laundering; Sanctions; Anti-Corruption Laws. (a) Engage in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated in any applicable law, regulation or other binding measure by the Organisation for Economic Cooperation and Development's Financial Action Task Force on Money Laundering or violate these laws or any other applicable anti-money laundering law or engage in these actions.

(d) Use the proceeds of any Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary thereof, joint venture partner or other individual or entity, to fund any activities of or business with any individual, or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Arranger, Bookrunner, Administrative Agent, L/C Issuer, Swing Line Lender, or otherwise) of Sanctions.

(e) Use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions.

1.15 Company Covenants. Notwithstanding anything to the contrary contained in any Loan Document, at any time that the Company is not a Borrower or a Guarantor:

(a) enter into or conduct any business other than in connection with the ownership, acquisition and disposition of interests in the Parent Borrower, the OpCo GP or any Intermediate Holding Company, as applicable, and the management of the business of the Parent Borrower, and such activities as are incidental thereto, all of which shall be solely in furtherance of the business of the Parent Borrower;

(b) own any assets other than (i) interests, rights, options, warrants or convertible or exchangeable securities of the Parent Borrower, (ii) Equity Interests in the Intermediate Holding Companies and the OpCo GP, (iii) assets that have been distributed to the Company by its Subsidiaries in accordance with Section 7.06 that are held for ten (10) Business Days or less pending further distribution to equity holders of the Company, (iv) assets received by the Company from third parties (including the net cash proceeds from any issuance and sale

by the Company of any of its Equity Interests), that are held for ten (10) Business Days or less pending contribution of same to the Parent Borrower (whether directly or through an Intermediate Holding Company), (v) such bank accounts or similar instruments as it deems necessary to carry out its responsibilities under its own Organization Documents and the Organization Documents of the Parent Borrower and (vi) other tangible and intangible assets that, taken as a whole, are de minimis in relation to the net assets of the Company and its Subsidiaries, but which shall in no event include any Equity Interests other than those permitted in clauses (i) and (ii) of this clause (b);

(c) create, incur, assume or suffer to exist any Indebtedness (other than Indebtedness of the type described in clause (g)(ii) of the definition of Indebtedness or any Guarantee thereof);

(d) make any Investment other than as permitted under clause (b) of this Section 7.15; or

(e) create, incur, assume or suffer to exist any Liens on any of its property, assets or revenues other than those permitted under clauses (a), (g) or (j) of the definition of Permitted Encumbrances.

Nothing in this Section 7.15 shall prevent the Company or any Intermediate Holding Company from (i) the maintenance of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance), (ii) the performance of its obligations with respect to the Loan Documents, (iii) any public offering of its common stock or any other issuance or sale of its Equity Interests, (iv) the payment of dividends, (v) making contributions directly or indirectly to the capital of the Parent Borrower, (vi) participating in tax, accounting and other administrative matters as a member of the consolidated group of the Company and the Parent Borrower, (vii) providing indemnification to officers, managers and directors, (viii) any activities incidental to compliance with the provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, any rules and regulations promulgated thereunder, and the rules of national securities exchanges, in each case, as applicable to companies with listed equity or debt securities, as well as activities incidental to investor relations, shareholder meetings and reports to shareholders or debt holders and (ix) any activities incidental to the foregoing.

Article h EVENTS OF DEFAULT AND REMEDIES

1.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. Any Loan Party fails to (i) pay when and as required to be paid herein, and in any currency hereunder, any amount of principal of any Loan or any L/C Obligation (whether upon demand at maturity, by reason of acceleration or otherwise) or deposit any funds as Cash Collateral in respect of L/C Obligations, or (ii) pay within five Business Days after the same becomes due, any interest on any Loan or on any L/C Obligation, any fee due hereunder, or any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. (i) Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 2.04(b)(v), 6.01, 6.02(a), 6.02(f), 6.03, 6.05, 6.10, 6.11, or Article VII (other than Section 7.15), (ii) the Company, the OpCo GP or any Intermediate Holding Company fails to perform or observe any term, covenant or agreement contained in Section 7.15 on its part to be performed or observed and such failure continues for fifteen (15) Business Days or (iii) any Guarantor fails to perform or observe any term, covenant or agreement contained in the Guaranty; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or (b)) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after the earlier of (i) a Responsible Officer thereof obtaining actual knowledge of such failure and (ii) the Parent Borrower receiving notice of such failure from the Administrative Agent (which notice shall be given at the request of any Lender); or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary thereof (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) and such failure continues after the applicable grace period, if any, in respect of any Material Indebtedness, or (B) fails to observe or perform any other agreement or condition relating to any Material Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, and such failure continues after the applicable grace period, if any, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Material Indebtedness (or, with respect to a Guarantee, the beneficiary or beneficiaries (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries)) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, (or, in the case of a Guarantee, such Guarantee to become payable or cash collateral in respect thereof to be demanded); provided that this clause (e) shall not apply to Secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness; or

(f) Insolvency Proceedings, Etc. Any Loan Party or any Material Subsidiary thereof institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for 60 calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party or any Material Subsidiary thereof becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within 30 days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party or any Subsidiary thereof (i) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) in an aggregate amount in excess of \$50,000,000 (to the extent not covered by independent third-party insurance as to which the insurer is rated at least "A" by A.M. Best Company, has been notified of the potential claim and does not dispute coverage and excluding judgments entered in respect of Nonrecourse Indebtedness and judgments entered in respect of Indebtedness that is recourse solely to a Subsidiary of the Company (x) that is not a Loan Party, (y) was formed solely to own a particular Project, and (z)

does not engage in any business other than the ownership of such Project), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of 30 consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of the Company and its Subsidiaries under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of \$5,000,000, or (ii) the Company or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of \$5,000,000; or

(j) Invalidity of Loan Documents. Any provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any provision of any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or

(k) Change of Control. There occurs any Change of Control; or

(l) REIT Status. The Company shall, for any reason, lose or fail to maintain its REIT Status.

1.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and any obligation of the L/C Issuers to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Loan Parties;

(c) require that the Borrowers Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(d) exercise on behalf of itself, the Lenders and the L/C Issuers all rights and remedies available to it, the Lenders and the L/C Issuers under the Loan Documents or applicable Laws;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to any Loan Party under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrowers to Cash Collateralize the L/C Obligations as aforesaid shall

automatically become effective, in each case without further act of the Administrative Agent or any Lender.

1.03 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall, subject to the provisions of Sections 2.17 and 2.18 be applied in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuers (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuers arising under the Loan Documents and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees, Delayed Draw Term Loan Unused Fees, Facility Fees and interest on the Loans, L/C Borrowings and other Obligations arising under the Loan Documents, ratably among the Lenders and the L/C Issuers in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans and L/C Borrowings, ratably among the Lenders and the L/C Issuers in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuers, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit to the extent not otherwise Cash Collateralized pursuant to Sections 2.04 and 2.17; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Parent Borrower or as otherwise required by Law.

Subject to Sections 2.04(c) and 2.17, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired or cancelled, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

Article i ADMINISTRATIVE AGENT

1.01 Appointment and Authority. Each of the Lenders and each of the L/C Issuers hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative

Agent, the Lenders and the L/C Issuers, and neither the Company nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative 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 as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

1.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrowers or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

1.03 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any of the Borrowers or any of their respective Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity;

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Parent Borrower, a Lender or an L/C Issuer; and

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this

Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

1.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or such L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or such L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

1.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

1.06 Resignation of Administrative Agent. (a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuers and the Parent Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Parent Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that in no event shall any such successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(a) If the Person serving as Administrative Agent is (i) a Defaulting Lender pursuant to clause (d) of the definition thereof or (ii) determined, by a court of competent jurisdiction by final and nonappealable judgment, to be grossly negligent in the performance of its material obligations and/or duties hereunder or to have engaged in willful misconduct in the performance of such obligations and/or duties, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Parent Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Parent Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the “Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(b) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuers under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and each L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor’s appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.01(j)) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Parent Borrower and such successor. After the retiring or removed Administrative Agent’s resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (i) while the retiring or removed Administrative Agent was acting as Administrative Agent and (ii) after such resignation or removal for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including (a) acting as collateral agent or otherwise holding any collateral security on behalf of any of the Lenders and (b) in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

(c) Any resignation by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as an L/C Issuer and the Swing Line Lender. If Bank of America, JPMorgan Chase or Wells Fargo Bank, resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit issued by it and outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.04(c). If Bank of America resigns as the Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swing Line Loans pursuant to

Section 2.05(c). Upon the appointment by the Parent Borrower of a successor L/C Issuer or Swing Line Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or the retiring Swing Line Lender, as applicable, (b) the retiring L/C Issuer and the retiring Swing Line Lender, as applicable, shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

1.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and each L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and each L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

1.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Bookrunners, Arrangers, Co-Syndication Agents, Documentation Agents, Senior Managing Agents or Managing Agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or an L/C Issuer hereunder.

1.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Loan Party) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, the L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuers and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuers and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuers and the Administrative Agent under Sections 2.04(h) and (i), 2.10 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each L/C Issuer to make such payments to the Administrative Agent and, if the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuers, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.10 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any L/C Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or any L/C Issuer or in any such proceeding.

1.10 Guaranty Matters. Without limiting the provisions of Section 9.09, the Lenders and the L/C Issuers irrevocably authorize the Administrative Agent, at its option and in its discretion to release any Subsidiary Guarantor from its obligations under the Guaranty if required pursuant to Section 10.10 hereof. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Subsidiary Guarantor from its obligations under the Guaranty pursuant to this Section 9.10.

1.11 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Arrangers, the Bookrunners and their respective Affiliates and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Arrangers, the Bookrunners and their respective Affiliates and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Loan Party, that none of the Administrative Agent, any Arranger, any Bookrunner or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

1.12 Recovery of Erroneous Payments. Without limitation of any other provision in this Agreement, if at any time the Administrative Agent makes a payment hereunder in error to any Lender Recipient Party, whether or not in respect of an Obligation due and owing by any Borrower at such time, where such payment is a Rescindable Amount, then in any such event, each Lender Recipient Party receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Lender Recipient Party in Same Day Funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender Recipient Party irrevocably waives any and all defenses, including any "discharge for value" (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return any Rescindable Amount. The Administrative Agent shall inform each Lender Recipient Party promptly upon determining that any payment made to such Lender Recipient Party comprised, in whole or in part, a Rescindable Amount.

Article j CONTINUING GUARANTY

1.01 **Guaranty.** Each Guarantor, jointly and severally with the other Guarantors, hereby absolutely, irrevocably and unconditionally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all of the Obligations, whether for principal, interest, premiums, fees, indemnities, damages, costs, expenses or otherwise, and whether arising hereunder or under any other Loan Document (including all renewals, extensions, amendments, refinancings and other modifications thereof and all costs, reasonable and documented attorneys' fees and expenses incurred in connection with the collection or enforcement thereof) (for each Guarantor, subject to the proviso in this sentence, its "**Guaranteed Obligations**"); **provided**, that the liability of each Subsidiary Guarantor and each Guarantor that is a Designated Borrower individually with respect to this Guaranty shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law. The Administrative Agent's books and records showing the amount of the Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon the Guarantors, and conclusive for the purpose of establishing the amount of the Guaranteed Obligations. This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Guaranteed Obligations or any instrument or agreement evidencing any Guaranteed Obligations,

or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Guaranteed Obligations which might otherwise constitute a defense to the obligations of any Guarantor under this Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

1.02 Rights of Lenders. Each Guarantor consents and agrees that the Creditor Parties may, at any time and from time to time, without notice or demand, without the consent of such Guarantor, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Guaranteed Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, sell, or otherwise dispose of, or impair or fail to perfect any Lien on, any security for the payment of this Guaranty or any Guaranteed Obligations; (c) apply such security and direct the order or manner of sale thereof as the Administrative Agent, the L/C Issuers and the Lenders in their sole discretion may determine; and (d) release or substitute any other Guarantor or one or more of any endorsers or other guarantors of any of the Guaranteed Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of the Guarantors under this Guaranty or which, but for this provision, might operate as a discharge of one or more of the Guarantors.

1.03 Certain Waivers. Each Guarantor waives (a) any defense arising by reason of any disability or other defense of any Borrower, any other Loan Party or any other guarantor of the Guaranteed Obligations or any part thereof, or the cessation from any cause whatsoever (including any act or omission of any Creditor Party) of the liability of any Borrower (other than the defense of prior payment in full of the Guaranteed Obligations); (b) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of any Borrower; (c) the benefit of any statute of limitations affecting such Guarantor's liability hereunder; (d) any requirement to proceed against any Borrower or any other Loan Party, proceed against or exhaust any security for the Guaranteed Obligations, or pursue any other remedy in the power of any Creditor Party whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by any Creditor Party; and (f) to the fullest extent permitted by law, any and all other defenses (other than the defense of prior payment in full of the Guaranteed Obligations) or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Guaranteed Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Guaranteed Obligations.

1.04 Obligations Independent. The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Guaranteed Obligations and the obligations of any other guarantor of the Guaranteed Obligations or any part thereof, and a separate action may be brought against any Guarantor to enforce this Guaranty whether or not any Borrower or any other Person is joined as a party. For the avoidance of doubt, all obligations of each Guarantor under this Guaranty are joint and several obligations of all the Guarantors.

1.05 Subrogation. No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty until all of the Guaranteed Obligations and any amounts payable under this Guaranty have been indefeasibly paid and performed in full and the Commitments and the Facilities are terminated. If any amounts are paid to any Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust by such Guarantor for the benefit of the Creditor Parties

and shall forthwith be paid to the Administrative Agent for the benefit of the Creditor Parties to reduce the amount of the Guaranteed Obligations, whether matured or unmatured.

1.06 Termination; Reinstatement. This Guaranty is a continuing, absolute, unconditional and irrevocable guaranty of all Guaranteed Obligations now or hereafter existing and shall remain in full force and effect until all Guaranteed Obligations and any other amounts payable under this Guaranty are indefeasibly paid in full in cash and the Commitments and the Facilities with respect to the Guaranteed Obligations are terminated. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of any Borrower or any Guarantor is made, or any of the Creditor Parties exercises its right of setoff, in respect of the Guaranteed Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any of the Creditor Parties in their discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Creditor Parties are in possession of or have released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of the Guarantors under this paragraph shall survive termination of this Guaranty.

1.07 Subordination. Each Guarantor hereby subordinates the payment of all obligations and indebtedness of any Loan Party owing to such Guarantor, whether now existing or hereafter arising, including but not limited to any obligation of any Borrower to such Guarantor as subrogee of the Creditor Parties or resulting from such Guarantor's performance under this Guaranty, to the indefeasible payment in full in cash of all Guaranteed Obligations; provided that such Guarantor may receive regularly scheduled payments of principal and interest on such obligations and indebtedness from any Borrower, except upon the occurrence and continuance of an Event of Default. If any amounts are paid to any Guarantor in violation of the foregoing subordination, then such amounts shall be held in trust for the benefit of the Creditor Parties and shall forthwith be paid to the Creditor Parties to reduce the amount of the Guaranteed Obligations, whether matured or unmatured. Upon the occurrence and continuance of an Event of Default, if the Creditor Parties so request, any such obligation or indebtedness of any Borrower to any Guarantor shall be enforced and performance received by such Guarantor as trustee for the Creditor Parties and the proceeds thereof shall be paid over to the Creditor Parties on account of the Guaranteed Obligations, but without reducing or affecting in any manner the liability of any Guarantor under this Guaranty.

1.08 Stay of Acceleration. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed, in connection with any case commenced by or against any Borrower or any other Loan Party under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by the Guarantors immediately upon demand by the Creditor Parties.

1.09 Condition of Loan Parties. Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Loan Parties and any other guarantor of the Guaranteed Obligations such information concerning the financial condition, business and operations of the Loan Parties and any such other guarantor as such Guarantor requires, and that none of the Creditor Parties has any duty, and such Guarantor is not relying on the Creditor Parties at any time, to disclose to such Guarantor any information relating to the business, operations or financial condition of any Loan Party or any other guarantor of the Guaranteed Obligations (such Guarantor waiving any duty on the part of the Creditor Parties to disclose such information and any defense relating to the failure to provide the same).

1.10 Release of Subsidiary Guarantors that are not Intermediate Holding Companies. With respect to any Subsidiary Guarantor that is not an Intermediate Holding Company:

(a) In the event that (i) all of the capital stock or other Equity Interests of such Subsidiary Guarantor is sold or otherwise disposed of in a transaction permitted by Section 7.05(d) (except to the extent that such sale or disposition is to a Borrower or any other Loan Party) or (ii) such Subsidiary Guarantor will no longer be a borrower or guarantor of, or otherwise have payment obligations in respect of, any Indebtedness of the type described in clause (a) of such definition that is not (x) owing to any of the Consolidated Businesses or (y) Secured Indebtedness (including, without limitation and for the avoidance of doubt, Indebtedness (other than Secured Indebtedness) that is incurred under or in connection with notes or bonds issued in a Rule 144A Transaction), then such Subsidiary Guarantor shall be released from its obligations under this Guaranty and the other Loan Documents; provided, that the Parent Borrower shall have delivered to the Administrative Agent, at least two Business Days prior to the date of the proposed release (or such shorter period of time as agreed to by the Administrative Agent in writing), a written request for release (a "Guarantor Release Notice"), together with an certificate of a Responsible Officer of the Parent Borrower certifying that (x) in the case of clause (i) above, such sale or disposition is as a result of a transaction permitted under this Agreement and (y) in the case of clause (ii) above, as of the effective date of such release (as set forth in the Guarantor Release Notice) such Subsidiary Guarantor will not be a borrower or guarantor of, or otherwise have payment obligations in respect of, any Indebtedness of the type described in clause (a) of such definition that is not (A) owing to any of the Consolidated Businesses or (B) Secured Indebtedness (including, without limitation and for the avoidance of doubt, Indebtedness (other than Secured Indebtedness) that is incurred under or in connection with notes or bonds issued in a Rule 144A Transaction). The Administrative Agent will (at the sole cost of the Borrowers) following receipt of such Guarantor Release Notice and certificate of a Responsible Officer, and each of the Lenders and the L/C Issuers irrevocably authorizes the Administrative Agent to, execute and deliver such documents as the Parent Borrower or any such Subsidiary Guarantor may reasonably request to evidence the release of such Subsidiary Guarantor from its obligations hereunder and under the other Loan Documents, which documents shall be reasonably satisfactory to the Administrative Agent.

(b) The Administrative Agent shall promptly notify the Lenders of any such release hereunder, and this Agreement and each other Loan Document shall be deemed amended to delete the name of any Subsidiary Guarantor released pursuant to Section 10.10(a).

1.11 Contribution. At any time a payment in respect of the Guaranteed Obligations is made under this Guaranty, the right of contribution of each Guarantor against each other Guarantor shall be determined as provided in the immediately following sentence, with the right of contribution of each Guarantor to be revised and restated as of each date on which a payment (a "Relevant Payment") is made on the Guaranteed Obligations under this Guaranty. At any time that a Relevant Payment is made by a Guarantor that results in the aggregate payments made by such Guarantor in respect of the Guaranteed Obligations to and including the date of the Relevant Payment exceeding such Guarantor's Contribution Percentage (as defined below) of the aggregate payments made by all Guarantors in respect of the Guaranteed Obligations to and including the date of the Relevant Payment (such excess, the "Aggregate Excess Amount"), each such Guarantor shall have a right of contribution against each other Guarantor who either has not made any payments or has made payments in respect of the Guaranteed Obligations to and including the date of the Relevant Payment in an aggregate amount less than such other Guarantor's Contribution Percentage of the aggregate payments made to and including the date of the Relevant Payment by all Guarantors in respect of the Guaranteed Obligations (the aggregate amount of such deficit, the "Aggregate Deficit Amount") in an amount equal to (x) a fraction the numerator of which is the Aggregate Excess Amount of such Guarantor and the denominator of which is the Aggregate Excess Amount of all Guarantors multiplied by (y) the

Aggregate Deficit Amount of such other Guarantor. A Guarantor's right of contribution pursuant to the preceding sentences shall arise at the time of each computation, subject to adjustment at the time of each computation; provided, that no Guarantor may take any action to enforce such right until after all Guaranteed Obligations and any other amounts payable under this Guaranty are indefeasibly paid in full in cash and the Commitments and the Facilities with respect to the Guaranteed Obligations are terminated, it being expressly recognized and agreed by all parties hereto that any Guarantor's right of contribution arising pursuant to this Section 10.11 against any other Guarantor shall be expressly junior and subordinate to such other Guarantor's obligations and liabilities in respect of the Guaranteed Obligations and any other obligations owing under this Guaranty. As used in this Section 10.11, (i) each Guarantor's "Contribution Percentage" shall mean the percentage obtained by dividing (x) the Adjusted Net Worth (as defined below) of such Guarantor by (y) the aggregate Adjusted Net Worth of all Guarantors; (ii) the "Adjusted Net Worth" of each Guarantor shall mean the greater of (x) the Net Worth (as defined below) of such Guarantor and (y) zero; and (iii) the "Net Worth" of each Guarantor shall mean the amount by which the fair saleable value of such Guarantor's assets on the date of any Relevant Payment exceeds its existing debts and other liabilities (including contingent liabilities, but without giving effect to any Guaranteed Obligations arising under this Guaranty) on such date. All parties hereto recognize and agree that, except for any right of contribution arising pursuant to this Section 10.11, each Guarantor who makes any payment in respect of the Guaranteed Obligations shall have no right of contribution or subrogation against any other Guarantor in respect of such payment until after all Guaranteed Obligations and any other amounts payable under this Guaranty are indefeasibly paid in full in cash and the Commitments and the Facilities with respect to the Guaranteed Obligations are terminated. Each of the Guarantors recognizes and acknowledges that the rights to contribution arising hereunder shall constitute an asset in favor of the party entitled to such contribution. In this connection, each Guarantor has the right to waive its contribution right against any Guarantor to the extent that after giving effect to such waiver such Guarantor would remain Solvent, in the determination of the Administrative Agent or the Required Lenders.

1.12 Release of Company. At any time the Company Release Conditions are satisfied, then the Company and the Intermediate Holding Companies shall be entitled to be released from their respective obligations under this Guaranty; provided, that the Company shall have delivered to the Administrative Agent, at least five Business Days prior to the date of the proposed release (or such shorter period of time as agreed to by the Administrative Agent in writing), a written notice of the Company's election, on behalf of itself and the Intermediate Holding Companies, to be released from their respective obligations under this Guaranty (a "Company Release Notice"), together with a certificate of a Responsible Officer of the Company certifying that as of the proposed effective date of such release (as set forth in the Guarantor Release Notice) and immediately before and after giving effect thereto, each of the Company Release Conditions are satisfied. The Administrative Agent will (at the sole cost of the Borrowers) following receipt of such Company Release Notice and certificate of a Responsible Officer, and each of the Lenders and the L/C Issuers irrevocably authorizes the Administrative Agent to, execute and deliver such documents as the Company may reasonably request to evidence the release of the Company and the Intermediate Holding Companies from their respective obligations under this Guaranty, which documents shall be reasonably satisfactory to the Administrative Agent. The Administrative Agent shall promptly notify the Lenders of any such release pursuant to this Section 10.12.

Article k
MISCELLANEOUS

1.01 Amendments, Etc. ~~No~~ Subject to Sections 1.08, 2.02(g), 2.16(e), 3.03 and the last paragraph of this Section 11.01, no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Company or any other Loan

Party therefrom, shall be effective unless in writing signed by the Required Lenders (or, to the extent such amendment or waiver (i) relates solely to a specific Tranche, the Tranche Required Lenders with respect to such Tranche, (ii) changes Section 1.08, the Tranche Required Lenders with respect to the Alternative Currency Tranche, (iii) except as otherwise provided in Section 1.08, amends the definition of “Alternative Currency”, each Revolving Credit Lender, or (iv) waives any obligation to pay interest or Letter of Credit Fees at the Default Rate, the Required Revolving Lenders), the Parent Borrower, the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that (i) the Administrative Agent and the Parent Borrower may, without the consent of any Lender or any Loan Party then party hereto, amend this Agreement to add a Subsidiary of the Company as a “Subsidiary Guarantor” hereunder pursuant to a joinder agreement in substantially the form of Exhibit G, to add a Designated Borrower pursuant to a Designated Borrower Request and Assumption Agreement and Designated Borrower Notice, to add the OpCo as the Parent Borrower in accordance with the provisions of Section 11.25 or to join the Company and Intermediate Holding Companies as Guarantors in accordance with the provisions of Section 6.12 or Section 11.25 and (ii) notwithstanding the foregoing provisions of this Section 11.01 (including the first proviso above), no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01(a), without the written consent of each Lender;

(b) without limiting the generality of clause (a) above, waive any condition set forth in Section 4.02 as to any Credit Extension under a particular Facility without the written consent of the Required Revolving Lenders, the Required Delayed Draw Term Lenders or the Required Term Lenders, as the case may be;

(c) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;

(d) postpone any date fixed by this Agreement or any other Loan Document for (i) any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under such other Loan Document without the written consent of each Lender entitled to such payment or (ii) any scheduled reduction of any Facility hereunder or under any other Loan Document without the written consent of each Appropriate Lender;

(e) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to such amount; provided, however, that only the consent of the Required Lenders shall be necessary (i) to amend the definition of “Default Rate” or (ii) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing or to reduce any fee payable hereunder;

(f) change any of the terms or provisions in any Loan Document requiring pro rata payments, distributions, commitment reductions or sharing of payments without the consent of each Lender, including (i) Section 2.14 or 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender or (ii) the order of application of any reduction in the Commitments or any prepayment of Loans among the Facilities from the application thereof set forth in the applicable provisions of Section 2.06(b) or 2.07(b), respectively, in any manner that materially and adversely affects the Lenders under a Facility without the written consent of (A) if such Facility is the Term Facility, each Term

Lender, (B) if such Facility is the Delayed Draw Term Facility, each Delayed Draw Term Lender and (B) if such Facility is the Revolving Credit Facility, each Revolving Credit Lender; provided, that with the consent of the Required Lenders, such terms and provisions may be amended on customary terms in connection with an “amend and extend” transaction, but only if all Lenders that consent to such “amend and extend” transaction are treated on a pro rata basis;

(g) (i) change any provision of this Section 11.01 or the definition of “Required Lenders”, without the written consent of each Lender, (ii) change the definition of “Required Revolving Lenders” or “Appropriate Lenders” (as it applies to the Revolving Credit Facility) without the written consent of each Revolving Lender, (iii) change the definition of “Tranche Required Lenders” as it applies to any Tranche without the written consent of each Revolving Lender in the applicable Tranche, (iv) change the definition of “Required Delayed Draw Term Lenders” or “Appropriate Lenders” (as it applies to the Delayed Draw Term Facility) without the written consent of each Delayed Draw Lender, (v) change the definition of “Required Term Lenders” or “Appropriate Lenders” (as it applies to the Term Facility) without the written consent of each Term Lender or (vi) change any other provision hereof specifying the number or percentage of Lenders, or otherwise identifying a specific group of Lenders, required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender directly affected thereby;

(h) release (i) all or substantially all of the value of the Guaranty, without the written consent of each Lender, except as expressly provided in the Loan Documents or (ii) the Guarantee obligations or joint and several liability of the Parent Borrower pursuant to Section 2.19 and Article X, without the written consent of each Lender or (iii) the Company from its Guarantee obligation under Section 6.12(b) and Article X, without the written consent of each Lender, except as provided in Section 10.12; or

(i) impose any greater restriction on the ability of any Lender under a Facility to assign any of its rights or obligations hereunder without the written consent of (i) if such Facility is the Term Facility, each Term Lender, (ii) if such Facility is the Delayed Draw Term Facility, each Delayed Draw Term Lender and (iii) if such Facility is the Revolving Credit Facility, each Revolving Credit Lender;

and provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by an L/C Issuer in addition to the Lenders required above, affect the rights or duties of such L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swing Line Lender in addition to the Lenders required above, affect the rights or duties of the Swing Line Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, (x) affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document or (y) modify, change, waive or consent to any departure from, or have the effect of modifying, changing, waiving or consenting to any departure from, Section 3.03, any term defined in such section, any term defined in any other section or provision in this Agreement relating to SOFR, Daily Simple SOFR, Term SOFR, any Alternative Currency Daily Rate, any Alternative Currency Term Rate, any Relevant Rate or any Successor Rate, or any term or provision relating to the replacement of any such rate or Successor Rate; and (iv) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification

requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender in a disproportionately adverse manner relative to other affected Lenders shall require the consent of such Defaulting Lender.

Notwithstanding any provision herein to the contrary,

(i) the Administrative Agent, with the consent of the Parent Borrower, may amend, modify or supplement any Loan Document without the consent of any Lender or the Required Lenders in order to correct, amend or cure any ambiguity, inconsistency or defect or correct any typographical error or other manifest error in any Loan Document so long as such amendment, modification or supplement does not impose additional obligations on, or otherwise affect in any material respect the interests of, any Lender; provided that the Administrative Agent shall promptly give the Lenders notice of any such amendment, modification or supplement;

(ii) this Agreement may be amended with the written consent of the Required Lenders, the Administrative Agent, the Company and the other Loan Parties (i) to add one or more additional revolving credit or term loan facilities to this Agreement, and to permit the extensions of credit and all related obligations and liabilities arising in connection therewith from time to time outstanding to share ratably (or on a basis subordinated to the existing facilities hereunder) in the benefits of this Agreement and the other Loan Documents with the obligations and liabilities from time to time outstanding in respect of the existing facilities hereunder, and (ii) in connection with the foregoing, to permit, as deemed appropriate by the Administrative Agent and approved by the Required Lenders, the Lenders providing such additional credit facilities to participate in any required vote or action required to be approved by the Required Lenders or by any other number, percentage or class of Lenders hereunder; and

(iii) this Agreement and the other Loan Documents may be amended (or amended and restated), modified or supplemented, without the consent of any Lender to the extent necessary or appropriate in the opinion of the Administrative Agent and the Company to (A) effect the OpCo's assumption of all of the Company's liabilities and obligations as a Borrower under, and the Company's transfer and assignment to the OpCo of all of the Company's rights and benefits as a Borrower under, this Agreement and the other Loan Documents to which the Company is a party as a Borrower, and (B) effect such other amendment (or amendment and restatement of), modification or supplement of this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Company, to effect the provisions of Section 11.25, including, without limitations, to amend representations, covenants and events of default as appropriate to permit consummation of the Reorganization and reflect the OpCo as the Parent Borrower and, to the extent required by Section 11.25, the Company and Intermediate Holding Companies as Guarantors, in each case, so long as such amendment, modification or supplement does not impose additional obligations on, or otherwise affect in any material respect the interests of, any Lender; provided that the Administrative Agent shall promptly give the Lenders notice of any such amendment, modification or supplement.

1.02 Notices; Effectiveness; Electronic Communications. (a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows,

and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to a Loan Party, the Administrative Agent, an L/C Issuer or the Swing Line Lender, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Loan Parties).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below shall be effective as provided in such subsection (b).

(a) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail, FpML messaging, and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or any L/C Issuer pursuant to Article II if such Lender or such L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, the Swing Line Lender, any L/C Issuer or a Loan Party may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(b) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH

THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the “Agent Parties”) have any liability to any Loan Party, any Lender, any L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Loan Party’s or the Administrative Agent’s transmission of Borrower Materials or notices through the platform, any other electronic platform or electronic messaging service, or through the Internet. In addition, in no event shall any Agent Party have any liability to any Loan Party, any Lender, any L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(c) Change of Address, Etc. Each of the Loan Parties, the Administrative Agent, the L/C Issuers and the Swing Line Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the Parent Borrower, the Administrative Agent, each L/C Issuer and the Swing Line Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the “Private Side Information” or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender’s compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to one or more of the Company and its Subsidiaries or their respective securities for purposes of United States Federal or state securities laws.

(d) Reliance by Administrative Agent, L/C Issuers and Lenders. The Administrative Agent, the L/C Issuers and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices or Loan Notices, Letter of Credit Applications and Swing Line Loan Notices) purportedly given by or on behalf of a Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrowers shall indemnify the Administrative Agent, each L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

1.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender, any L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions

and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuers; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any L/C Issuer or the Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as an L/C Issuer or the Swing Line Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.14), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.14, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

1.04 Expenses; Indemnity; Damage Waiver. (a) Costs and Expenses. The Borrowers shall pay, or cause to be paid, (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Arrangers and Bookrunners and their respective Affiliates (including the reasonable documented fees, charges and disbursements of counsel for the Administrative Agent and the Arrangers and Bookrunners), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by any L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, any Lender or any L/C Issuer (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender or any L/C Issuer), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(a) Indemnification. The Borrowers shall indemnify the Administrative Agent (and any sub-agent thereof), each Arranger, each Bookrunner, the Swing Line Lender, each Lender and each L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Company or any other Loan Party) other than such Indemnitee and its Related Parties arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby (including, without limitation, the Indemnitee’s reliance on any Communication executed using an Electronic Signature, or in the form of an Electronic Record), the performance by the parties hereto or thereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed

in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by any L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or Release of Hazardous Materials at, on, under or emanating from any property owned, leased or operated by the any Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to any Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Loan Party or any of such Loan Party's directors, shareholders or creditors, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee (or any Affiliate Controlled by or under common Control with such Indemnitee).

(b) Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), any Arranger, any Bookrunner, the Swing Line Lender, any L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), such Arranger, such Bookrunner, the Swing Line Lender, such L/C Issuer or such Related Party, as the case may be, such Lender's ratable share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought according to the proportion of (a) the sum of the (i) Total Outstandings owing to such Lender (with the aggregate amount of such Lender's risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed "held" by such Lender for purposes hereof) other than the Outstanding Amount of Competitive Loans and (ii) the aggregate unused Commitments (determined without giving effect to any Competitive Loans outstanding on such date) of such Lender to (b) the sum of (i) Total Outstandings other than the Outstanding Amount of Competitive Loans and (ii) the aggregate unused Commitments (determined without giving effect to any Competitive Loans outstanding on such date)) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), any Arranger, any Bookrunner, the Swing Line Lender or any L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), the Swing Line Lender or such L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.13(d).

(c) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Loan Party, nor any Subsidiary thereof, shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(e) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(c) shall survive the resignation of the Administrative Agent, any L/C Issuer and the Swing Line Lender, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

1.05 Payments Set Aside. To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent, any L/C Issuer or any Lender, or the Administrative Agent, any L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, such L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and each L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount received by such Lender or such L/C Issuer and so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect, in the applicable currency of such recovery or payment. The obligations of the Lenders and the L/C Issuers under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

1.06 Successors and Assigns. (a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted such assignment or transfer without such consent shall be null and void) and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of Section 11.06(b), (ii) by way of participation in accordance with the provisions of Section 11.06(d), or (iii) by way of pledge or assignment, or grant of a security interest, subject to the restrictions of Section 11.06(f), (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuers and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(a) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment(s) and the Loans (including for purposes of this Section 11.06(b), participations in L/C Obligations and in Swing Line Loans) at the time owing to it); provided that (in each case with respect to any Facility) any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and/or the Loans at the time

owing to it under any Facility or contemporaneous assignments to related Approved Funds that equal at least the amount specified in subsection (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the applicable Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if “Trade Date” is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000 in the case of any assignment in respect of any Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Parent Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met;

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, except that this clause (ii) shall not (A) apply to rights in respect of Bid Loans or the Swing Line Lender’s rights and obligations in respect of Swing Line Loans or (B) prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Parent Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment, (2) if such assignment is with respect to the Revolving Credit Facility, such assignment is to a Revolving Credit Lender or (3) if such assignment is with respect to the Term Facility or the Delayed Draw Term Facility, such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Parent Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if (1) such assignment is with respect to the Revolving Credit Facility and is to a Person that is not a Revolving Credit Lender or (2) such assignment is with respect to the Term Facility or the Delayed Draw Term Facility and is to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund;

(C) the consent of each L/C Issuer and the Swing Line Lender shall be required for any assignment in respect of the Revolving Credit Facility if such assignment is to a Person that is not a Revolving Credit Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, and shall pay or cause to be paid to the Administrative Agent a processing and recordation fee in the amount of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment, and such fee shall be waived in the event of an assignment by a Lender to its Affiliate. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Company or any of the Company's Affiliates or Subsidiaries or (B) any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) a natural person (or to a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural person).

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Parent Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by such Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, any L/C Issuer or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Line Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, each Borrower (at its expense) shall execute and deliver a Note to (i) the assignee Lender and/or (ii) in

the case of a partial assignment by a Lender of its rights or obligations under this Agreement, the assigning Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.06(d).

(b) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrowers (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by any Loan Party and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(c) Participations. Any Lender may at any time, without the consent of, or notice to, the Parent Borrower, any other Loan Party or the Administrative Agent, sell participations to any Person (other than a natural person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural person, a Defaulting Lender or the Company or any of the Company's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations and/or Swing Line Loans) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Parent Borrower, the other Loan Parties, the Administrative Agent, the Lenders and the L/C Issuers shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 11.01 that affects such Participant. Subject to subsection (e) of this Section, the Parent Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and limitations of such sections) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.06(b) (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.06(b)); provided that such Participant agrees to be subject to the provisions of Sections 3.06(a) and 11.13 as if it were an assignee under Section 11.06(b). Each Lender that sells a participation agrees, at the Parent Borrower's request and expense, to use reasonable efforts to cooperate with the Parent Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided that such Participant agrees to be subject to Section 2.14 as though it were a Lender.

Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Parent Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive, absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation or unless the sale of the participation to such Participant is made with the Parent Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 3.01 unless the Parent Borrower is notified of the Participation sold to such Participant and such Participant agrees, for the benefit of the Parent Borrower, to comply with Section 3.01(e) as though it were a Lender.

(e) Certain Pledges. Any Lender may at any time pledge or assign, or grant a security interest in, all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment, or grant of a security interest, to secure obligations to a Federal Reserve Bank ~~or any other central bank~~; provided that no such pledge or assignment or grant shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee or grantee for such Lender as a party hereto.

(f) Resignation as L/C Issuer or Swing Line Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time a Lender that is an L/C Issuer or the Swing Line Lender assigns all of its Revolving Credit Commitment and Revolving Credit Loans pursuant to Section 11.06(b), such L/C Issuer or the Swing Line Lender may (i) upon 30 days' notice to the Parent Borrower and the Lenders, resign as an L/C Issuer and/or (ii) upon 30 days' notice to the Parent Borrower, resign as the Swing Line Lender. In the event of any such resignation as an L/C Issuer or the Swing Line Lender, the Parent Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swing Line Lender hereunder; provided, however, that no failure by the Parent Borrower to appoint any such successor shall affect the resignation of such Lender as an L/C Issuer or the Swing Line Lender, as the case may be. If a Lender that is an L/C Issuer resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit issued by it and outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.04(c)). If a Lender that is the Swing Line Lender resigns as Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swing Line Loans

pursuant to Section 2.05(c). Upon the appointment of a successor L/C Issuer and/or Swing Line Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be, and (b) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of such retiring L/C Issuer with respect to such Letters of Credit.

1.07 Treatment of Certain Information; Confidentiality. Each of the Administrative Agent, the Lenders and the L/C Issuers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates, its auditors and its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or any Eligible Assignee invited to be a Lender pursuant to Section 2.16 or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to any Loan Party and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the Company or any of its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Parent Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, the L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than any Loan Party or any Subsidiary thereof. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Administrative Agent and the Lenders in connection with the administration of this Agreement, the other Loan Documents, and the Commitments.

For purposes of this Section, “Information” means all information received from any Loan Party or any Subsidiary thereof relating to any Loan Party or any Subsidiary thereof or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any L/C Issuer on a nonconfidential basis prior to disclosure by any Loan Party or any Subsidiary thereof, provided that, in the case of information received from a Loan Party or any such Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent, the Lenders and the L/C Issuers acknowledges that (a) the Information may include material non-public information concerning a Loan Party or a Subsidiary thereof, as the case may be, (b) it has developed compliance procedures regarding the

use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

1.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law (and subject to Section 2.14), to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, such L/C Issuer or any such Affiliate to or for the credit or the account of the Parent Borrower or any other Loan Party against any and all of the obligations of the Parent Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or such L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender, L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Parent Borrower or such Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender or such L/C Issuer different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.18 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuers and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such L/C Issuer or their respective Affiliates may have. Each Lender and each L/C Issuer agrees to notify the Parent Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

1.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Parent Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

1.10 Counterparts Integration; Effectiveness. This Agreement ~~may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or any L/C Issuer, constitute a single~~ the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto-
~~Delivery of an executed counterpart of a signature~~

~~page of this Agreement by telecopy or other electronic imaging means (e.g., "pdf" or "tif"), and thereafter shall be effective as delivery of a manually executed counterpart of this Agreement~~ binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

1.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

1.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, the L/C Issuer or the Swing Line Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

1.13 Replacement of Lenders. If the Parent Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, or if any other circumstance exists hereunder that gives the Parent Borrower the right to replace a Lender as a party hereto, then the Parent Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the other Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Parent Borrower shall have paid (or caused a Designated Borrower to pay) to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to (i) from the assignee, the outstanding principal of its Loans and L/C Advances and all accrued interest and fees payable to it hereunder and under the other Loan Documents and (ii) from the Parent Borrower or applicable Designated Borrower, all other amounts payable by the Parent Borrower or applicable Designated Borrower hereunder and under the other Loan Documents (including pursuant to Section 3.01, 3.04 or 3.05) (it being understood that the Assignment and Assumption relating to such assignment shall provide that any interest and fees that accrued prior to the effective date of the assignment shall be for the account of the replaced Lender and such amounts that accrue on and after the effective date of the assignment shall be for the account of the replacement Lender);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Parent Borrower to require such assignment and delegation cease to apply. Each Lender agrees that, if the Parent Borrower elects to replace such Lender in accordance with this Section 11.13, it shall promptly execute and deliver to the Administrative Agent an Assignment and Assumption to evidence the assignment and shall deliver to the Administrative Agent any Note (if a Note has been issued in respect of such Lender's Loans) subject to such Assignment and Assumption; provided that the failure of any such Lender to execute an Assignment and Assumption shall not render such assignment invalid and such assignment shall be recorded in the Register.

Notwithstanding anything to the contrary provided herein, in no event shall the Parent Borrower or any other Borrower have the right to replace a Lender as a result of such Lender (a) not consenting to the designation of an Applicant Borrower organized under the laws of a jurisdiction other than the United States, Canada, the United Kingdom, Netherlands or Germany as a Designated Borrower or (b) declining to provide a commitment in a Supplemental Currency.

1.14 Governing Law; Jurisdiction; Etc. (a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(f) SUBMISSION TO JURISDICTION. THE COMPANY AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, ANY L/C ISSUER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION,

LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR ANY L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE COMPANY OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(g) WAIVER OF VENUE. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(h) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

1.15 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

1.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each of the Loan Parties acknowledges and agrees, and acknowledges its respective Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Bookrunners and the Arrangers are arm's-length commercial transactions between the Parent Borrower, each of the other Loan Parties and their respective Affiliates, on the one hand, and the Administrative Agent, the Bookrunners and the Arrangers, on the other hand, (B) each of the Parent Borrower and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) each of the Parent Borrower and the other Loan Parties is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Administrative Agent, each of the Lenders, each of the Bookrunners and each of the Arrangers each is and has been acting solely as a principal and, except as expressly agreed in writing by the

relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Parent Borrower, any other Loan Party or any of their respective Affiliates, or any other Person and (B) none of the Administrative Agent, any Lender, any Bookrunner or any Arranger has any obligation to the Parent Borrower, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Lenders, the Bookrunners and the Arrangers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Parent Borrower, the other Loan Parties and their respective Affiliates, and none of the Administrative Agent, any Lender, any Bookrunner or any Arranger has any obligation to disclose any of such interests to the Parent Borrower, the other Loan Parties or any of their respective Affiliates. To the fullest extent permitted by law, each of the Parent Borrower and each of the other Loan Parties hereby waives and releases any claims that it may have against the Administrative Agent, any Lender, any Bookrunner or any Arranger with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

1.17 ~~Electronic Execution of Assignments and Certain Other Documents; Electronic Records; Counterparts. The words “execute,” “execution,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Loan Notices, Swing Line Loan Notices, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it. This Agreement, any Loan Document and any other Communication, including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each of the Loan Parties and each of the Administrative Agent and each Lender Party agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on such Person to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lender Parties may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (“Electronic Copy”), which shall be deemed created in the ordinary course of such Person’s business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, neither the Administrative Agent, any L/C Issuer nor the Swing Line Lender is under any obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by such~~

Person pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent the Administrative Agent, L/C Issuer and/or Swing Line Lender has agreed to accept such Electronic Signature, the Administrative Agent and each of the Lender Parties shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Loan Party and/or any Lender Party without further verification and regardless of the appearance or form of such Electronic Signature and (b) upon the request of the Administrative Agent or any Lender Party, any Electronic Signature shall be promptly followed by such manually executed counterpart.

Neither the Administrative Agent, any L/C Issuer nor the Swing Line Lender shall be responsible for or have any duty to ascertain or inquire into the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with the Administrative Agent's, any L/C Issuer's or the Swing Line Lender's reliance on any Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means). The Administrative Agent, each L/C Issuer and the Swing Line Lender shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any Communication (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution or signed using an Electronic Signature) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

Each of the Loan Parties and each Lender Party hereby waives (i) any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document based solely on the lack of paper original copies of this Agreement, such other Loan Document, and (ii) waives any claim against the Administrative Agent, each Lender Party and each Related Party for any liabilities arising solely from the Administrative Agent's and/or any Lender Party's reliance on or use of Electronic Signatures, including any liabilities arising as a result of the failure of the Loan Parties to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

1.18 USA PATRIOT Act. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the Act. Each Loan Party shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

1.19 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of each Borrower in respect of any such sum due from it to the Administrative Agent or any Lender hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such

Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or any Lender from any Borrower in the Agreement Currency, such Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or any Lender in such currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to such Borrower (or to any other Person who may be entitled thereto under applicable law).

1.20 ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

1.21 Original Notes. On the Closing Date, the Original Notes, if any, held by each Lender shall be deemed to be cancelled and, if such Lender has requested a Revolving Credit Note or a Term Note hereunder, amended and restated by the Revolving Credit Note or Term Note, as applicable, delivered hereunder on or about the Closing Date (regardless of whether any Lender shall have delivered to the Company for cancellation the Original Note held by it). Each Lender, whether or not requesting a Revolving Credit Note or Term Note hereunder, shall use its commercially reasonable efforts to deliver the Original Notes held by it to the Company for cancellation and/or amendment and restatement. All amounts owing under, and evidenced by, the Original Notes as of the Closing Date shall continue to be outstanding hereunder, and shall from and after the Closing Date, if requested by the Lender holding such Original Note(s), be evidenced by the Revolving Credit Notes and Term Notes, as applicable, and shall in any event be evidenced by, and governed by the terms of, this Agreement. Each Lender hereby agrees to indemnify and hold harmless the Loan Parties from and against any and all liabilities, losses, damages, actions or claims that may be imposed on, incurred by or asserted against any Loan Party arising out of such Lender's failure to deliver the Original Notes held by it to the Company for cancellation, subject to the condition that the Company shall not make any payment to any Person claiming to be the holder of such Original Notes unless such Lender is first notified of such claim and is given the opportunity, at such Lender's sole cost and expense, to assert any defenses to such payment.

1.22 Amendment and Restatement. As of the Closing Date, the Commitments of certain "Lenders" under (and as defined in) the Original Credit Agreement shall be terminated by the Company (such Lenders, the "Departing Lenders"), and JPMorgan Chase and Wells Fargo Bank shall each resign as a Swing Line Lender. The remaining "Lenders" under (and as defined in) the Original Credit Agreement shall be Lenders under this Agreement with Commitments as set forth on Schedule 2.01 hereto, and Bank of America shall be the only Lender acting as the Swing Line Lender under this Agreement. By its execution and delivery of this Agreement, each Lender that was a "Lender" under (and as defined in) the Original Credit Agreement hereby consents to the execution and delivery of this Agreement and to the non-pro rata reduction of Revolving Credit Commitments (under and as defined in the Original Credit Agreement) occurring on the Closing Date as a result of the termination of the Revolving Credit Commitments of the Departing Lenders, and the concurrent repayment in full of all loans and other obligations owing (whether or not due) to the Departing Lenders. On the Closing Date, effective immediately following such termination and repayment and the repayment in full of the Existing Term Loans and any Existing Swing Line Loans, the Original Credit Agreement shall

be amended, restated and superseded in its entirety by this Agreement. The parties hereto acknowledge and agree that (a) this Agreement and the other Loan Documents, whether executed and delivered in connection herewith or otherwise, do not constitute a novation, payment and reborrowing, or termination of the rights, obligations and liabilities of the respective parties (including the Obligations) existing under the Original Credit Agreement as in effect prior to the Closing Date (except with respect to the Existing Term Loans and the Departing Lenders, except that the provisions of the Original Credit Agreement that by their express terms survive the termination of the Original Credit Agreement shall continue for the Departing Lenders) and (b) such obligations are in all respects continuing (as amended and restated hereby) with only the terms thereof being modified as provided in this Agreement. Without limiting the generality of the foregoing (i) all Revolving Credit Loans and Competitive Loans outstanding under the Original Credit Agreement shall on the Closing Date become Revolving Credit Loans and Competitive Loans, as the case may be, hereunder, (ii) all Existing Letters of Credit shall on the Closing Date become Letters of Credit hereunder and (iii) all other Obligations outstanding under the Original Credit Agreement shall on the Closing Date be Obligations under this Agreement. To the extent the Original Credit Agreement provides that certain terms survive the termination of the Original Credit Agreement or survive the payment in full of principal, interest and all other amounts payable thereunder, then such terms shall survive the amendment and restatement of the Original Credit Agreement.

1.23 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Solely to the extent any Lender or any L/C Issuer that is an Affected Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender or any L/C Issuer that is an Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender or any L/C Issuer that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

1.24 Acknowledgement Regarding any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, “QFC Credit Support”, and each such QFC, a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”)

in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 11.24, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

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

1.25 UPREIT Reorganization. If the Company elects to reorganize its corporate organizational structure to implement an “umbrella partnership” real estate investment trust structure by forming (or converting) a limited partnership, limited liability company or other registered business organization (other than a general partnership) under the laws of any state of the United States or the District of Columbia (the “OpCo”) of which the Company (or a Wholly-Owned Subsidiary of the Company) is to be the sole general partner, manager, or managing member, as applicable (the “Reorganization”), then, on the Assumption Date, the OpCo may assume all of the Company’s liabilities and obligations as a Borrower under, and the Company may transfer and assign to the OpCo all of the Company’s rights and benefits as a Borrower under, this Agreement and the other Loan Documents, and the Company shall be released solely from its liabilities and obligations as a Borrower (but not as a Guarantor) under this Agreement and the other Loan Documents (collectively, the “Assumption Transaction”).

The effectiveness of the Assumption Transaction is subject to satisfaction (or valid waiver) of the following conditions (the “Assumption Conditions”):

(a) The Company shall have given the Administrative Agent and the Lenders prior written notice of the Company’s intent to exercise its rights under this Section 11.25 at least 30 days (or such shorter period as may be agreed in writing by the Administrative Agent in its sole discretion, but in no event less than 15 Business Days) prior to the proposed effective date of the Assumption Transaction as set forth in such notice.

(b) The Administrative Agent’s receipt of the following, each of which shall be originals, e-mails (in a .pdf format) or teletypes (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer or a duly authorized officer of the OpCo, the Company and each other signing Loan Party, each dated the Assumption Date (or, in the case of certificates of governmental officials, a recent date before the Assumption Date) and each in form and substance reasonably satisfactory to the Administrative Agent:

(i) an assignment and assumption agreement executed by the Company and the OpCo, acknowledged by the other Loan Parties (if any), providing for the OpCo’s assumption of all of the Company’s liabilities and obligations as a Borrower under, and the Company’s transfer and assignment to the OpCo of all of the Company’s rights and benefits as a Borrower under, this Agreement and the other Loan Documents (the “OpCo Assumption Agreement”);

(ii) unless the Company Release Conditions have been satisfied on the Assumption Date, a joinder agreement executed by the Company, each Intermediate Holding Company that is not at such time a Guarantor and the OpCo pursuant to which the Company and each such Intermediate Holding Company shall become party hereto as a Guarantor;

(iii) amendments to this Agreement and the other Loan Documents executed by the Company, the OpCo and the other Loan Parties, as appropriate, requested or approved by the Administrative Agent in accordance with Section 11.01;

(iv) a Revolving Credit Note, Term Note and/or Delayed Draw Term Note, as applicable, in each case, duly executed by the OpCo, payable to each applicable Lender that has requested that it receive such Notes, and complying with the terms of Section 2.12 (it being understood that, upon delivery of the originals of such Note(s) to a requesting Lender on or about the Assumption Date, the previously issued notes, if any, held by such Lender shall be deemed to be amended and restated by such Note(s) regardless of whether such Lender shall have delivered to the Company for cancellation the previously issued note(s) held by it and all amounts owing by the Company under, and evidenced by, the previously issued note(s) as of the Assumption Date shall be evidenced by such applicable Note(s));

(v) a favorable opinion of counsel to the OpCo and the other Loan Parties, addressed to the Administrative Agent and each Lender, as to such matters concerning the OpCo and the other Loan Parties and the Loan Documents as the Administrative Agent may reasonably request;

(vi) the items referenced in Section 4.01(a)(iii), (iv) and (vi) with respect to the Company, the OpCo and all Intermediate Holding Companies that become Guarantors pursuant to clause (ii) above (if any);

(vii) an updated Schedule 5.12 that includes the OpCo, the OpCo GP and all Intermediate Holding Companies that become Guarantors pursuant to clause (ii) above (if any);

(viii) no Default or Event of Default shall exist as of the date of the Reorganization or on the Assumption Date, or will exist immediately after giving effect to the Reorganization or the Assumption Transaction;

(ix) the representations and warranties made or deemed made by the Company, the OpCo or any other Loan Party in any Loan Document (as amended to incorporate any revisions associated with the Reorganization) to which such Loan Party is a party shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of the Assumption Date (as if any reference in any Loan Documents with respect to such representations and warranties to “the date of this Agreement”, “as of the Closing Date”, “on the date hereof”, “on the Closing Date” or similar words which refer to the Closing Date of the Agreement are deemed to be references to the Assumption Date);

(x) the Administrative Agent shall have received an officer’s certificate from a Responsible Officer of the OpCo certifying the matters referred to in the immediately preceding clauses (viii) and (ix); and

(xi) such other documents and instruments as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably request.

(c) The Administrative Agent and each Lender shall have received, at least five (5) Business Days prior to the Assumption Date, all documentation and other information required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation, in each case as requested at least ten (10) Business Days prior to the Assumption Date.

[signature pages immediately follow]

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

[Signature Page to Fourth Amended and Restated Credit Agreement]

W. P. CAREY INC.
SUBSIDIARIES OF REGISTRANT

Name of Subsidiary	Ownership	State or Country of Incorporation
(CA) ADS, LLC	100 %	Delaware
24 HR TX (TX) Limited Partnership	100 %	Delaware
24 HR-TX (MD) Business Trust	100 %	Maryland
24 HR-TX GP (TX) QRS 12-66, Inc.	100 %	Delaware
25th Street Storage 18 (FL) LLC	100 %	Delaware
308 Route 38 LLC	100 %	Delaware
3265 University Parkway Storage 18 (FL) LLC	100 %	Delaware
500 Jefferson Tower (TX) LLC	100 %	Delaware
5150 University Parkway Storage 18 (FL) LLC	100 %	Delaware
601 Jefferson Manager (DE) LLC	100 %	Delaware
601 Jefferson Tower (TX) LLC	100 %	Delaware
6000 Nathan (MN) LLC	100 %	Delaware
ADCIR (CO) QRS 16-60, Inc.	100 %	Delaware
ADCIR EXP (CO) LLC	100 %	Delaware
ADS2 (CA) QRS 11-41, Inc.	100 %	California
ADVA 15 (GA) LLC	100 %	Delaware
ADV-QRS 15 (GA) QRS 15-4, Inc.	100 %	Delaware
AFD (MN) LLC	100 %	Delaware
AIR (IL) QRS 14-48, Inc.	100 %	Delaware
AIR ENT (OH) LLC	100 %	Delaware
AIRLIQ (TX) LLC	100 %	Delaware
Airlq II (IL) LLC	100 %	Delaware
Airport Storage 18 (FL) LLC	100 %	Delaware
Alamo WPC Storage (TX) LLC	100 %	Delaware
ALAN JATHOO JV (MULTI) LLC	90 %	Delaware
ALL-IN (PA-OH) LLC	100 %	Delaware
Alphabet Multi Holding (CAN) ULC	100 %	Canada
ALUSA (TX) Limited Partnership	100 %	Delaware
ALUSA-GP (TX) QRS 16-72, Inc.	100 %	Delaware
ALUSA-LP (DE) QRS 16-73, Inc.	100 %	Delaware
American GL Cathedral Storage 17 (CA) LLC	100 %	Delaware
American GL Pearl Storage 17 (HI) LLC	100 %	Delaware
American JH Storage 17 (Multi) LLC	100 %	Delaware
American Subsequent Storage 17 (Multi) LLC	100 %	Delaware
American WPC Storage (Multi) LLC	100 %	Delaware
American WPC Storage TRS 17-1 (DE) Inc.	100 %	Delaware
Amtoll (NM) QRS 14-39, Inc.	100 %	Delaware
Ang (Multi) LLC	100 %	Delaware
Ang II (Multi) LLC	100 %	Delaware
Ang III (Multi) LLC	100 %	Delaware
ANTH Campus (CA) LLC	100 %	Delaware
ANT-LM LLC	100 %	Delaware
Appleton Store, LLC	100 %	Wisconsin
Applied Utah (UT) QRS 14-76, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Araxos Sp. z o.o.	100 %	Poland
Arboretum Group, L.L.C.	100 %	Wisconsin
ARNOLD POLYMER (MULTI) LP	100 %	Delaware
ARNOLD POLYMER GP (MULTI) LLC	100 %	Delaware
Assembly (MD)	100 %	Maryland
ATCHI (IL) LLC	100 %	Delaware
Atlanta Self Storage 18 (GA) LLC	100 %	Delaware
Auto (FL) QRS 11-39, Inc.	100 %	Florida
Auto Investor 17 (DE) LLC	100 %	Delaware
AutoPress (GER) LLC	100 %	Delaware
AUTOPRO (GA) LLC	100 %	Delaware
Autosafe Airbag 14 (CA) LP	100 %	Delaware
Avondale Storage GP 18 (LA) LLC	100 %	Delaware
Avondale Storage Owner 18 (LA) LP	100 %	Delaware
Avasu (AZ) LLC	100 %	Delaware
AW WPC (KY) LLC	100 %	Delaware
AZO Driver (DE) LLC	100 %	Delaware
AZO Mechanic (DE) LLC	100 %	Delaware
AZO Navigator (DE) LLC	100 %	Delaware
AZO Valet (DE) LLC	100 %	Delaware
AZO-A L.P.	100 %	Delaware
AZO-B L.P.	100 %	Delaware
AZO-C L.P.	100 %	Delaware
AZO-D L.P.	100 %	Delaware
Baltic Retail Properties IISUTI UAB	70 %	Lithuania
Barn Cement (TX) LLC	100 %	Delaware
BBQ Storage 17 (NY) LLC	100 %	Delaware
BBrands (Multi) QRS 16-137, Inc.	100 %	Delaware
BDF (CT) QRS 16-82, Inc.	100 %	Delaware
Bear T (OH) LLC	100 %	Delaware
Beaumont Storage 17 (CA) LLC	100 %	Delaware
Beechnut Storage 18 (TX) LLC	100 %	Delaware
Beechnut Storage Owner 18 (TX) LP	100 %	Delaware
BEL BTS (SC) LLC	100 %	Delaware
Berrocal Sp. z o.o.	100 %	Poland
Beverage (GER) QRS 16-141 LLC	100 %	Delaware
BFS (DE) LP	100 %	Delaware
BFS (DE) QRS 14-74, Inc.	100 %	Delaware
BG FEE OWNER (KY) LLC	100 %	Delaware
BG Ground Terminal (CA) LLC	100 %	Delaware
BG Terminal (CA) LLC	100 %	Delaware
BG Terminal Investor (CA) LLC	100 %	Delaware
BG Terminal Investor II LP	100 %	Delaware
BG Terminal Investor II TRS LLC	100 %	Delaware
Bill-GP (TX) QRS 14-56, Inc.	100 %	Delaware
Bill-MC 14 LP	90 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Blair Road Storage 18 (DC) LLC	100 %	Delaware
BM-LP (TX) QRS 14-57, Inc.	100 %	Delaware
BMOC-HOU GP Holder (TX) LLC	100 %	Delaware
BMOC-HOU (TX) LP	100 %	Delaware
BMOC-MIA (FL) LLC	100 %	Delaware
BMOC-ORL (FL) LLC	100 %	Delaware
BN(MA) QRS 11-58, Inc.	100 %	Delaware
BOBS (CT) QRS 16-25, Inc.	100 %	Delaware
Bohr Bolt (OH) LLC	100 %	Delaware
Bohr Bolt II (OH) LLC	100 %	Delaware
Bolder (CO) QRS 11-44, Inc.	100 %	Delaware
Bolt (DE) Limited Partnership	100 %	Delaware
Bolt (DE) QRS 15-26, Inc.	100 %	Delaware
Bolt (DE) Trust	100 %	Maryland
Bone (DE) LLC	100 %	Delaware
Bone (DE) QRS 15-12, Inc.	100 %	Delaware
Bone Manager, Inc.	100 %	Delaware
Boom (MN) LLC	100 %	Delaware
BORLAND (MN) LLC	100 %	Delaware
BOS West (MA) LLC	100 %	Delaware
Bplast 16 Manager (DE) QRS 16-129, Inc.	100 %	Delaware
Bplast 16 Member (DE) QRS 16-128, Inc.	100 %	Delaware
Bplast 17 Member (DE) LLC	100 %	Delaware
Bplast Expansion Landlord (IN) LLC	100 %	Delaware
Bplast Expansion Member (IN) 17 LLC	100 %	Delaware
Bplast Landlord (DE) LLC	100 %	Delaware
Bplast Two Landlord (IN) LLC	100 %	Delaware
Bplast Two Manager (IN) QRS 16-152, Inc.	100 %	Delaware
Bplast Two Member (IN) 17 LLC	100 %	Delaware
Bplast Two Member (IN) QRS 16-151, Inc.	100 %	Delaware
BPS Nevada, LLC	15 %	Delaware
Bronson Storage 18 (FL) LLC	100 %	Delaware
BRY-PL (DE) Limited Partnership	100 %	Delaware
BRY-PL (MD) Trust	100 %	Maryland
BRY-PL GP (DE) QRS 15-57, Inc.	100 %	Delaware
BSL Caldwell (NC) LLC	100 %	Delaware
BST Torrance Landlord (CA) QRS 14-109, Inc.	100 %	Delaware
BT (Multi) LLC	100 %	Delaware
BT (PA) QRS 12-25, Inc.	100 %	Pennsylvania
BUCKLE UP (MX) LLC	100 %	Delaware
BUD HEAVY (MN) LLC	100 %	Delaware
Build (CA) QRS 12-24, Inc.	100 %	California
BUILT IN A DAY (NY) LLC	100 %	Delaware
Buyersburg (IN) LLC	100 %	Delaware
CII Landlord (IL) LLC	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
C3PL (MI) LLC	100 %	Delaware
Call LLC	100 %	Delaware
Camborne Sp. z o.o.	100 %	Poland
Can (WI) QRS 12-34, Inc.	100 %	Wisconsin
Can Storage 18 (TOR) LLC	100 %	Delaware
Canelli Sp. z o.o.	100 %	Poland
Cantina 17 Landlord (IL) LLC	100 %	Delaware
Cantina 17 Manager (IL) LLC	100 %	Delaware
Can-Two (DE) QRS 12-67, Inc.	100 %	Delaware
Cards (CA) QRS 11-37, Inc.	100 %	Delaware
Cards (CA) QRS 12-12, Inc.	100 %	Delaware
Carey 17 Harmon LLC	100 %	Delaware
Carey Alfabeto Holding Mx, S. de R.L. de C.V.	100 %	Mexico
Carey Alfabeto Landlord Mx, S. de R.L. de C.V.	100 %	Mexico
Carey Alphabet (DE) Inc.	100 %	Delaware
Carey Alphabet B.V.	100 %	Netherlands
Carey Asset Management Corp.	100 %	Delaware
Carey Asset Management Dallas LLC	100 %	Delaware
Carey Credit Advisors, LLC	100 %	Delaware
Carey European Management LLC	100 %	Delaware
Carey European SH, LLC	100 %	Delaware
Carey Management LLC	100 %	Delaware
Carey Market LLC	100 %	Delaware
Carey REIT II, Inc.	100 %	Maryland
Casting Landlord (GER) QRS 16-109 LLC	100 %	Delaware
Casting Member (GER) QRS 16-108 LLC	100 %	Delaware
CAT LOG (WI) LLC	100 %	Delaware
CATALINA WM (OR) LLC	100 %	Delaware
Cathedral City Storage 17 (CA) LLC	100 %	Delaware
Cherry Valley Storage 17 (IL) LLC	100 %	Delaware
CHIRO MANAGER (DE) LLC	100 %	Delaware
CIP 18 (NY) MEZZ LLC	100 %	Delaware
CIP Acquisition Incorporated	100 %	Maryland
Citrus Heights (CA) GP, LLC	100 %	Delaware
CIV-News GP (DE) LLC	100 %	Delaware
CIV-News (Multi) LP	100 %	Delaware
CLA (MO) LLC	100 %	Delaware
Clean (KY) LLC	100 %	Delaware
Clean (KY) QRS 16-22, Inc.	100 %	Delaware
CM6-GROUND (MULTI) LLC	100 %	Delaware
CM6-Hotel (Multi) LLC	100 %	Delaware
CMAR 18 Investor (DE) LLC	100 %	Delaware
CMAR Hotel Landlord 18 (Mauritius) Ltd	100 %	Mauritius
CM Nathan (MN) LLC	100 %	Delaware
Coco (WY) QRS 16-51, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Coco-Dorm (PA) QRS 16-52, Inc.	100 %	Delaware
Coco-Dorm (PA) Trust	100 %	Maryland
Coco-Dorm (PA), LP	100 %	Delaware
Contrato de Fideicomiso Irrevocable Traslatico de Dominio en Zona Restringida y de Administracion numero 3908	100 %	Mexico
Contrato De Fideicomiso Revocable de Administracion de Bienes Inmuebles Numero 3801	100 %	Mexico
CONTRATO DE FIDEICOMISO REVOCABLE DE ADMINISTRACION DE BIENES INMUEBLES NUMERO 3890	100 %	Mexico
Contrato De Fideicomiso Revocable de Adminstracion de Bienes Inmuebles Numero 3968	100 %	Mexico
Consys (SC) QRS 16-66, Inc.	100 %	Delaware
Consys-9 (SC) LLC	100 %	Delaware
Containers (DE) Limited Partnership	100 %	Delaware
Containers (DE) QRS 15-36, Inc.	100 %	Delaware
COOP (GA) LLC	100 %	Delaware
Corporate Property Associates	100 %	California
Corporate Property Associates 15 Incorporated	100 %	Maryland
Corporate Property Associates 4, A California Limited Partnership	100 %	California
Corporate Property Associates 6, A California Limited Partnership	100 %	California
Corporate Property Associates 9, L.P., A Delaware Limited Partnership	100 %	Delaware
Courtyard Albuquerque Airport Operator LLC	100 %	Delaware
Courtyard Baltimore Washington Airport Operator LLC	100 %	Delaware
Courtyard Chicago OHare Operator LLC	100 %	Delaware
Courtyard Indianapolis Airport Operator LLC	100 %	Delaware
Courtyard Irvine John Wayne Airport Operator LLC	100 %	Delaware
Courtyard Louisville East Operator LLC	100 %	Delaware
Courtyard Newark Liberty international Airport Operator LLC	100 %	Delaware
Courtyard Orlando Airport Operator LLC	100 %	Delaware
Courtyard Orlando International Drive Convention Center Operator LLC	100 %	Delaware
Courtyard Sacramento Operator LLC	100 %	Delaware
Courtyard San Diego Sorrento Operator LLC	100 %	Delaware
Courtyard Spokane Downtown Operator LLC	100 %	Delaware
CP GAL (IN) QRS 16-61, Inc.	100 %	Delaware
CP GAL Fairfax, LLC	100 %	Delaware
CP GAL Kennesaw, LLC	100 %	Delaware
CP GAL Leawood, LLC	100 %	Delaware
CP GAL Lombard, LLC	100 %	Delaware
CP GAL Plainfield, LLC	100 %	Delaware
CPA 15 Merger Sub Inc.	100 %	Maryland
CPA 16 LLC	100 %	Delaware
CPA 16 Merger Sub Inc.	100 %	Maryland
CPA 17 International Holding and Financing LLC	100 %	Delaware
CPA17 Merger Sub LLC	100 %	Maryland
CPA 17 Pan-European Holding Cooperatief U.A.	100 %	Netherlands
CPA 17 SB1 Lender LLC	100 %	Delaware
CPA 17 SB2 Lender LLC	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
CPA 17 SBOP JV Member LLC	100 %	Delaware
CPA 17 SBPROP JV Member LLC	100 %	Delaware
CPA17 SBOP MANAGER LLC	100 %	Delaware
CPA17 SBPROP MANAGER LLC	100 %	Delaware
CPA 18 Con s.r.o.	100 %	Slovakia
CPA 18 GH Member LLC	100 %	Delaware
CPA 18 Integras GH Investor Limited	100 %	Ghana
CPA 18 Integras JV (DE) LLC	100 %	Delaware
CPA 18 International Holding and Financing LLC	100 %	Delaware
CPA18 Merger Sub LLC	100 %	Maryland
CPA 18 Pan-European Holding Coöperatief U.A.	100 %	Netherlands
CPA 18 SH (TX) LIMITED PARTNER LLC	100 %	Delaware
CPA 18 SH (TX) Special General Partner LLC	100 %	Delaware
CPA Paper, Inc.	100 %	Delaware
CPA:17 Limited Partnership	100 %	Delaware
CPA:18 Limited Partnership	100 %	Delaware
CPA16 German (DE) Limited Partnership	100 %	Delaware
CPA16 German GP (DE) QRS 16-155, Inc.	100 %	Delaware
CPA-CS Holdings LP	90 %	Delaware
CQ Landlord (MI) LLC	100 %	Delaware
CQ Landlord (Multi) LLC	100 %	Delaware
CQ Mezz Manager (Multi) LLC	100 %	Delaware
Crafty (AL) LLC	100 %	Delaware
Crate (GER) QRS 16-142 LLC	100 %	Delaware
CRI (AZ-CO) QRS 16-4, Inc.	100 %	Delaware
Crystal Lake Storage 18 (IL) LLC	100 %	Delaware
CSH Malaga Student Housing Holding, S.L.	100 %	Spain
CS-GP 18 (TOR) LLC	100 %	Delaware
Cups (DE) LP	100 %	Delaware
Cups Number One (DE) LLC	100 %	Delaware
Cusona Sp. z o.o.	100 %	Poland
CU-SOL (VA) LLC	100 %	Delaware
Dan (FL) QRS 15-7, Inc.	100 %	Delaware
Darnekuša sp. z o. o.	100 %	Poland
DCNETH Landlord (NL) LLC	100 %	Delaware
DCNETH Member (NL) QRS 15-102 Inc.	100 %	Delaware
Delaware Frame (TX), LP	100 %	Delaware
Deliver (TN) QRS 14-49, Inc.	100 %	Delaware
Delmo (DE) QRS 11/12-1, Inc.	100 %	Delaware
Delmo (PA) QRS 11-36	100 %	Pennsylvania
Delmo (PA) QRS 12-10	100 %	Pennsylvania
Delmo 11/12 (DE) LLC	100 %	Delaware
Desert Storage 18 (CA) LP	100 %	Delaware
Desert Storage GP 18 (CA) LLC	100 %	Delaware
DES-Tech GP (TN) QRS 16-49, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
DES-Tech LP (TN) QRS 16-50, Inc.	100 %	Delaware
Develop (TX) LP	100 %	Delaware
Dfence (Belgium) 15 SRL	100 %	Belgium
Dfence (Belgium) 16 SRL	100 %	Belgium
Dfend 15 LLC	100 %	Delaware
Dfend 16 LLC	100 %	Delaware
Diagalves Sp. z o.o.	100 %	Poland
DIFUSÃO – SOCIEDADE IMOBILIÁRIA S.A.	100 %	Portugal
DIY Poland Sp. z o.o.	100 %	Poland
DKSN Storage 18 (TX) LLC	100 %	Delaware
DOPPIO (IL) LLC	100 %	Delaware
Dough (DE) QRS 14-77, Inc.	100 %	Delaware
Dough (MD)	100 %	Maryland
Dough Lot (DE) QRS 14-110, Inc.	100 %	Delaware
Dough Lot (MD)	100 %	Maryland
DP WPC (TX) LLC	100 %	Delaware
Drill (DE) Trust	100 %	Maryland
Drill GmbH & Co. KG	100 %	Germany
Drug (AZ) QRS 14-42, Inc.	100 %	Delaware
DSG (IN) QRS 15-44, Inc.	100 %	Delaware
DSG GP (PA) QRS 14-103, Inc.	100 %	Delaware
DSG Landlord (PA) L.P.	100 %	Delaware
DSG LP (PA) Trust	100 %	Maryland
DT Memphis New TRS (DE) LLC	100 %	Delaware
Dunkelfelder sp. z o. o.	100 %	Poland
Duras sp. z o. o.	100 %	Poland
DYNAMITE (MULTI) LLC	100 %	Delaware
Dyne (DE) LP	100 %	Delaware
ED Landlord (GA) LLC	100 %	Delaware
Ed Landlord Two (DE) LLC	100 %	Delaware
El Paso Six Storage 18 (TX) LLC	100 %	Delaware
ELECTRIC TRUSTOR (MX) LLC	100 %	Delaware
Eleventh Storage 18 (GA) LLC	100 %	Delaware
ELL (GER) QRS 16-37, Inc.	100 %	Delaware
Fabric (DE) GP	100 %	Delaware
Fast (DE) QRS 14-22, Inc.	100 %	Delaware
Faur WPC (OH) LLC	100 %	Delaware
Faverga Sp. z o.o.	100 %	Poland
Fayetteville Storage 17 (NC) LLC	100 %	Delaware
Fernandina Beach Storage 18 (FL) LLC	100 %	Delaware
FELIX (MULTI) LLC	100 %	Delaware
Film (FL) QRS 14-44, Inc.	100 %	Delaware
Finistar (CA-TX) Limited Partnership	100 %	Delaware
Finistar GP (CA-TX) QRS 16-21, Inc.	100 %	Delaware
Finistar LP (DE) QRS 16-29, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Finnestadveien 44 II AS	100 %	Norway
FIRE UP (IL) LLC	100 %	Delaware
FIS (MI) LLC	100 %	Delaware
Fit(TX)GP QRS 12-60, Inc.	100 %	Delaware
Fit(TX) LP	100 %	Delaware
Fit(TX) Trust	100 %	Maryland
Flagland Spain, S.L.	100 %	Spain
Flan 1 (IL) LLC	100 %	Delaware
Flan 4 (Multi) LLC	100 %	Delaware
Flan Hud (NY) LLC	100 %	Delaware
Flatlands Self Storage NYC Mezz, LLC	100 %	Delaware
Flatlands Self Storage NYC, LLC	100 %	Delaware
Flavortown (IL) LLC	100 %	Delaware
Flex (NE) LLC	100 %	Delaware
Flex Member (NE) LLC	100 %	Delaware
Flipper (FL) LLC	100 %	Delaware
FLOUR POWER (ID) LLC	100 %	Delaware
FLOUR POWER (IL) LLC	100 %	Delaware
FLOUR POWER (MULTI) LLC	100 %	Delaware
FLOUR POWER (OH) LLC	100 %	Delaware
FLOUR POWER (UT) LLC	100 %	Delaware
FLUX CAPACITOR 121 GW LLC	100 %	Delaware
FM Naples Storage 18 (FL) LLC	100 %	Delaware
Food (DE) QRS 12-49, Inc.	100 %	Delaware
Forever Metal (QC) Ltd.	100 %	Canada
FORT-BEN HOLDINGS (ONQC) LTD.	100 %	Canada
FORT-NOM HOLDINGS (ONQC) INC.	100 %	Canada
Forterra Canada GP LLC	100 %	Delaware
Forterra Canada Holdings LP	100 %	Delaware
Fortune Road Storage 18 (FL) LLC	100 %	Delaware
Foss (NH) QRS 16-3, Inc.	100 %	Delaware
Four World Landlord (GA) LLC	100 %	Delaware
Four World Manager (GA) LLC	100 %	Delaware
Frame (TX) QRS 14-25, Inc.	100 %	Delaware
Freight (IL) LLC	100 %	Delaware
FRO 16 (NC) LLC	100 %	Delaware
FRO Man Member 17 (NC) LLC	100 %	Delaware
FRO Spin (NC) LLC	100 %	Delaware
Furniture Exch Manager (WI) LLC	100 %	Delaware
Furniture Exch Manager Too (WI) LLC	100 %	Delaware
Furniture Owner (WI) LLC	100 %	Delaware
Furniture Owner Too (WI) LLC	100 %	Delaware
GAL III (IN) QRS 15-49, Inc.	100 %	Delaware
GAL III (NJ) QRS 15-45, Inc.	100 %	Delaware
GAL III (NY) QRS 15-48, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Galadean Sp. z o.o.	100 %	Poland
Galleria Storage 18 (TX) LLC	100 %	Delaware
GEMCHI (IL) LLC	100 %	Delaware
GERB TOLLAND QRS (CT) 16 Inc.	100 %	Delaware
Gibson Mass Member Two LLC	100 %	Delaware
Gilroy Storage GP 18 (CA) LLC	100 %	Delaware
Gilroy Storage Owner 18 (CA) LP	100 %	Delaware
GIVE ME A BRAKE (OH) LLC	100 %	Delaware
Global Cerit, SL	100 %	Spain
Global Negan S.L.	75 %	Spain
Global Sagres, S.L.	100 %	Spain
Global Windu, S.L.	90 %	Spain
Go Green (OH) LLC	100 %	Delaware
Goldyard, S.L.	100 %	Spain
GONE FISHING (PA) LLC	100 %	Delaware
Granite Landlord (GA) LLC	100 %	Delaware
GRC (TX) Limited Partnership	100 %	Delaware
GRC (TX) QRS 15-47, Inc.	100 %	Delaware
GRC (TX) Trust	100 %	Maryland
GRC-II (TX) Limited Partnership	100 %	Delaware
GRC-II (TX) QRS 15-80, Inc.	100 %	Delaware
GRC-II (TX) Trust	100 %	Maryland
Greens (Finland) QRS 16-14, Inc.	100 %	Delaware
Greens Shareholder (Finland) QRS 16-16, Inc.	100 %	Delaware
Greensboro Storage GP 18 (NC) LLC	100 %	Delaware
Greensboro Storage Owner 18 (NC) LP	100 %	Delaware
GROVEPORT OWNER (OH) LLC	100 %	Delaware
Guggenheim Credit Income Fund	3 %	Delaware
Guitar Mass (TN) QRS 14-36, Inc.	100 %	Delaware
Guitar Plus (TN) QRS 14-37, Inc.	100 %	Delaware
H2 17 Investor (GER) LLC	100 %	Delaware
H2 Investor (GER) QRS 14-104 LLC	100 %	Delaware
H2 Investor (GER) QRS 15-91, Inc.	100 %	Delaware
H2 Investor (GER) QRS 16-100, Inc.	100 %	Delaware
Hammer (DE) Limited Partnership	100 %	Delaware
Hammer (DE) LP QRS 12-65, Inc.	100 %	Delaware
Hammer (DE) LP QRS 14-100, Inc.	100 %	Delaware
Hammer (DE) LP QRS 15-33, Inc.	100 %	Delaware
Hammer (DE) QRS 15-32, Inc.	100 %	Delaware
Hammer (DE) Trust	100 %	Maryland
Hammer Time (TX) LLC	100 %	Delaware
Hammer Time Owner (TX) LP	100 %	Delaware
Hammered Home (OH) LLC	100 %	Delaware
Hans Gruber Godo Kaisha	100 %	Japan
Hawk (IA) LLC	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Hawk JV Landlord (IA) LLC	100 %	Delaware
Hawk JV Landlord Two (IA) LLC	90 %	Delaware
Hawk Landlord (IA) LLC	100 %	Delaware
Hawk Landlord Two (IA) LLC	90 %	Delaware
Hawk Two (IA) LLC	100 %	Delaware
HCF GP (CA) LLC	100 %	Delaware
HCF Landlord (CA) LP	100 %	Delaware
Health Landlord (MN) LLC	100 %	Delaware
HEF (NC-SC) QRS 14-86, Inc.	100 %	Delaware
Hellweg GmbH & Co. Vermögensverwaltungs KG	100 %	Germany
Hesperia Storage 17 (CA) LLC	100 %	Delaware
HF Landlord (SC) LLC	100 %	Delaware
HF Member (SC) LLC	100 %	Delaware
HF Three Landlord (SC) LLC	100 %	Delaware
HF Two Landlord (SC) LLC	100 %	Delaware
HILLTOP SH VENTURE (TX) LP	90 %	Delaware
HLWG B Note Purchaser (DE) LLC	100 %	Delaware
HLWG Two (GER) LLC	100 %	Delaware
HM Benefits (MI) QRS 16-18, Inc.	100 %	Delaware
HNGS AUTO (MI) LLC	100 %	Delaware
HOAGIES (FL) LLC	100 %	Delaware
HOB (TX) LLC	100 %	Delaware
Hoe Management GmbH	100 %	Germany
Holiday Storage 17 (FL) LLC	100 %	Delaware
Honey Badger GP LLC	100 %	Delaware
Honey Badger (NC) LP	100 %	Delaware
HOT AIR (CANADA) LLC	100 %	Delaware
HOT AIR (MULTI) LLC	100 %	Delaware
HOT AIR NOMINEE CORP.	100 %	Delaware
Hotel Airport Stuttgart Grundstücks GmbH	95 %	Germany
Hotel (MN) QRS 16-84, Inc.	100 %	Delaware
Hotel Operator (MN) TRS 16-87, Inc.	100 %	Delaware
House Money (Multi) LLC	100 %	Delaware
Hulikoa Kona Storage 18 (HI) LLC	100 %	Delaware
Hum (DE) QRS 11-45, Inc.	100 %	Delaware
Humble Storage 18 (TX) LLC	100 %	Delaware
Huntwood (TX) Limited Partnership	100 %	Delaware
Huntwood (TX) QRS 16-8, Inc.	100 %	Delaware
ICALL BTS (VA) LLC	100 %	Delaware
ICG (TX) Limited Partnership	100 %	Delaware
ICG-GP (TX) QRS 15-3, Inc.	100 %	Delaware
ICG-LP (TX) Trust	100 %	Maryland
ID Wheel (FL) LLC	100 %	Delaware
IDrive Mezz Lender (FL) LLC	100 %	Delaware
IH37 Storage 18 (TX) LLC	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Ijobbers (DE) QRS 14-41, Inc.	100 %	Delaware
Ijobbers LLC	100 %	Delaware
Image (NY) QRS 16-67, Inc.	100 %	Delaware
Industrial Center 7 Sp. z o.o.	100 %	Poland
INGESCOP 2008, S.L.	100 %	Spain
Initiator (CA) QRS 14-62, Inc.	100 %	Delaware
Inversiones Holmes, S.L.	100 %	Spain
Ithaca Storage 18 (NY) LLC	100 %	Delaware
Jamaica (IL) LLC	100 %	Delaware
Jamesinvest SRL	100 %	Belgium
Jandoor (MULTI) LLC	100 %	Delaware
Jax Costa (FL) LLC	100 %	Delaware
Jen (MA) QRS 12-54, Inc.	100 %	Delaware
Jensen Beach Storage 18 (FL) LLC	100 %	Delaware
Joan Storage 18 (FL) LLC	100 %	Delaware
John McClane (NY) LLC	100 %	New York
JPCentre (TX) LLC	100 %	Delaware
JPTampa Management (FL) LLC	100 %	Delaware
JX STORAGE (MULTI) 1 LLC	100 %	Delaware
JX STORAGE (MULTI) 2 LLC	100 %	Delaware
Kabushiki Kaisha Mure Property	100 %	Japan
Kaloko Storage 18 (HI) LLC	100 %	Delaware
KIDNEY BEANS (TN) LLC	100 %	Delaware
Kiinteistöosakeyhtiö Ruskontie 55	100 %	Finland
KITKAT (IL) LLC	100 %	Delaware
KNOT JUST A SNACK (MULTI) LLC	100 %	Delaware
KRO (IL) LLC	100 %	Delaware
KSM Cresskill (NJ) QRS 16-80, Inc.	100 %	Delaware
KSM Livingston (NJ) QRS 16-76, INC.	100 %	Delaware
KSM Montclair (NJ) QRS 16-78, INC.	100 %	Delaware
KSM Morristown (NJ) QRS 16-79, INC.	100 %	Delaware
KSM Summit (NJ) QRS 16-75, Inc.	100 %	Delaware
Labels-Ben (DE) QRS 16-28, Inc.	100 %	Delaware
Labrador (AZ) LP	100 %	Delaware
Lady L Storage 18 (FL) LLC	100 %	Delaware
Lake Street Storage 17 (IL) LLC	100 %	Delaware
Landsberger StraBe 68-76 Grundstücks GmbH	95 %	Germany
LASER GP (CA) LLC	100 %	Delaware
LASER LANDLORD (CA) LP	100 %	Delaware
Laurken (IL) LLC	100 %	Delaware
Leather (DE) QRS 14-72, Inc.	100 %	Delaware
Leesburg Storage 18 (FL) LLC	100 %	Delaware
Lewisville Dealer 17 (TX) LLC	100 %	Delaware
Lincoln (DE) LP	100 %	Delaware
Longboom (Finland) QRS 16-131, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Longboom Finance (Finland) QRS 16-130, Inc.	100 %	Delaware
Louisville Storage 18 (KY) LLC	100 %	Delaware
Loznica d.o.o.	100 %	Croatia
LPD (CT) QRS 16-132, Inc.	100 %	Delaware
LPORT (WA-TX) QRS 16-92, Inc.	100 %	Delaware
LPORT 2 (WA) QRS 16-147, Inc.	100 %	Delaware
LT Fit (AZ-MD) LLC	100 %	Delaware
LTI (DE) QRS 14-81, Inc.	100 %	Delaware
LTI Trust (MD)	100 %	Maryland
LV Storage Portfolio 18 (NV) LLC	100 %	Delaware
M DUE	100 %	Italy
Madde Investments Sp. z o.o.	100 %	Poland
Madison Storage NYC, LLC	100 %	Delaware
Mala-IDS (DE) QRS 16-71, Inc.	100 %	Delaware
Mallika PBJ LLC	100 %	Delaware
Mapinvest Delaware LLC	100 %	Delaware
Marcourt Investments Incorporated	100 %	Maryland
Master (DE) QRS 15-71, Inc.	100 %	Delaware
Mauritius International I LLC	100 %	Delaware
MBM-Beef (DE) QRS 15-18, Inc.	100 %	Delaware
MCDORMY (NY) LLC	100 %	Delaware
Medi (PA) Limited Partnership	100 %	Delaware
Medi (PA) QRS 15-21, Inc.	100 %	Delaware
Medi (PA) Trust	100 %	Maryland
Medical (Multi) LLC	100 %	Delaware
MERCURY (MI) LLC	100 %	Delaware
Merge (WI) LLC	100 %	Delaware
Meri (NC) LLC	100 %	Delaware
MERI(NC)MM QRS 14-98, Inc.	100 %	Delaware
MET WST (UT) QRS 16-97, Inc.	100 %	Delaware
Metal (DE) QRS 14-67, Inc.	100 %	Delaware
Metal (GER) QRS 15-94, Inc.	100 %	Delaware
Metaply (MI) LLC	100 %	Delaware
MFF Mezz (Multi) LLC	100 %	Delaware
Miami Storage 18 (FL) LLC	100 %	Delaware
Milford Storage 18 (MA) LLC	100 %	Delaware
Mill Storage 17 (CA) LLC	100 %	Delaware
Millsboro Storage 18 (DE) LLC	100 %	Delaware
MIS EGN (MN) LLC	100 %	Delaware
MK (Mexico) QRS 16-48, Inc.	100 %	Delaware
MK GP BEN (DE) QRS 16-45, Inc.	100 %	Delaware
MK Landlord (DE) Limited Partnership	100 %	Delaware
MK LP Ben (DE) QRS 16-46, Inc.	100 %	Delaware
MK-Ben (DE) Limited Partnership	100 %	Delaware
MK-GP (DE) QRS 16-43, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
MK-LP (DE) QRS 16-44, Inc.	100 %	Delaware
MK-Nom (ONT), Inc.	100 %	Canada
MM(UT) QRS 11-59, Inc.	100 %	Delaware
Module (DE) Limited Partnership	100 %	Delaware
Mons (DE) QRS 15-68, Inc.	100 %	Delaware
MOPROBLEMS (MI) LLC	100 %	Delaware
More Applied Utah (UT) LLC	100 %	Delaware
Morisek Hoffman (IL) LLC	100 %	Delaware
Morrisville Landlord GP (NC) LLC	100 %	Delaware
Morrisville Landlord (NC) LP	100 %	Delaware
Movie (VA) QRS 14-24, Inc.	100 %	Delaware
MR Lender (TX) LLC	100 %	Delaware
MSTEEL (IL) LLC	100 %	Delaware
Mustek Rank S.L.	100 %	Spain
MWI Investor 17 (TX) LP	100 %	Delaware
MWI Investor GP 17 (TX) LLC	100 %	Delaware
Nail (DE) Trust	100 %	Maryland
NAILED IT GP LLC	100 %	Delaware
NAILED IT (MULTI) LP	100 %	Delaware
NAKATOMI PLAZA (DE) LLC	100 %	Delaware
Namesti Rank S.L.	100 %	Spain
National Storage 17 (Multi) LLC	100 %	Delaware
Neonatal Finland Inc.	100 %	Delaware
New Castle Storage 18 (DE) LLC	100 %	Delaware
Nord (GA) QRS 16-98, Inc.	100 %	Delaware
Northwest Storage 17 (IL) LLC	100 %	Delaware
Oak Creek 17 Investor (WI) LLC	100 %	Delaware
Olimpia Investments Sp. z o.o.	100 %	Poland
OLIVIA (IL) LLC	100 %	Delaware
OLIVIA (ON) HOLDINGS CORP.	100 %	Canada
OLIVIA (ONTARIO) LLC	100 %	Delaware
OPH Storage 17 (FL) LLC	100 %	Delaware
Optical (CA) QRS 15-8, Inc.	100 %	Delaware
Orb (MO) QRS 12-56, Inc.	100 %	Delaware
Orlando Storage 17 (FL) LLC	100 %	Delaware
OSCAR (IL) LLC	100 %	Delaware
ØAV 88 AS	100 %	Norway
OTC (MULTI) LLC	100 %	Delaware
OTC RX Holdings ULC	100 %	Canada
OTC RX Nominee CORP.	100 %	Canada
OTC RX (ONTARIO) LLC	100 %	Delaware
OUI CHEF (MULTI) GP LLC	100 %	Delaware
OUI CHEF (MULTI) LP	100 %	Delaware
Overtape (CA) QRS 15-14, Inc.	100 %	Delaware
OX (AL) LLC	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
OX-GP (AL) QRS 15-15, Inc.	100 %	Delaware
Pacpress (IL-MI) QRS 16-114, Inc.	100 %	Delaware
Pallet (FRA) SARL	100 %	France
Palm Bay Storage 18 (FL) LLC	100 %	Delaware
Panama Storage 18 (FL) LLC	100 %	Delaware
Panel (UK) QRS 14-54, Inc.	100 %	Delaware
Paper Limited Liability Company	100 %	Delaware
Parts (DE) QRS 14-90, Inc.	100 %	Delaware
PDC Industrial Center 83 Sp. z o.o.	100 %	Poland
Pem (MN) QRS 15-39, Inc.	100 %	Delaware
Pend (WI) LLC	100 %	Delaware
Pend II (OH-IN) LLC	100 %	Delaware
PERFECT STORM (UT) LLC	100 %	Delaware
PET(TX)GP QRS 11-62, INC.	100 %	Delaware
Pet(TX) LP	100 %	Delaware
Pet(TX) Trust	100 %	Maryland
Pewaukee Development, LLC	100 %	Wisconsin
PG (Multi-16) L.P.	100 %	Delaware
PG (Multi-16) QRS 16-7, Inc.	100 %	Delaware
PG (Multi-16) Trust	100 %	Maryland
PG-Ben (CAN) QRS 16-9, Inc.	100 %	Delaware
PG-Nom (Alberta), Inc.	100 %	Canada
PILDRA X INVEST, S.L.	90 %	Spain
Pipe Portfolio GP LLC	100 %	Delaware
Pipe Portfolio Owner (Multi) LP	100 %	Delaware
Plants (Sweden) QRS 16-13, Inc.	100 %	Delaware
Plants Shareholder (Sweden) QRS 16-15, Inc.	100 %	Delaware
Plastic (DE) Limited Partnership	100 %	Delaware
Plastic (DE) QRS 15-56, Inc.	100 %	Delaware
Plastic (DE) Trust	100 %	Maryland
Plastic II (IL) LLC	100 %	Delaware
Plastic II (IL) QRS 16-27, Inc.	100 %	Delaware
Plastix (WI) LLC	100 %	Delaware
Plates (DE) QRS 14-63, Inc.	100 %	Delaware
Pleasant Hill GL 18 (FL) LLC	100 %	Delaware
Pleasant Hill Storage 18 (FL) LLC	100 %	Delaware
Pliers (DE) Trust	100 %	Maryland
Plum (DE) QRS 15-67, Inc.	100 %	Delaware
Pol (NC) QRS 15-25, Inc.	100 %	Delaware
Pold (GER) QRS 16-133 LLC	100 %	Delaware
Pole Landlord (LA-TX) LLC	100 %	Delaware
Polkinvest Sprl	100 %	Belgium
Poly (Multi) Limited Partnership	100 %	Delaware
Poly GP (Multi) QRS 16-35, Inc.	100 %	Delaware
Poly LP (MD) Trust	100 %	Maryland

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Pompano Storage 18 (FL) LLC	100 %	Delaware
Popcorn (TX) QRS 14-43, Inc.	100 %	Delaware
Portland Storage 18 (OR) LLC	100 %	Delaware
PRA (OH) LLC	100 %	Delaware
Primo (MS) QRS 16-94, Inc.	100 %	Delaware
Print (WI) QRS 12-40, Inc.	100 %	Wisconsin
Projector (FL) QRS 14-45, Inc.	100 %	Delaware
Pump (MO) QRS 14-52, Inc.	100 %	Delaware
PWE (Multi) QRS 14-85, Inc.	100 %	Delaware
QRS 10-1 (ILL), Inc.	100 %	Illinois
QRS 10-18 (FL), LLC	100 %	Delaware
QRS 11-2 (AR), LLC	100 %	Delaware
QS ARK (DE) QRS 15-38, Inc.	100 %	Delaware
RACO (AZ) LLC	100 %	Delaware
RACO TWO (AZ) LLC	100 %	Delaware
Rails (UK) QRS 15-54, Inc.	100 %	Delaware
Randolph/Clinton Limited Partnership	100 %	Delaware
Rankin Storage 18 (TX) LLC	100 %	Delaware
Rankin Storage Owner 18 (TX) LP	100 %	Delaware
REDEALER (NJ-PA) LLC	100 %	Delaware
Redrock Storage 18 (NV) LLC	100 %	Delaware
Rehoboth Storage 18 (DE) LLC	100 %	Delaware
REIT Brickan AB	100 %	Sweden
RI(CA) QRS 12-59, Inc.	100 %	Delaware
RII (CA) QRS 15-2, Inc.	100 %	Delaware
Ring Spin (GA) LLC	100 %	Delaware
RRD (IL) LLC	100 %	Delaware
Rubbertex (TX) QRS 16-68, Inc.	100 %	Delaware
Rush It LLC	100 %	Delaware
SAB (IA) LLC	100 %	Delaware
SALE-LEAFBACK (MN) LLC	100 %	Delaware
Salted Peanuts (LA) QRS 15-13, LLC	100 %	Delaware
SBOP INVESTOR LLC	100 %	Delaware
SBPROP INVESTOR LLC	100 %	Delaware
SCHNEI-ELEC (MA) LLC	100 %	Delaware
Sealtex (DE) QRS 16-69, Inc.	100 %	Delaware
Sebastian Storage 18 (FL) LLC	100 %	Delaware
Sekeslog 17 UAB	100 %	Lithuania
SF(TX)GP QRS 11-61, INC.	100 %	Delaware
SF(TX) LP	100 %	Delaware
SF(TX) Trust	100 %	Maryland
SFC (TN) QRS 11-21, Inc.	100 %	Tennessee
SFCO (GA) QRS 16-127, INC.	100 %	Delaware
SFT INS (TX) LLC	100 %	Delaware
Shaq (DE) QRS 15-75, Inc.	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Shep (KS-OK) QRS 16-113, Inc.	100 %	Delaware
SHOTS-ORL (FL) LLC	100 %	Delaware
Shovel Management GmbH	100 %	Germany
SINGLE USE (MULTI) LLC	100 %	Delaware
Sixth Sense GP (NC) LLC	100 %	Delaware
Sixth Sense (NC) LP	100 %	Delaware
SM(NY) QRS 14-93, Inc.	100 %	Delaware
Smalvollveien 65 Eiendom AS	91 %	Norway
Smalvollvn 65 ANS	91 %	Norway
SNAP INTO (IN) LLC	100 %	Delaware
SP Label (TN) LLC	100 %	Delaware
SPARE ME (MULTI) LLC	100 %	Delaware
Sparky's Storage 18 (CA) LP	100 %	Delaware
Sparky's Storage GP 18 (CA) LLC	100 %	Delaware
Speed (NC) QRS 14-70, Inc.	100 %	Delaware
Spencer Storage 18 (MO) LLC	100 %	Delaware
ST(TX)GP QRS 11-63, INC.	100 %	Delaware
ST(TX) LP	100 %	Delaware
ST(TX) Trust	100 %	Maryland
State Road Storage 18 (FL) LLC	100 %	Delaware
Steely Dan (WI) LLC	100 %	Delaware
STOCKSANDEN, S.L.	100 %	Spain
Stone Cold (CA) LP	100 %	Delaware
Stone Cold GP (CA) LLC	100 %	Delaware
Stone Oak 17 (TX) LLC	100 %	Delaware
Storage 18 ES Account (DE) LLC	100 %	Delaware
Stor-Move UH 14 Business Trust	100 %	Massachusetts
Stor-Move UH 15 Business Trust	100 %	Massachusetts
Stor-Move UH 16 Business Trust	100 %	Massachusetts
Stradella Sp. z o.o.	100 %	Poland
STRUCK OIL (MULTI) LLC	100 %	Delaware
Sun (SC) QRS 12-68, Inc.	100 %	Delaware
Sunpro (KY) LLC	100 %	Delaware
Suspension (DE) QRS 15-1, Inc.	100 %	Delaware
SW Chicago Storage 18 (IL) LLC	100 %	Delaware
Tallahassee Storage 18 (FL) LLC	100 %	Delaware
TASTY KALE (UT) LLC	100 %	Delaware
TDG Cold 17-14 B.V.	100 %	Netherlands
Tech (GER) 17-1 B.V.	100 %	Netherlands
Tech (GER) QRS 16-144, Inc.	100 %	Delaware
Tech Landlord (GER) LLC	100 %	Delaware
Teeth Finance (Finland) QRS 16-106, Inc.	100 %	Delaware
Teeth Landlord (Finland) LLC	100 %	Delaware
Teeth Member (Finland) QRS 16-107, Inc.	100 %	Delaware
Telegraph (MO) LLC	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
Telegraph Manager (MO) WPC, Inc.	100 %	Delaware
Temecula Storage 18 (CA) LP	100 %	Delaware
Temecula Storage GP 18 (CA) LLC	100 %	Delaware
TENACIOUS HOLDINGS ULC	100 %	Canada
TENACIOUS NOMINEE CORP.	100 %	Canada
Tenacious WPC (Multi) LLC	100 %	Delaware
Terrier (AZ) QRS 14-78, Inc.	100 %	Delaware
Tfarma (CO) QRS 16-93, Inc.	100 %	Delaware
THAT'S A WRAP (WI) LLC	100 %	Delaware
Third Avenue Self Storage NYC, LLC	100 %	Delaware
Three Aircraft Seats (DE) Limited Partnership	100 %	Delaware
THREE AMIGOS (US MULTI) LLC	100 %	Delaware
Three Cabin Seats (DE) LLC	100 %	Delaware
TICKTOCK (TX-PA) LLC	100 %	Delaware
Tissue SARL	100 %	France
Toner (DE) QRS 14-96, Inc.	100 %	Delaware
Toolbelt (PA-SC) LLC	100 %	Delaware
Toolbox (MX) LLC	100 %	Delaware
TOOL TIME (WV) LLC	100 %	Delaware
TOOTH FAIRY (IL) LLC	100 %	Delaware
Tower (DE) QRS 14-89, Inc.	100 %	Delaware
Tower 14 (DE)	100 %	Maryland
Townline Storage 17 (IL) LLC	100 %	Delaware
Toys (NE) QRS 15-74, Inc.	100 %	Delaware
Trinity UK Holding II Limited	100 %	United Kingdom
Trinity WPC (Manchester) Limited	100 %	United Kingdom
Trinity WPC (UK) Limited	100 %	United Kingdom
Trinity WPC (UK) LLC	100 %	Delaware
TRUCKIN' (IL) LLC	100 %	Delaware
Truth (MN) LLC	100 %	Delaware
Trucks (France) SARL	100 %	France
TR-VSS (MI) QRS 16-90, Inc.	100 %	Delaware
TSO-Hungary Kft.	100 %	Hungary
Turbo Headquarters (TX) LLC	100 %	Delaware
Two Notch Storage 18 (SC) LLC	100 %	Delaware
UH Storage (DE) Limited Partnership	100 %	Delaware
UH Storage GP (DE) QRS 15-50, Inc.	100 %	Delaware
UK Panel LLC	100 %	Delaware
Under Pressure (Multi) LLC	100 %	Delaware
Uni-Tech (CA) QRS 15-64, Inc.	100 %	Delaware
Uni-Tech (PA) QRS 15-51, Inc.	100 %	Delaware
Uni-Tech (PA) QRS 15-63, Inc.	100 %	Delaware
Uni-Tech (PA) Trust	100 %	Maryland
Uni-Tech (PA), L.P.	100 %	Delaware
URubber (TX) Limited Partnership	100 %	Delaware

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
USHOLL (MI) LLC	100 %	Delaware
USO Landlord (TX) LLC	100 %	Delaware
UTI-SAC (CA) QRS 16-34, Inc.	100 %	Delaware
Valrico Storage 18 (FL) LLC	100 %	Delaware
Vellam Investments sp z o.o.	100 %	Poland
Venice (CA) LP	100 %	Delaware
Veritas Group IX - NYC, LLC	100 %	Delaware
Vinyl (DE) QRS 14-71, Inc.	100 %	Delaware
VIPER 63 (NV) LLC	100 %	Delaware
VIPER LB 63 (NV) LLC	100 %	Delaware
VIPER LENDER 63 (NV) LLC	100 %	Delaware
W. P. Carey & Co. B.V.	100 %	Netherlands
W.P. Carey & Co. Limited	100 %	United Kingdom
W. P. Carey International LLC	100 %	Delaware
W. P. Carey Management LLC	100 %	Delaware
W. P. Carey Property Investor LLC	100 %	Delaware
Wadd-II (TN) LP	100 %	Delaware
Wadd-II General Partner (TN) QRS 15-19, INC.	100 %	Delaware
Wallers (Multi) LLC	100 %	Delaware
Wals (IN) LLC	100 %	Delaware
Weg (GER) QRS 15-83, Inc.	100 %	Delaware
Wegell GmbH & Co. KG	100 %	Germany
Wegell Verwaltungs GmbH	100 %	Germany
West Farms Self Storage NYC Mezz, LLC	100 %	Delaware
West Farms Self Storage NYC, LLC	100 %	Delaware
WGN (GER) LLC	100 %	Delaware
WGN 15 Holdco (GER) QRS 15-98, Inc.	100 %	Delaware
WGN 15 Member (GER) QRS 15-99, Inc.	100 %	Delaware
WGS (Multi) LLC	100 %	Delaware
Wheeler Dealer 17 Multi, LLC	100 %	Delaware
Wheeler Mezzanine JV (DE) LLC	100 %	Delaware
WILLFA (IL) LLC	100 %	Delaware
Willow Festival Annex Property Owners Association	100 %	Illinois
WILSON NEIGHBOR (IL) LLC	100 %	Delaware
Windough (DE) LP	100 %	Delaware
Windough Lot (DE) LP	100 %	Delaware
Wlgrn (NV) LLC	100 %	Delaware
Wolv (DE) Limited Partnership	100 %	Delaware
Wolv Trust, a Maryland Business Trust	100 %	Maryland
Work (GER) QRS 16-117, Inc.	100 %	Delaware
WPC 17 Green Sp. z o. o.	100 %	Poland
WPC 17 Polk Sp. z o.o.	100 %	Poland
WPC Agro I 17-13 B.V.	100 %	Netherlands
WPC Agro II 17-17 B.V.	100 %	Netherlands
WPC AX Sp. z o.o.	100 %	Poland

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
WPC Barca 18-22 B.V.	90 %	Netherlands
WPC BILLBOARD LENDER LLC	100 %	Delaware
WPC Boavista 18-27 B.V.	90 %	Netherlands
WPC CM6-Hotel Manager, LLC	100 %	Delaware
WPC Coimbra 18-21 B.V.	90 %	Netherlands
WPC Crown Colony (MA) LLC	100 %	Delaware
WPC Cube Czech s.r.o.	100 %	Czech Republic
WPC Deville Denmark ApS	100 %	Denmark
WPC DF Denmark ApS	100 %	Denmark
WPC DF III Denmark ApS	100 %	Denmark
WPC DISPLAY OWNER (MULTI) LLC	100 %	Delaware
WPC Drunen 17-27 B.V.	100 %	Netherlands
WPC Eurobond B.V.	100 %	Netherlands
WPC EXCH BUYERSBURG (IN) LLC	100 %	Delaware
WPC EXCH Morrisville Landlord (NC) LLC	100 %	Delaware
WPC Exch Sublandlord (DE) LLC	100 %	Delaware
WPC Fau Czech sro	100 %	Czech Republic
WPC FINANCING GP INC.	100 %	Delaware
WPC FINANCING LP	100 %	Delaware
WPC FM Czech s.r.o.	100 %	Czech Republic
WPC FM Slovakia s.r.o.	100 %	Slovakia
WPC FriesCamp 17-30 B.V.	100 %	Netherlands
WPC Gam Holding B.V.	100 %	Netherlands
WPC GELSENKIRCHEN 17-33 B.V.	100 %	Netherlands
WPC GP LLC	100 %	Maryland
WPC Granada II 18-20 B.V.	90 %	Netherlands
WPC Hamburg 18-12 B.V.	100 %	Netherlands
WPC Holdco LLC	100 %	Maryland
WPC Hornbachplatz 1 GmbH	100 %	Austria
WPC Infin 18 GmbH & Co. KG	100 %	Germany
WPC Infin 18 Verwaltungs GmbH	100 %	Germany
WPC Infin 18-4 B.V.	100 %	Netherlands
WPC International Holding and Financing LLC	100 %	Delaware
WPC International Holding LP	100 %	Delaware
WPC Jumb 17-19 B.V.	100 %	Netherlands
WPC KEN SCI	100 %	France
WPC LER SCI	100 %	France
WPC Lipowy Sp. z o.o.	100 %	Poland
WPC Leo 17-38 B.V.	100 %	Netherlands
WPC MAN Denmark ApS	100 %	Denmark
WPC MAN-Strasse 1 GmbH	100 %	Austria
WPC Meru SCI	100 %	France
WPC NatExp 17-9 B.V.	100 %	Netherlands
WPC Noki Sp. z o.o.	100 %	Poland
WPC Pan-European Holding Cooperatief U.A.	100 %	Netherlands

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
WPC Pola Sp. z o.o.	100 %	Poland
WPC PR6 (CO) LLC	100 %	Delaware
WPC PR6 OPT (CO) LLC	100 %	Delaware
WPC QBE Manager, LLC	100 %	Delaware
WPC Rab 18-11 B.V.	100 %	Netherlands
WPC REIT ADMIR 8 B.V.	100 %	Netherlands
WPC REIT AXL 39 B.V.	100 %	Netherlands
WPC REIT Cargo 4 B.V.	100 %	Netherlands
WPC REIT DS 43 B.V.	100 %	Netherlands
WPC REIT Fau 42 B.V.	100 %	Netherlands
WPC REIT Financing B.V.	100 %	Netherlands
WPC REIT Gam 21 B.V.	100 %	Netherlands
WPC REIT Gam 22 B.V.	100 %	Netherlands
WPC REIT Gam 23 B.V.	100 %	Netherlands
WPC REIT Gam 24 B.V.	100 %	Netherlands
WPC REIT Gam 25 B.V.	100 %	Netherlands
WPC REIT HF Sp. z o.o.	100 %	Poland
WPC REIT INEEDATOW 47 B.V.	100 %	Netherlands
WPC REIT Kampen 29 B.V.	100 %	Netherlands
WPC REIT Kar 26 B.V.	100 %	Netherlands
WPC REIT MAN 16 B.V.	100 %	Netherlands
WPC REIT Merger Sub Inc.	100 %	Maryland
WPC REIT MX-AB 19 B.V.	100 %	Netherlands
WPC REIT MX-AB 37 TRS B.V.	100 %	Netherlands
WPC REIT NEWCO B.V.	100 %	Netherlands
WPC REIT Nipp 13 B.V.	100 %	Netherlands
WPC REIT Npow 17 B.V.	100 %	Netherlands
WPC REIT PD 12 B.V.	100 %	Netherlands
WPC REIT PeRo 40 B.V.	100 %	Netherlands
WPC REIT Rem (IT) Srl	100 %	Italy
WPC REIT Rock Sp. z o. o	100 %	Poland
WPC REIT Sant 5 B.V.	100 %	Netherlands
WPC REIT Son 30 B.V.	100 %	Netherlands
WPC REIT Son 31 B.V.	100 %	Netherlands
WPC REIT Son 32 B.V.	100 %	Netherlands
WPC REIT Son 33 B.V.	100 %	Netherlands
WPC REIT Son 34 B.V.	100 %	Netherlands
WPC REIT Ster 18 B.V.	100 %	Netherlands
WPC REIT Stretch 41 B.V.	100 %	Netherlands
WPC REIT TRS 27 B.V.	100 %	Netherlands
WPC REIT UP 46 B.V.	100 %	Netherlands
WPC REIT VAC 44 B.V.	100 %	Netherlands
WPC REIT Vert (BE) SRL	100 %	Belgium
WPC REIT VM 28 B.V.	100 %	Netherlands
WPC REIT VM (BE) B.V.	100 %	Belgium

SUBSIDIARIES OF REGISTRANT (Continued)

Name of Subsidiary	Ownership	State or Country of Incorporation
WPC REIT VM II 48 B.V.	100 %	Netherlands
WPC REIT VM II (BE) SRL	100 %	Belgium
WPC REIT VM III (BE) S.A.	100 %	Belgium
WPC REIT Wait 45 B.V.	100 %	Netherlands
WPC Seville 18-28 B.V.	75 %	Netherlands
WPC Shaft (GER) LLC	100 %	Delaware
WPC Smalvollveien Holding AS	100 %	Norway
WPC Smalvollveien Purchaser AS	90 %	Norway
WPC Smucker Manager, LLC	100 %	Delaware
WPC Star Denmark ApS	100 %	Denmark
WPC Starbuilders Sweden AB	100 %	Sweden
WPC Storage TRS 18-1 (DE) Inc.	100 %	Delaware
WPC Swansea 18-24 B.V.	97 %	Netherlands
WPC Swansea Student Housing 18-33 B.V.	97 %	Netherlands
WPC Swansea TRS 18-32 B.V.	97 %	Netherlands
WPC Tesc 17-3 B.V.	100 %	Netherlands
WPC VM III 17-40 B.V.	100 %	Netherlands
WPC VUL SCI	100 %	France
WPC WGN 17-2 B.V.	100 %	Netherlands
WPC-CPA:18 Holdings, LLC	100 %	Delaware
Wrench (DE) Limited Partnership	100 %	Delaware
Wrench (DE) QRS 15-31, Inc.	100 %	Delaware
Wrench (DE) Trust	100 %	Maryland
Wyckoff Self Storage NYC Mezz, LLC	100 %	Delaware
Wyckoff Self Storage NYC, LLC	100 %	Delaware
XPD (NJ) LLC	100 %	Delaware
XPD Member (NJ) QRS 16-12, Inc.	100 %	Delaware
You Scream (PA) LLC	100 %	Delaware
YOURE IT (TN) LLC	100 %	Delaware
Zerega Self Storage NYC Mezz, LLC	100 %	Delaware
Zerega Self Storage NYC, LLC	100 %	Delaware

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-56121, 333-90880, 333-160078, 333-160079, 333-187729, 333-189999, and 333-219007) and Form S-3 (No. 333-264613) of W. P. Carey Inc. of our report dated February 10, 2023 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
New York, New York
February 10, 2023

Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jason E. Fox, certify that:

1. I have reviewed this Annual Report on Form 10-K of W. P. Carey Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 10, 2023

/s/ Jason E. Fox

Jason E. Fox

Chief Executive Officer

Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, ToniAnn Sanzone, certify that:

1. I have reviewed this Annual Report on Form 10-K of W. P. Carey Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 10, 2023

/s/ ToniAnn Sanzone
ToniAnn Sanzone
Chief Financial Officer

Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of W. P. Carey Inc. on Form 10-K for the period ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of W. P. Carey Inc., does hereby certify, to the best of such officer's knowledge and belief, 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 W. P. Carey Inc.

Date: February 10, 2023

/s/ Jason E. Fox
Jason E. Fox
Chief Executive Officer

Date: February 10, 2023

/s/ ToniAnn Sanzone
ToniAnn Sanzone
Chief Financial Officer

The certification set forth above is being furnished as an exhibit solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Report as a separate disclosure document of W. P. Carey Inc. or the certifying officers.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to W. P. Carey Inc. and will be retained by W. P. Carey Inc. and furnished to the Securities and Exchange Commission or its staff upon request.