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

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**Form 10-Q**

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

For the quarterly period ended September 30, 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 001-34820

**KKR**  
**KKR & CO. INC.**

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State or other Jurisdiction of  
Incorporation or Organization)

**88-1203639**  
(I.R.S. Employer  
Identification Number)

**30 Hudson Yards**  
**New York, New York 10001**  
**Telephone: (212) 750-8300**  
(Address, zip code, and telephone number, including  
area code, of registrant's principal executive office.)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock	KKR	New York Stock Exchange
6.00% Series C Mandatory Convertible Preferred Stock	KKR PR C	New York Stock Exchange
4.625% Subordinated Notes due 2061 of KKR Group Finance Co. IX LLC	KKRS	New York Stock Exchange

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

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

As of November 7, 2022, there were 861,111,863 shares of common stock of the registrant outstanding.

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KKR & CO. INC.

FORM 10-Q

For the Quarter Ended September 30, 2022

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which reflect our current views with respect to, among other things, our operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "believe," "think," "expect," "potential," "continue," "may," "should," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "anticipate," the negative version of these words, other comparable words or other statements that do not relate strictly to historical or factual matters. Without limiting the foregoing, statements regarding the declaration and payment of dividends on common or preferred stock of KKR & Co. Inc.; the timing, manner and volume of repurchase of common stock pursuant to its repurchase program; expansion and growth opportunities and other synergies resulting from acquisitions, reorganizations or strategic partnerships, including the GA Acquisition (as defined below) and the KJRM Acquisition (as defined below); and the timing and completion of certain transactions contemplated by the Reorganization Agreement (as defined below) may constitute forward-looking statements. Forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements or cause the anticipated benefits and synergies from transactions to not be realized. We believe these factors include those described under the section entitled "Business Environment" in this report and "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021 filed with the U.S. Securities and Exchange Commission ("SEC") on February 28, 2022 (our "Annual Report"). These factors should be read in conjunction with the other cautionary statements that are included in this report and in our other filings with the U.S. Securities and Exchange Commission (the "SEC"). We do not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

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## CERTAIN TERMS USED IN THIS REPORT

In this report, references to "KKR," "we," "us" and "our" refer to KKR & Co. Inc. and its subsidiaries, including The Global Atlantic Financial Group LLC ("TGAFG" and, together with its subsidiaries, "Global Atlantic"), unless the context requires otherwise. On February 1, 2021, KKR completed its acquisition of Global Atlantic. KKR holds all of the voting interests in Global Atlantic and owns 61.5% of the economic equity interests in Global Atlantic.

For periods between July 1, 2018 and December 31, 2019, references to "common stock" refer to Class A common stock of KKR & Co. Inc., and references to "Series I preferred stock" and "Series II preferred stock" refer to Class B common stock and Class C common stock of KKR & Co. Inc., respectively. Prior to July 1, 2018, KKR & Co. Inc. was a limited partnership named KKR & Co. L.P. References to the "Series I preferred stockholder" or "KKR Management" are to KKR Management LLP, the holder of the sole outstanding share of our Series I preferred stock. KKR Management has approved, and may continue to approve in the future, matters requiring the approval of the holder of the Series I Preferred Stock pursuant to Section 13.04 of KKR & Co. Inc.'s Amended and Restated Certificate of Incorporation. References to our "senior principals" are to our senior employees who hold interests in the Series I preferred stockholder, including Mr. Henry Kravis and Mr. George Roberts (our "Co-Founders"). References to "non-employee operating consultants" for periods prior to January 1, 2020 refer to employees of KKR Capstone Americas LLC and its affiliates ("KKR Capstone"), which were then owned and controlled by their senior management and not subsidiaries or affiliates of KKR. KJR Management ("KJRM") is a Japanese real estate asset manager, which KKR acquired on April 28, 2022.

Unless otherwise indicated, references to equity interests in KKR's business, or to percentage interests in KKR's business, reflect the aggregate equity interests in KKR Group Partnership L.P. ("KKR Group Partnership"), which is the intermediate holding company that owns the entirety of KKR's business, and are net of amounts that have been allocated to the holders of certain minority interests, including our principals prior to the completion of the Reorganization Mergers (as defined below) and carry pool participants (who are explained further below). References to "KKR Group Partnership" for periods prior to January 1, 2020 refer to KKR Fund Holdings L.P., KKR Management Holdings L.P. and KKR International Holdings L.P., collectively, which were combined on that date to form KKR Group Partnership. References to a "KKR Group Partnership Unit" refer to (i) one Class A partner interest in each of KKR Fund Holdings L.P., KKR Management Holdings L.P. and KKR International Holdings L.P., collectively, for periods prior to prior to January 1, 2020, and (ii) one Class A partner interest in KKR Group Partnership for periods on and after January 1, 2020.

References to "principals" are to current and former employees who held interests in KKR's business through KKR Holdings L.P. ("KKR Holdings") prior to the completion of the Reorganization Mergers. References to "carry pool participants" are to our current and former employees who hold interests in our "carry pool," which refers to the carried interest

generated by KKR's business that is allocated to KKR Associates Holdings L.P. ("KKR Associates Holdings"), in which carry pool participants are limited partners. KKR Associates Holdings is currently not a subsidiary of KKR & Co. Inc.

On October 8, 2021, KKR entered into a Reorganization Agreement (the "Reorganization Agreement") with KKR Holdings, KKR Management, KKR Associates Holdings, and the other parties thereto. Pursuant to the Reorganization Agreement, the parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes, some of which were completed on May 31, 2022, and others which will be completed in the future. On May 31, 2022, KKR completed the merger transactions ("Reorganization Mergers") contemplated by the Reorganization Agreement pursuant to which KKR acquired KKR Holdings (which changed its name to KKR Group Holdings L.P.) and all of the KKR Group Partnership Units held by it. In the Reorganization Mergers, among other things, (i) KKR Aubergine Inc. ("New Parent"), a newly formed entity to effect the Reorganization Mergers, became the successor to KKR & Co. Inc. ("Old Parent") and the new parent company of KKR's business, and (ii) New Parent changed its name to KKR & Co. Inc., and Old Parent changed its name to KKR Group Co. Inc. In this report, all references to KKR & Co. Inc. prior to the completion of the Reorganization Mergers relate to Old Parent, and all references to KKR & Co. Inc. after the completion of the Reorganization Mergers relate to New Parent. For more information about the Reorganization Agreement, see "Certain Relationships and Related Transactions, and Director Independence—Reorganization Agreement" in our Annual Report. For more information about the Reorganization Mergers, see Note 1 "Organization" to the financial statements included in this Quarterly Report on Form 10-Q.

In this report, the term "GAAP" refers to accounting principles generally accepted in the United States of America.

We disclose certain financial measures in this report that are calculated and presented using methodologies other than in accordance with GAAP, including after-tax distributable earnings, distributable operating earnings, fee related earnings ("FRE"), asset management segment revenues, book value and book value per adjusted share. We believe that providing these performance measures on a supplemental basis to our GAAP results is helpful to stockholders in assessing the overall performance of KKR's businesses. These non-GAAP financial measures should not be considered as a substitute for similar financial measures calculated in accordance with GAAP. We caution readers that these non-GAAP financial measures may differ from the calculations of other investment managers, and as a result, may not be comparable to similar measures presented by other investment managers. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, where applicable, are included under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Reconciliations to GAAP Measures." This report also uses the terms assets under management ("AUM"), fee paying assets under management ("FPAUM") and capital invested. You should note that our calculations of these and other operating metrics may differ from the calculations of other investment managers and, as a result, may not be comparable to similar metrics presented by other investment managers. These non-GAAP and operating metrics are defined in the section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Non-GAAP Performance Measures and Other Operating Measures."

References to our "funds" or our "vehicles" refer to investment funds, vehicles and accounts that are advised, managed or sponsored by one or more subsidiaries of KKR, including collateralized loan obligations ("CLOs") and our business development company ("BDC"), unless the context requires otherwise. They do not include investment funds, vehicles or accounts of any hedge fund or other manager with which we have formed a strategic partnership where we have acquired an ownership interest. References to "strategic investor partnerships" refers to separately managed accounts with certain investors, which typically have investment periods longer than our traditional funds and typically provide for investments across different investment strategies. References to "hedge fund partnerships" refers to strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake.

Unless otherwise indicated, references in this report to our outstanding common stock on a fully exchanged and diluted basis reflect (i) actual shares of common stock outstanding, (ii) shares of common stock into which all outstanding shares of Series C Mandatory Convertible Preferred Stock are convertible, and (iii) shares of common stock issuable pursuant to certain equity awards actually granted pursuant to the Amended and Restated KKR & Co. Inc. 2010 Equity Incentive Plan (the "2010 Equity Incentive Plan") or the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (the "2019 Equity Incentive Plan" and, together with the 2010 Equity Incentive Plan, our "Equity Incentive Plans"). Our outstanding common stock on a fully exchanged and diluted basis does not include shares of common stock available for issuance pursuant to the Equity Incentive Plans for which equity awards have not yet been granted.

"Exchangeable securities" refers to securities representing an ownership interest in KKR Group Partnership Units, which may be exchanged for shares of common stock of KKR & Co. Inc. As of the date of this report, our only outstanding exchangeable securities are vested equity awards from our 2019 Equity Incentive Plan called restricted holdings units ("RHUs"), which involve KKR Holdings II L.P. KKR Holdings II L.P. is a subsidiary of KKR & Co. Inc. that owns approximately 0.3% of the outstanding KKR Group Partnership Units as of September 30, 2022. For more information, see Note 19 "Equity Based Compensation—Asset Management—KKR Equity Incentive Plan Awards."

The use of any defined term in this report to mean more than one entity, person, security or other item collectively is solely for convenience of reference and in no way implies that such entities, persons, securities or other items are one indistinguishable group. For example, notwithstanding the use of the defined terms "KKR," "we" and "our" in this report to refer to KKR & Co. Inc. and its subsidiaries, each subsidiary of KKR & Co. Inc. is a standalone legal entity that is separate and distinct from KKR & Co. Inc. and any of its other subsidiaries. Any KKR entity (including any Global Atlantic entity) referenced herein is responsible for its own financial, contractual and legal obligations.

## PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

**KKR & CO. INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)**  
(Amounts in Thousands, Except Share and Per Share Data)

	September 30, 2022	December 31, 2021
<b>Assets</b>		
<i>Asset Management</i>		
Cash and Cash Equivalents	\$ 6,911,691	\$ 6,699,668
Restricted Cash and Cash Equivalents	201,194	134,298
Investments	89,720,859	88,775,514
Due from Affiliates	1,370,693	1,224,283
Other Assets	5,177,042	2,886,313
	<u>103,381,479</u>	<u>99,720,076</u>
<i>Insurance</i>		
Cash and Cash Equivalents	\$ 4,147,146	\$ 3,391,934
Restricted Cash and Cash Equivalents	369,834	300,404
Investments	118,772,273	123,763,675
Reinsurance Recoverable	26,163,181	25,062,256
Insurance Intangible Assets	1,632,083	1,407,149
Other Assets	7,730,393	5,053,518
Separate Account Assets	4,052,251	5,586,428
	<u>162,867,161</u>	<u>164,565,364</u>
<b>Total Assets</b>	<u>\$ 266,248,640</u>	<u>\$ 264,285,440</u>
<b>Liabilities and Equity</b>		
<i>Asset Management</i>		
Debt Obligations	\$ 38,257,833	\$ 36,669,755
Due to Affiliates	444,872	462,722
Accrued Expenses and Other Liabilities	7,135,124	7,896,897
	<u>45,837,829</u>	<u>45,029,374</u>
<i>Insurance</i>		
Policy Liabilities	\$ 135,733,868	\$ 126,520,044
Debt Obligations	1,920,906	1,908,006
Funds Withheld Payable at Interest	21,063,577	23,460,253
Accrued Expenses and Other Liabilities	4,927,883	3,263,566
Reinsurance Liabilities	729,531	378,549
Separate Account Liabilities	4,052,251	5,586,428
	<u>168,428,016</u>	<u>161,116,846</u>
<b>Total Liabilities</b>	<u>214,265,845</u>	<u>206,146,220</u>

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
<b>Commitments and Contingencies (See Note 24)</b>		
<b>Redeemable Noncontrolling Interests</b>	\$ 82,133	\$ 82,491
<b>Stockholders' Equity</b>		
Series C Mandatory Convertible Preferred Stock, \$0.01 par value. 22,999,974 and 23,000,000 shares, issued and outstanding as of September 30, 2022 and December 31, 2021, respectively.	\$ 1,115,792	\$ 1,115,792
Series I Preferred Stock, \$0.01 par value. 1 share authorized, 1 share issued and outstanding as of September 30, 2022 and December 31, 2021.	—	—
Series II Preferred Stock, \$0.01 par value. 499,999,999 shares authorized, 258,726,163 shares issued and outstanding as of December 31, 2021. (See Note 1)	—	2,587
Common Stock, \$0.01 par value. 3,500,000,000 shares authorized, 859,833,444 and 595,663,618 shares, issued and outstanding as of September 30, 2022 and December 31, 2021, respectively.	8,598	5,957
Additional Paid-In Capital	16,015,645	8,997,435
Retained Earnings	6,365,963	7,670,182
Accumulated Other Comprehensive Income (Loss) ("AOCI")	(6,054,953)	(209,789)
<b>Total KKR &amp; Co. Inc. Stockholders' Equity</b>	<u>17,451,045</u>	<u>17,582,164</u>
Noncontrolling Interests (See Note 22)	34,449,617	40,474,565
<b>Total Equity</b>	<u>51,900,662</u>	<u>58,056,729</u>
<b>Total Liabilities and Equity</b>	<u>\$ 266,248,640</u>	<u>\$ 264,285,440</u>

See notes to financial statements.

**KKR & CO. INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED) (Continued)**  
**(Amounts in Thousands)**

The following presents the portion of the consolidated balances provided in the consolidated statements of financial condition attributable to consolidated variable interest entities ("VIEs"). As of September 30, 2022 and December 31, 2021, KKR's consolidated VIEs consist primarily of (i) certain collateralized financing entities ("CFEs") holding collateralized loan obligations ("CLOs"), (ii) certain investment funds, and (iii) certain VIEs formed by Global Atlantic. The noteholders, creditors and equity holders of these VIEs have no recourse to the assets of any other KKR entity.

With respect to consolidated CLOs and certain investment funds, the following assets may only be used to settle obligations of these consolidated VIEs and the following liabilities are only the obligations of these consolidated VIEs and not generally to KKR. Additionally, KKR has no right to the benefits from, nor does KKR bear the risks associated with, the assets held by these VIEs beyond KKR's beneficial interest therein and any income generated from the VIEs. There are neither explicit arrangements nor does KKR hold implicit variable interests that would require KKR to provide any material ongoing financial support to the consolidated VIEs, beyond amounts previously committed to them, if any.

With respect to certain other VIEs consolidated by Global Atlantic, Global Atlantic has formed certain VIEs to hold investments, including fixed maturity securities, consumer and other loans, renewable energy, transportation and real estate. These VIEs issue beneficial interests primarily to Global Atlantic's insurance companies.

	September 30, 2022			
	Consolidated CLOs	Consolidated Funds and Other Investment Vehicles	Other VIEs	Total
<b>Assets</b>				
<i><b>Asset Management</b></i>				
Cash and Cash Equivalents	\$ 732,922	\$ 2,324,606	\$ —	\$ 3,057,528
Restricted Cash and Cash Equivalents	—	123,413	—	123,413
Investments	21,500,342	52,481,494	—	73,981,836
Other Assets	144,882	771,333	—	916,215
	22,378,146	55,700,846	—	78,078,992
<i><b>Insurance</b></i>				
Cash and Cash Equivalents	—	—	1,161,874	1,161,874
Investments	—	—	24,215,391	24,215,391
Accrued Investment Income	—	—	230,324	230,324
Other Assets	—	—	2,164,350	2,164,350
	—	—	27,771,939	27,771,939
<b>Total Assets</b>	\$ 22,378,146	\$ 55,700,846	\$ 27,771,939	\$ 105,850,931
<b>Liabilities</b>				
<i><b>Asset Management</b></i>				
Debt Obligations	\$ 21,118,566	\$ 6,520,275	\$ —	\$ 27,638,841
Accrued Expenses and Other Liabilities	554,661	601,416	—	1,156,077
	21,673,227	7,121,691	—	28,794,918
<i><b>Insurance</b></i>				
Accrued Expenses and Other Liabilities	—	—	1,124,146	1,124,146
<b>Total Liabilities</b>	\$ 21,673,227	\$ 7,121,691	\$ 1,124,146	\$ 29,919,064



	December 31, 2021			
	Consolidated CLOs	Consolidated Funds and Other Investment Vehicles	Other VIEs	Total
<b>Assets</b>				
<i>Asset Management</i>				
Cash and Cash Equivalents	\$ 1,215,992	\$ 1,085,958	\$ —	\$ 2,301,950
Restricted Cash and Cash Equivalents	—	90,255	—	90,255
Investments	22,076,809	46,780,595	—	68,857,404
Other Assets	173,329	641,946	—	815,275
	<u>23,466,130</u>	<u>48,598,754</u>	<u>—</u>	<u>72,064,884</u>
<i>Insurance</i>				
Cash and Cash Equivalents	—	—	1,406,974	1,406,974
Investments	—	—	20,043,016	20,043,016
Accrued Investment Income	—	—	100,693	100,693
Other Assets	—	—	506,777	506,777
	<u>—</u>	<u>—</u>	<u>22,057,460</u>	<u>22,057,460</u>
<b>Total Assets</b>	<u>\$ 23,466,130</u>	<u>\$ 48,598,754</u>	<u>\$ 22,057,460</u>	<u>\$ 94,122,344</u>
<b>Liabilities</b>				
<i>Asset Management</i>				
Debt Obligations	\$ 21,271,084	\$ 6,291,292	\$ —	\$ 27,562,376
Accrued Expenses and Other Liabilities	1,367,778	691,288	—	2,059,066
	<u>22,638,862</u>	<u>6,982,580</u>	<u>—</u>	<u>29,621,442</u>
<i>Insurance</i>				
Accrued Expenses and Other Liabilities	—	—	594,946	594,946
<b>Total Liabilities</b>	<u>\$ 22,638,862</u>	<u>\$ 6,982,580</u>	<u>\$ 594,946</u>	<u>\$ 30,216,388</u>

See notes to financial statements.

**KKR & CO. INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
(Amounts in Thousands, Except Share and Per Share Data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Revenues</b>				
<i>Asset Management</i>				
Fees and Other	\$ 673,929	\$ 718,968	\$ 2,069,704	\$ 1,887,805
Capital Allocation-Based Income (Loss)	(572,863)	1,526,667	(2,442,080)	5,736,707
	101,066	2,245,635	(372,376)	7,624,512
<i>Insurance</i>				
Net Premiums	480,462	974,903	627,104	1,698,912
Policy Fees	320,206	310,381	964,349	824,326
Net Investment Income	1,094,877	758,381	2,839,371	1,919,659
Net Investment-Related Gains (Losses)	(173,830)	162,127	(968,836)	32,983
Other Income	35,632	31,938	102,888	82,160
	1,757,347	2,237,730	3,564,876	4,558,040
<b>Total Revenues</b>	1,858,413	4,483,365	3,192,500	12,182,552
<b>Expenses</b>				
<i>Asset Management</i>				
Compensation and Benefits	244,502	1,012,837	779,050	3,419,057
Occupancy and Related Charges	18,683	17,438	55,693	51,289
General, Administrative and Other	212,513	203,977	701,010	608,270
	475,698	1,234,252	1,535,753	4,078,616
<i>Insurance</i>				
Net Policy Benefits and Claims	1,087,731	1,697,046	1,768,384	3,593,563
Amortization of Policy Acquisition Costs	8,222	(16,900)	13,693	(57,409)
Interest Expense	26,141	22,437	58,330	44,482
Insurance Expenses	158,280	89,534	406,088	242,591
General, Administrative and Other	178,443	158,873	516,549	371,656
	1,458,817	1,950,990	2,763,044	4,194,883
<b>Total Expenses</b>	1,934,515	3,185,242	4,298,797	8,273,499
<b>Investment Income (Loss) - Asset Management</b>				
Net Gains (Losses) from Investment Activities	(379,180)	2,116,647	(1,350,388)	8,032,900
Dividend Income	294,415	121,484	1,104,120	323,051
Interest Income	500,234	402,839	1,244,339	1,151,548
Interest Expense	(391,520)	(278,166)	(1,002,005)	(794,978)
<b>Total Investment Income (Loss)</b>	23,949	2,362,804	(3,934)	8,712,521
<b>Income (Loss) Before Taxes</b>	(52,153)	3,660,927	(1,110,231)	12,621,574
<b>Income Tax Expense (Benefit)</b>	27,434	379,282	(128,836)	1,161,688

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Net Income (Loss)</b>	(79,587)	3,281,645	(981,395)	11,459,886
Net Income (Loss) Attributable to Redeemable Noncontrolling Interests	1,601	1,519	1,546	2,856
Net Income (Loss) Attributable to Noncontrolling Interests	(6,792)	2,123,569	(41,341)	7,315,362
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>	<b>(74,396)</b>	<b>1,156,557</b>	<b>(941,600)</b>	<b>4,141,668</b>
Series A Preferred Stock Dividends	—	—	—	23,656
Series B Preferred Stock Dividends	—	7,953	—	12,991
Series C Mandatory Convertible Preferred Stock Dividends	17,250	17,250	51,750	51,750
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Common Stockholders</b>	<b>\$ (91,646)</b>	<b>\$ 1,131,354</b>	<b>\$ (993,350)</b>	<b>\$ 4,053,271</b>
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Per Share of Common Stock</b>				
Basic	\$ (0.11)	\$ 1.94	\$ (1.40)	\$ 6.98
Diluted	\$ (0.11)	\$ 1.80	\$ (1.40)	\$ 6.52
<b>Weighted Average Shares of Common Stock Outstanding</b>				
Basic	859,833,444	583,030,506	711,908,107	580,742,033
Diluted	859,833,444	637,416,100	711,908,107	629,620,055

See notes to financial statements.

**KKR & CO. INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)**  
**(Amounts in Thousands)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Net Income (Loss)</b>	\$ (79,587)	\$ 3,281,645	\$ (981,395)	\$ 11,459,886
Other Comprehensive Income (Loss), Net of Tax:				
Unrealized Gains (Losses) on Available-For-Sale Securities and Other	(2,241,482)	(141,762)	(9,002,927)	(338,067)
Foreign Currency Translation Adjustments	(38,396)	(12,873)	(180,050)	(24,365)
<b>Comprehensive Income (Loss)</b>	(2,359,465)	3,127,010	(10,164,372)	11,097,454
Comprehensive Income (Loss) Attributable to Redeemable Noncontrolling Interests	1,601	1,519	1,546	2,856
Comprehensive Income (Loss) Attributable to Noncontrolling Interests	(822,333)	2,037,025	(4,550,095)	7,105,634
<b>Comprehensive Income (Loss) Attributable to KKR &amp; Co. Inc.</b>	<u>\$ (1,538,733)</u>	<u>\$ 1,088,466</u>	<u>\$ (5,615,823)</u>	<u>\$ 3,988,964</u>

See notes to financial statements.

**KKR & CO. INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**  
(Amounts in Thousands, Except Share and Per Share Data)

	Three Months Ended September 30, 2022		Nine Months Ended September 30, 2022	
	Amounts	Shares	Amounts	Shares
<b>Series C Mandatory Convertible Preferred Stock</b>				
Beginning of Period	\$ 1,115,792	22,999,974	\$ 1,115,792	23,000,000
Conversion of Series C Mandatory Convertible Preferred Stock	—	—	—	(26)
End of Period	<u>1,115,792</u>	<u>22,999,974</u>	<u>1,115,792</u>	<u>22,999,974</u>
<b>Series I Preferred Stock</b>				
Beginning of Period	—	1	—	1
End of Period	—	<u>1</u>	—	<u>1</u>
<b>Series II Preferred Stock</b>				
Beginning of Period	—	—	2,587	258,726,163
Cancellation of Series II Preferred Stock - Holdings Merger (See Note 1)	—	—	(2,582)	(258,259,143)
Cancellation of Series II Preferred Stock	—	—	(5)	(467,020)
End of Period	—	—	—	—
<b>Common Stock</b>				
Beginning of Period	8,598	859,833,444	5,957	595,663,618
Exchange of KKR Holdings Units	—	—	5	467,020
Holdings Merger (See Note 1)	—	—	2,667	266,759,143
Net Delivery of Common Stock	—	—	21	2,134,807
Conversion of Series C Mandatory Convertible Preferred Stock	—	—	—	30
Repurchases of Common Stock	—	—	(52)	(5,191,174)
End of Period	<u>8,598</u>	<u>859,833,444</u>	<u>8,598</u>	<u>859,833,444</u>
<b>Additional Paid-In Capital</b>				
Beginning of Period	15,948,026		8,997,435	
Exchange of KKR Holdings Units	—		14,811	
Holdings Merger (See Note 1)	—		8,131,679	
Tax Effects - Holdings Merger and Other (See Note 1)	1,180		(1,064,790)	
Net Delivery of Common Stock	—		(34,895)	
Repurchases of Common Stock	—		(346,599)	
Equity-Based Compensation	66,439		166,167	
Change in KKR & Co. Inc.'s Ownership Interest	—		151,837	
End of Period	<u>16,015,645</u>		<u>16,015,645</u>	
<b>Retained Earnings</b>				
Beginning of Period	6,590,883		7,670,182	
Net Income (Loss) Attributable to KKR & Co. Inc.	(74,396)		(941,600)	
Series C Mandatory Convertible Preferred Stock Dividends (\$0.75 and \$2.25 per share for the three and nine months ended September 30, 2022, respectively)	(17,250)		(51,750)	
Common Stock Dividends (\$0.155 and \$0.455 per share for the three and nine months ended September 30, 2022, respectively)	(133,274)		(310,869)	
End of Period	<u>6,365,963</u>		<u>6,365,963</u>	
<b>Accumulated Other Comprehensive Income (Loss) (net of tax)</b>				
Beginning of Period	(4,590,616)		(209,789)	
Other Comprehensive Income (Loss)	(1,464,337)		(4,674,223)	
Exchange of KKR Holdings Units	—		(1,946)	
Holdings Merger (See Note 1)	—		(1,172,442)	
Change in KKR & Co. Inc.'s Ownership Interest	—		3,447	
End of Period	<u>(6,054,953)</u>		<u>(6,054,953)</u>	
<b>Total KKR &amp; Co. Inc. Stockholders' Equity</b>	<u>17,451,045</u>		<u>17,451,045</u>	
<b>Noncontrolling Interests (See Note 22)</b>	<u>34,449,617</u>		<u>34,449,617</u>	
<b>Total Equity</b>	<u>\$ 51,900,662</u>		<u>\$ 51,900,662</u>	
<b>Redeemable Noncontrolling Interests (See Note 23)</b>	<u>\$ 82,133</u>		<u>\$ 82,133</u>	

See notes to financial statements.

	Three Months Ended September 30, 2021		Nine Months Ended September 30, 2021	
	Amounts	Shares	Amounts	Shares
<b>Series A and B Preferred Stock</b>				
Beginning of Period	\$ 149,566	6,200,000	\$ 482,554	20,000,000
Redemption of Series A Preferred Stock	—	—	(332,988)	(13,800,000)
Redemption of Series B Preferred Stock	(149,566)	(6,200,000)	(149,566)	(6,200,000)
End of Period	—	—	—	—
<b>Series C Mandatory Convertible Preferred Stock</b>				
Beginning of Period	1,115,792	23,000,000	1,115,792	23,000,000
End of Period	1,115,792	23,000,000	1,115,792	23,000,000
<b>Series I Preferred Stock</b>				
Beginning of Period	—	1	—	1
End of Period	—	1	—	1
<b>Series II Preferred Stock</b>				
Beginning of Period	2,710	271,027,751	2,756	275,626,493
Cancellation of Series II Preferred Stock	—	—	(46)	(4,598,742)
End of Period	2,710	271,027,751	2,710	271,027,751
<b>Common Stock</b>				
Beginning of Period	5,830	583,030,973	5,729	572,893,738
Private Placement Share Issuance	—	—	9	964,871
Exchange of KKR Holdings Units	—	—	46	4,598,742
Net Delivery of Common Stock	—	—	73	7,249,400
Clawback of Transfer Restricted Shares	—	(4,294)	—	(12,077)
Repurchases of Common Stock	—	—	(27)	(2,667,995)
End of Period	5,830	583,026,679	5,830	583,026,679
<b>Additional Paid-In Capital</b>				
Beginning of Period	8,700,224		8,687,817	
Private Placement Share Issuance	—		38,454	
Exchange of KKR Holdings Units	—		125,188	
Tax Effects - Exchange of KKR Holdings Units and Other	(6,038)		(1,623)	
Net Delivery of Common Stock	—		(106,987)	
Repurchases of Common Stock	—		(135,903)	
Equity-Based Compensation	41,491		128,731	
End of Period	8,735,677		8,735,677	
<b>Retained Earnings</b>				
Beginning of Period	6,200,585		3,440,782	
Net Income (Loss) Attributable to KKR & Co. Inc.	1,156,557		4,141,668	
Series A Preferred Stock Dividends (\$0.00 and \$0.843750 per share for the three and nine months ended September 30, 2021, respectively)	—		(11,644)	
Redemption of Series A Preferred Stock	—		(12,012)	
Series B Preferred Stock Dividends (\$0.406250 and \$1.218750 per share for the three and nine months ended September 30, 2021, respectively)	(2,519)		(7,557)	
Redemption of Series B Preferred Stock	(5,434)		(5,434)	
Series C Mandatory Convertible Preferred Stock Dividends (\$0.75 and \$2.25 per share for the three and nine months ended September 30, 2021, respectively)	(17,250)		(51,750)	
Common Stock Dividends (\$0.145 and \$0.425 per share for the three and nine months ended September 30, 2021, respectively)	(84,539)		(246,653)	
End of Period	7,247,400		7,247,400	
<b>Accumulated Other Comprehensive Income (Loss) (net of tax)</b>				
Beginning of Period	(106,348)		(18,612)	
Other Comprehensive Income (Loss)	(68,091)		(152,704)	
Exchange of KKR Holdings Units	—		(3,123)	
End of Period	(174,439)		(174,439)	
<b>Total KKR &amp; Co. Inc. Stockholders' Equity</b>	<b>16,932,970</b>		<b>16,932,970</b>	
<b>Noncontrolling Interests (See Note 22)</b>	<b>40,031,244</b>		<b>40,031,244</b>	
<b>Total Equity</b>	<b>\$ 56,964,214</b>		<b>\$ 56,964,214</b>	
<b>Redeemable Noncontrolling Interests (See Note 23)</b>	<b>\$ 93,339</b>		<b>\$ 93,339</b>	

**KKR & CO. INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**(Amounts in Thousands)**

	Nine Months Ended September 30,	
	2022	2021
<b>Operating Activities</b>		
Net Income (Loss)	\$ (981,395)	\$ 11,459,886
<b>Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Equity-Based and Other Non-Cash Compensation	559,621	296,323
Net Realized (Gains) Losses - Asset Management	(1,158,582)	(1,532,956)
Change in Unrealized (Gains) Losses - Asset Management	2,508,970	(6,499,944)
Capital Allocation-Based (Income) Loss - Asset Management	2,442,080	(5,736,707)
Net Realized (Gains) Losses - Insurance	235,888	642,557
Net Accretion and Amortization	330,781	324,692
Interest Credited to Policyholder Account Balances (net of Policy Fees) - Insurance	1,009,636	938,415
Other Non-Cash Amounts	37,268	101,904
Cash Flows Due to Changes in Operating Assets and Liabilities:		
Reinsurance Transactions and Acquisitions, Net of Cash Provided - Insurance	715,716	1,041,130
Change in Premiums, Notes Receivable and Reinsurance Recoverable, Net of Reinsurance Premiums Payable - Insurance	795,488	435,715
Change in Deferred Policy Acquisition Costs - Insurance	(368,144)	(307,031)
Change in Policy Liabilities and Accruals, Net - Insurance	(286,072)	(583,875)
Change in Consolidation	(66,593)	(24,183)
Change in Due from / to Affiliates	(163,667)	(243,120)
Change in Other Assets	1,462,938	669,361
Change in Accrued Expenses and Other Liabilities	(2,783,578)	2,608,487
Investments Purchased - Asset Management	(32,517,281)	(55,435,501)
Proceeds from Investments - Asset Management	23,595,202	48,286,348
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(4,631,724)</b>	<b>(3,558,499)</b>
<b>Investing Activities</b>		
Acquisition of Global Atlantic, Net of Cash Acquired (See Note 3)	—	(473,779)
Acquisition of KJRM, Net of Cash Acquired (See Note 3)	(1,690,702)	—
Purchases of Fixed Assets	(58,584)	(82,515)
Investments Purchased - Insurance	(37,207,043)	(38,215,238)
Proceeds from Investments - Insurance	28,301,478	32,463,286
Other Investing Activities, Net - Insurance	(26,311)	(708,992)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(10,681,162)</b>	<b>(7,017,238)</b>
<b>Financing Activities</b>		
Series A and B Preferred Stock Dividends	—	(19,201)
Series C Mandatory Convertible Preferred Stock Dividends	(51,750)	(51,750)
Common Stock Dividends	(310,869)	(246,653)
Distributions to Redeemable Noncontrolling Interests	(1,905)	(1,362)
Distributions to Noncontrolling Interests	(5,759,604)	(3,975,764)
Contributions from Noncontrolling Interests	11,033,195	8,875,106
Redemption of Series A and B Preferred Stock	—	(500,000)
Net Delivery of Common Stock (Equity Incentive Plans)	(34,874)	(106,914)
Repurchases of Common Stock	(346,651)	(135,930)
Private Placement Share Issuance	—	38,463
Proceeds from Debt Obligations	17,191,850	20,615,117
Repayment of Debt Obligations	(12,328,191)	(13,881,246)
Financing Costs Paid	(32,559)	(93,914)
Additions to Contractholder Deposit Funds - Insurance	16,629,841	11,331,510
Withdrawals from Contractholder Deposit Funds - Insurance	(9,863,212)	(6,264,316)
Reinsurance Transactions, Net of Cash Provided - Insurance	54,749	524,724

	Nine Months Ended September 30,	
	2022	2021
Other Financing Activity, Net - Insurance	471,007	18,244
<b>Net Cash Provided (Used) by Financing Activities</b>	<b>16,651,027</b>	<b>16,126,114</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(234,580)	(31,022)
<b>Net Increase/(Decrease) in Cash, Cash Equivalents and Restricted Cash</b>	<b>\$ 1,103,561</b>	<b>\$ 5,519,355</b>
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	10,526,304	6,993,457
<b>Cash, Cash Equivalents and Restricted Cash, End of Period</b>	<b>\$ 11,629,865</b>	<b>\$ 12,512,812</b>
<b>Cash, Cash Equivalents and Restricted Cash are comprised of the following:</b>		
<b>Beginning of the Period</b>		
<i>Asset Management</i>		
Cash and Cash Equivalents	\$ 6,699,668	\$ 6,507,874
Restricted Cash and Cash Equivalents	134,298	485,583
<i>Total Asset Management</i>	6,833,966	6,993,457
<i>Insurance</i>		
Cash and Cash Equivalents	\$ 3,391,934	\$ —
Restricted Cash and Cash Equivalents	300,404	—
<i>Total Insurance</i>	3,692,338	—
<b>Cash, Cash Equivalents and Restricted Cash, Beginning of Period</b>	<b>\$ 10,526,304</b>	<b>\$ 6,993,457</b>
<b>End of the Period</b>		
<i>Asset Management</i>		
Cash and Cash Equivalents	\$ 6,911,691	\$ 7,256,382
Restricted Cash and Cash Equivalents	201,194	140,618
<i>Total Asset Management</i>	7,112,885	7,397,000
<i>Insurance</i>		
Cash and Cash Equivalents	\$ 4,147,146	\$ 4,717,240
Restricted Cash and Cash Equivalents	369,834	398,572
<i>Total Insurance</i>	4,516,980	5,115,812
<b>Cash, Cash Equivalents and Restricted Cash, End of Period</b>	<b>\$ 11,629,865</b>	<b>\$ 12,512,812</b>

See notes to financial statements.



**KKR & CO. INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (Continued)**  
**(Amounts in Thousands)**

	<b>Nine Months Ended September 30,</b>	
	<b>2022</b>	<b>2021</b>
<b>Supplemental Disclosures of Cash Flow Information</b>		
Payments for Interest	\$ 1,112,596	\$ 876,412
Payments for Income Taxes	\$ 556,195	\$ 463,983
Payments for Operating Lease Liabilities	\$ 37,533	\$ 35,124
<b>Supplemental Disclosures of Non-Cash Investing and Financing Activities</b>		
Equity-Based and Other Non-Cash Contributions	\$ 459,327	\$ 235,381
Non-Cash Contribution from Noncontrolling Interests	\$ 84,786	\$ 845,943
Debt Obligations - Net Gains (Losses), Translation and Other	\$ 3,056,342	\$ 272,410
Holdings Merger (See Note 1)	\$ 6,959,322	\$ —
Tax Effects - Exchange of KKR Holdings L.P. Units and Other (See Note 1)	\$ (1,064,790)	\$ (1,623)
Right-of-Use Assets obtained in Exchange for new Operating Lease Liabilities	\$ 47,032	\$ 44,754
Investments Acquired through Reinsurance Agreements	\$ 2,697,956	\$ 16,133,534
Policyholder Liabilities and Accruals Acquired through Reinsurance Agreements	\$ 965,829	\$ 3,455,904
Contractholder Deposit Funds Acquired through Reinsurance Agreements	\$ 2,544,504	\$ 14,809,751
<b>Change in Consolidation</b>		
Investments	\$ (57,440)	\$ (64,957)
Due From Affiliates	\$ —	\$ (3,735)
Other Assets	\$ (59,675)	\$ (46,352)
Debt Obligations	\$ (50,339)	\$ (26,165)
Due to Affiliates	\$ (174)	\$ (238)
Accrued Expenses and Other Liabilities	\$ (4,162)	\$ (11,626)
Noncontrolling Interests	\$ —	\$ (78,840)

See notes to financial statements.

**KKR & CO. INC.**

**NOTES TO FINANCIAL STATEMENTS (UNAUDITED)**

**(All Amounts in Thousands, Except Share and Per Share Data, and Except Where Noted)**

**1. ORGANIZATION**

KKR & Co. Inc. (NYSE: KKR), through its subsidiaries (collectively, "KKR"), is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of The Global Atlantic Financial Group LLC ("TGAFG" and, together with its subsidiaries, "Global Atlantic").

KKR & Co. Inc. is the parent company of KKR Group Co. Inc., which in turn owns KKR Group Holdings Corp., which is the general partner of KKR Group Partnership L.P. ("KKR Group Partnership"). KKR & Co. Inc. both indirectly controls KKR Group Partnership and indirectly holds Class A partner interests in KKR Group Partnership ("KKR Group Partnership Units") representing economic interests in KKR's business. As of September 30, 2022, KKR & Co. Inc. held indirectly approximately 99.7% of the KKR Group Partnership Units. The remaining balance is held indirectly by KKR employees through securities representing an ownership interest in KKR Group Partnership Units, which may be exchanged for shares of common stock of KKR & Co. Inc. ("exchangeable securities"). KKR Group Partnership also has outstanding limited partner interests that provide for a carry pool and preferred units with economic terms that mirror the Series C Mandatory Convertible Preferred Stock issued by KKR & Co. Inc.

References to "KKR" in these financial statements refer to KKR & Co. Inc. and its subsidiaries, including Global Atlantic, unless the context requires otherwise, especially in sections where "KKR" is intended to refer to the asset management business only. References in these financial statements to "principals" are to KKR's current and former employees who held interests in KKR's business through KKR Holdings prior to the Reorganization Mergers (as defined below). References to "Global Atlantic" in these financial statements includes the insurance companies of Global Atlantic, which are consolidated by KKR.

***Reorganization Agreement***

On October 8, 2021, KKR entered into a Reorganization Agreement (the "Reorganization Agreement") with KKR Holdings L.P. ("KKR Holdings"), KKR Management LLP, KKR Associates Holdings L.P., and the other parties thereto. Pursuant to the Reorganization Agreement, the parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes, some of which were completed on May 31, 2022, and other changes to be completed in the future.

On May 31, 2022, KKR completed the merger transactions ("Reorganization Mergers") contemplated by the Reorganization Agreement pursuant to which KKR acquired KKR Holdings (which changed its name to KKR Group Holdings L.P.) and all of the KKR Group Partnership Units held by it. In addition, pursuant to the Reorganization Mergers, on May 31, 2022:

- i. KKR Aubergine Inc. ("New Parent"), a newly formed entity to effect the Reorganization Mergers, became the successor to KKR & Co. Inc. ("Old Parent") and the new parent company of KKR's business,
- ii. New Parent changed its name to KKR & Co. Inc., and Old Parent changed its name to KKR Group Co. Inc.,
- iii. all holders of common stock of Old Parent and all limited partners of KKR Holdings received shares, on a one-for-one basis, of the same common stock of New Parent, which remain listed on the New York Stock Exchange ("NYSE"),
- iv. limited partners of KKR Holdings were issued 8.5 million shares of common stock of New Parent,
- v. the Series I Preferred Stock and Series C Mandatory Convertible Preferred Stock were exchanged for identical securities of New Parent, and Old Parent's Series II Preferred Stock was canceled, and

- vi. KKR's tax receivable agreement with KKR Holdings was terminated other than with respect to exchanges of KKR Holdings units prior to the closing of the Reorganization Mergers.

Pursuant to the Reorganization Agreement, the following transactions will occur in the future on the Sunset Date (as defined below):

- i. the control of New Parent by KKR Management LLP and the Series I Preferred Stock held by it will be eliminated,
- ii. the voting rights for all common stock, including with respect to the election of directors, will be established on a one vote per share basis, and
- iii. KKR will acquire control of KKR Associates Holdings L.P., the entity providing for the allocation of carry proceeds to KKR employees, also known as the carry pool.

The "Sunset Date" will be the earlier of (i) December 31, 2026 and (ii) the six-month anniversary of the first date on which the death or permanent disability of both Mr. Henry Kravis and Mr. George Roberts (collectively, "Co-Founders") has occurred (or any earlier date consented to by KKR Management LLP in its sole discretion). In addition, KKR Management LLP agreed not to transfer its ownership of the sole share of Series I Preferred Stock, and, the changes to occur effective on the Sunset Date are unconditional commitments of the parties to the Reorganization Agreement.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

The accompanying unaudited financial statements of KKR & Co. Inc. have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and the instructions to this Quarterly Report on Form 10-Q. The condensed consolidated financial statements (referred to hereafter as the "financial statements"), including these notes, are unaudited and exclude some of the disclosures required in annual financial statements. Management believes it has made all necessary adjustments (consisting of only normal recurring items) such that the financial statements are presented fairly and that estimates made in preparing the financial statements are reasonable and prudent. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. The consolidated balance sheet data as of December 31, 2021 were derived from audited financial statements included in KKR & Co. Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2021 filed with the U.S. Securities and Exchange Commission ("SEC") on February 28, 2022 (our "Annual Report"), and the financial statements should be read in conjunction with the audited financial statements included therein. Additionally, in the accompanying financial statements, the condensed consolidated statements of financial condition are referred to hereafter as the "consolidated statements of financial condition"; the condensed consolidated statements of operations are referred to hereafter as the "consolidated statements of operations"; the condensed consolidated statements of comprehensive income (loss) are referred to hereafter as the "consolidated statements of comprehensive income (loss)"; the condensed consolidated statements of changes in equity and redeemable non-controlling interests are referred to hereafter as the "consolidated statements of changes in equity"; and the condensed consolidated statements of cash flows are referred to hereafter as the "consolidated statements of cash flows."

KKR consolidates the financial results of KKR Group Partnership and its consolidated entities, which include the accounts of KKR's investment management and capital markets companies, the general partners of certain unconsolidated investment funds, general partners of consolidated investment funds and their respective consolidated investment funds, Global Atlantic's insurance companies and certain other entities including CFEs.

The presentations in the consolidated statement of financial condition and consolidated statement of operations reflect the significant industry diversification of KKR by its acquisition of Global Atlantic. Global Atlantic operates an insurance business, and KKR operates an asset management business, each of which possess distinct characteristics. As a result, KKR developed a two-tiered approach for the financial statements presentation, where Global Atlantic's insurance operations are presented separately from KKR's asset management business. KKR believes that these separate presentations provide a more informative view of the consolidated financial position and results of operations than traditional aggregated presentations and that reporting Global Atlantic's insurance operations separately is appropriate given, among other factors, the relative significance of Global Atlantic's policy liabilities, which are not obligations of KKR (other than the insurance companies that issued them). If a traditional aggregate presentation were to be used, KKR would expect to eliminate or combine several identical or similar captions, which would condense the presentations, but would also reduce the level of information presented. KKR also believes that using a traditional aggregate presentation would result in no new line items compared to the two-tier presentation included in the financial statements in this report.

In the ordinary course of business, KKR's Asset Management business and Global Atlantic enter into transactions with each other, which may include transactions pursuant to their investment management agreements and financing arrangements. The borrowings from these financing arrangements are non-recourse to KKR beyond the assets pledged to support such borrowings. All the investment management and financing arrangements between KKR's Asset Management business and Global Atlantic are eliminated in consolidation; however, KKR's allocated share of the net income from the consolidation of Global Atlantic is increased by the amount of fees earned from and decreased by the amount of interest expense incurred from noncontrolling interest holders in Global Atlantic. Accordingly, the elimination of these fees and interest impacts the net income (loss) attributable to KKR and KKR stockholders' equity for the pro-rata ownership of the noncontrolling interests in Global Atlantic.

All intercompany transactions and balances have been eliminated.

For a detailed discussion about KKR's significant accounting policies and for further information on accounting updates adopted in the prior year, see Note 2 to the financial statements in the 2021 Form 10-K. During the nine months ended September 30, 2022, there were no significant updates to KKR's significant accounting policies.

### Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and investment income (loss) during the reporting periods. Such estimates include but are not limited to (i) the valuation of investments and financial instruments, (ii) the determination of the income tax provision, (iii) the impairment of goodwill and intangible assets, (iv) the impairment of available-for-sale investments, (v) the valuation of insurance policy liabilities, (vi) the valuation of embedded derivatives, (vii) the determination of the allowance for loan losses, and (viii) amortization of deferred revenues and expenses associated with the insurance business. Certain events particular to each industry and country in which the portfolio companies conduct their operations, as well as general economic, political, regulatory and public health conditions, may have a significant negative impact on KKR's investments and profitability. Such events are beyond KKR's control, and the likelihood that they may occur and the effect on KKR's use of estimates cannot be predicted. Actual results could differ from those estimates, and such differences could be material to the financial statements.

### **Goodwill and Intangible Assets**

Goodwill represents the excess of acquisition cost over the fair value of net tangible and intangible assets acquired in connection with an acquisition. Goodwill is assessed for impairment annually in the third quarter of each fiscal year or more frequently if circumstances indicate impairment may have occurred. Goodwill is recorded in Other Assets in the accompanying consolidated statements of financial condition.

In accordance with GAAP, KKR has the option to either (i) perform a quantitative impairment test or (ii) first perform a qualitative assessment (commonly known as "step zero") to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, in which case the quantitative test would then be performed. When performing a quantitative impairment test, KKR compares the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of the reporting unit is less than its carrying amount, the goodwill impairment loss is equal to the excess of the carrying value over the fair value, limited to the carrying amount of goodwill allocated to that reporting unit. The estimated fair values of the reporting units are derived based on valuation techniques KKR believes market participants would use for each respective reporting unit. The estimated fair values are generally determined by utilizing a discounted cash flow methodology and methodologies that incorporate market multiples of certain comparable companies.

KKR tests goodwill for impairment at the reporting unit level, which is generally at the level of or one level below its reportable segments. Goodwill recorded as a result of the acquisition of Global Atlantic has been allocated to the insurance segment, and goodwill recorded as a result of the acquisition of KJRM has been allocated to the asset management segment.

During the third quarter of 2022, KKR performed its annual impairment analysis for the goodwill recorded at the asset management and insurance reporting units.

KKR elected to perform step zero for the purposes of its impairment analysis for the goodwill recorded at the asset management reporting unit. Based upon this assessment, KKR determined that it is more likely than not that the fair value of the reporting unit exceeds its carrying value. Factors considered in the qualitative assessment included macroeconomic conditions, industry and market considerations, cost factors, current and projected financial performance, changes in management or strategy and market capitalization and the acquisition of KJRM.

Based on the qualitative assessment and given the insurance reporting unit has a negative carrying value as of September 30, 2022, the goodwill recorded at the insurance reporting unit was not subject to impairment because the amount of goodwill impairment is calculated under ASC 350, Intangibles – Goodwill and Other based on the excess of the carrying value of a reporting unit to its fair value. The negative carrying value was primarily due to unrealized losses on Global Atlantic's available-for-sale fixed maturity investment portfolio. Global Atlantic does not expect these unrealized losses to be realized as it intends to hold these investments until recovery of the losses, which may be at maturity, as part of its asset liability cash-flow matching strategy. As of September 30, 2022, the amount of goodwill allocated to the insurance reporting unit was \$501.5 million.

Additionally, during the third quarter of 2022, KKR performed its first annual impairment analysis on KJRM's investment management contracts recorded at KKR's asset management business, which were determined to have indefinite useful lives and are not subject to amortization. KKR elected to perform a qualitative assessment for the purposes of its impairment analysis. Based upon this assessment, KKR determined that it is more likely than not that the fair value of the KJRM investment management contracts exceeded their carrying value. Factors considered in the qualitative assessment included macroeconomic conditions, industry and market considerations, cost factors, current and projected financial performance.

For additional details on the Global Atlantic and KJRM acquisitions see Note 3 "Acquisitions."

## **Adoption of new accounting pronouncements**

### **The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and related regulatory actions**

On March 27, 2020, the CARES Act was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, permits net operating loss ("NOL") carryovers and carrybacks to offset 100% of taxable income for taxable years beginning before 2021. In addition, the CARES Act allows NOLs incurred in 2018, 2019 and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes.

The provisions of the CARES Act, as amended by the Consolidated Appropriations Act, also permit financial institutions to suspend requirements under U.S. GAAP for loan modifications that otherwise would be categorized as troubled debt restructurings ("TDRs") if (1) the borrower was not more than 30 days past due as of December 31, 2019, and (2) the modifications are related to arrangements that defer or delay the payment of principal or interest, or change the interest rate on the loan, provided the modifications are made between March 1, 2020 and the earlier of 60 days after the end of the national emergency related to the COVID-19 pandemic or January 1, 2022. Global Atlantic has applied this guidance before the permitted suspension period expired on January 1, 2022 to loan forbearance requests that meet the requirements. The application of this guidance did not have a material impact on the financial statements.

See Note 8 "Investments" for additional information on loan modifications.

### **Simplifying the accounting for income taxes**

On December 18, 2019, the Financial Accounting Standards Board (the "FASB") issued ASU No. 2019-12, which modifies ASC 740 to simplify the accounting for income taxes. This guidance eliminates the exceptions to the incremental approach, to accounting for basis differences when there are changes in ownership of foreign investments, and to interim period tax accounting for year-to-date losses that exceed anticipated losses. The guidance also simplifies the application of tax guidance related to franchise taxes, transactions with government entities, separate financial statements of legal entities that are not subject to tax, and enacted changes in tax laws in interim periods. The guidance is effective for public business entities that meet the definition of an SEC filer for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. KKR adopted the standard effective January 1, 2021. The adoption of this new guidance did not have a material impact on the financial statements.

### **Reference rate reform**

In March 2020, the FASB issued new guidance to ease the accounting implications of the transition away from the London Interbank Offering Rate ("LIBOR") and other reference rates which are scheduled to be discontinued, including LIBOR tenors after June 30, 2023. The new guidance offers a variety of optional expedients and exceptions related to accounting for contract modifications and hedging relationships. These expedients and exceptions apply only to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. The new guidance is effective for contract modifications made and hedging relationships existing or entered into from January 1, 2020 through December 31, 2022. In the first quarter 2022, KKR elected to adopt the new guidance and, for the modifications that have occurred to date, the adoption of the guidance has not had a material impact on KKR's consolidated financial statements.

## **Future application of accounting standards**

### **Targeted improvements to the accounting for long-duration contracts**

In August 2018, the FASB issued new guidance for insurance and reinsurance companies that issue long-duration contracts such as life insurance and annuities. The objective of this guidance is to improve, simplify and enhance the financial reporting of long-duration contracts by providing financial statement users with useful information in a timely and transparent manner. The primary changes include:

(1) *more timely recognition of assumption changes in the liability for future policy benefits and use of a current rate for the discounting of future cash flows* – The assumptions used to calculate the liability for future policy benefits on traditional and limited-payment contracts are required to be reviewed and updated periodically (versus set at inception and not changed under

the current guidance). Cash flow assumptions are required to be reviewed at least annually with the impact recognized in net income. The guidance also prescribes that the discount rate assumption should be based on a current upper-medium grade (i.e., low credit risk) fixed income instrument yield (e.g., a single A credit-rating) with the impact recognized in other comprehensive income ("OCI").

(2) *standardization and improvement in the accounting for certain market-based options or guarantees associated with deposit (or account balance) contracts* – The new guidance creates a new category of benefits referred to as market risk benefits, which are contracts or contract features that provide both protection to the policyholder from capital market risk and expose the insurer to other-than-nominal capital market risk. Market risk benefits are required to be measured at fair value with the change in fair value recognized in net income, except for changes in the entity's non-performance risk, which is recognized in OCI.

(3) *simplification of the amortization of deferred acquisition costs* - Deferred policy acquisition costs ("DAC") and other similar actuarial balances (e.g., deferred sales inducements) for life and annuity contracts are required to be amortized on a constant basis over the term of the related contracts.

(4) *enhanced disclosures* – Additional disclosures are required including disaggregated roll-forwards of significant insurance liabilities as well as disclosures about significant inputs, judgments, assumptions and methods used in measurement.

The guidance is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted. For changes related to the liability for future policy benefits and deferred acquisition costs, the new guidance requires adoption using a modified retrospective approach upon transition with an option to elect a retrospective approach. For changes related to market risk benefits, the new guidance requires a retrospective approach.

KKR intends to implement this guidance using the retrospective approach for the liability for future policy benefits, deferred acquisition costs and market risk benefits with an adoption date of January 1, 2023, and a transition date of January 1, 2021. KKR has completed the design, planning, and build phases of its implementation effort and is performing end-to-end testing activities. KKR has established a governance framework to manage the implementation activities and support timely application of the guidance. KKR has made progress in the following areas:

- High level impact assessment;
- Identification of key accounting policy decisions;
- Evaluation and selection of actuarial system solutions;
- Development of detailed business requirements document inclusive of roll-forward disclosures;
- Infrastructure build and data mapping;
- Actuarial model development for the liability for future policy benefits, deferred acquisition costs and roll forwards; and
- Modeling of market risk benefits.

KKR does not expect the adoption of this guidance to have a material effect on retained earnings and accumulated other comprehensive income (loss) as of our transition date (applied retrospectively to the acquisition date of February 1, 2021) due to the purchase accounting associated with KKR's acquisition of Global Atlantic on February 1, 2021. However, KKR continues to evaluate the impact of this guidance on the acquisition date opening balance sheet and periods after the transition date. The new guidance is expected to increase volatility in our financial statements primarily due to the requirement to measure market risk benefits at fair value, which is recorded in net income, except for changes in value attributable to changes in an entity's non-performance risk, which is recognized in OCI. In addition, the new guidance is expected to have a significant impact on KKR's systems, processes and controls.

#### **Business combinations - Accounting for contract assets and contract liabilities from contracts with customers**

In October 2021, the FASB issued new guidance (ASU 2021-08) to add contract assets and contract liabilities from contracts with customers acquired in a business combination to the list of exceptions to the fair value recognition and measurement principles that apply to business combinations, and instead require them to be accounted for in accordance with revenue recognition guidance. The new guidance is effective for public entities on January 1, 2023 and applied prospectively,

with early adoption permitted. KKR is currently evaluating the impact of this accounting standard update on its consolidated financial statements.

**Troubled debt restructurings and vintage disclosures**

In March 2022, the FASB issued new guidance regarding the modification of receivables, which affects their recognition and measurement. The guidance eliminates the concept of troubled debt restructurings and instead requires all modifications to be analyzed to determine whether they result in a new receivable or a continuation of an existing receivable. The guidance also makes related updates to the measurement of expected credit losses for receivables. The new guidance requires additional disclosures for receivable modifications involving borrowers experiencing financial difficulty as well as disclosure of loan charge-offs by origination year (vintage). For entities that have already adopted ASC 326 (addressing credit losses on financial instruments), the guidance is effective for fiscal years beginning after December 15, 2022, including interim period within those fiscal years. Early adoption is permitted. KKR is currently evaluating the impact of this accounting standard update on its consolidated financial statements.

**Fair value measurement of equity security subject to contractual sale restriction**

In June 2022, the FASB issued ASU 2022-03, ASC Subtopic 820 “Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions”. According to ASU 2022-03, an entity should not consider the contractual sale restriction when measuring the equity security’s fair value and an entity is not allowed to recognize a contractual sale restriction as a separate unit of account.

ASU 2022-03 is effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. Early adoption is permitted for both interim and annual financial statements that have not yet been issued or made available for issuance. KKR is currently evaluating the impact of this accounting standard update on its consolidated financial statements.



### 3. ACQUISITIONS

#### *Acquisition of Mitsubishi Corp-UBS Realty Inc.*

On March 17, 2022, KKR entered into an agreement to acquire all of the outstanding shares of Mitsubishi Corp.-UBS Realty Inc. ("MC-UBSR") from Mitsubishi Corporation and UBS Asset Management in an all-cash transaction valued at ¥227 billion (which was approximately \$1.7 billion at such time) (the "KJRM Acquisition"). On April 28, 2022, KKR completed the acquisition of MC-UBSR, which changed its name to KJR Management ("KJRM"). KJRM is a real estate asset manager in Japan that manages two Tokyo Stock Exchange-listed real estate investment trusts ("REITs"): Japan Metropolitan Fund Investment Corporation ("JMF"), which is primarily focused on retail, offices, hotels and other assets located in urban areas in Japan, and Industrial & Infrastructure Fund Investment Corporation ("IIF"), which is primarily focused on industrial and infrastructure properties in Japan. The KJRM Acquisition was accounted for as a business combination under FASB Accounting Standards Codification Topic 805, Business Combinations ("Topic 805").

KKR plans to continue the existing strategy and business of KJRM. The acquisition is expected to enhance KJRM's leading real estate asset management business with potential opportunities for organic and inorganic growth and scale in Japan.

In connection with the acquisition, KKR allocated a provisional amount of \$1,733 million to the fair value of KJRM's investment management contracts and recognized approximately \$530 million of deferred tax liabilities resulting from the difference in book and tax basis of such intangible assets as of the acquisition date. Intangibles are based upon third-party valuations using the excess earnings method, which derives value based on the present value of the cash flow attributable to the investment management contracts, less returns for contributory assets. The significant assumptions used in the valuation of the intangible assets acquired are unobservable and include (i) the asset's estimated useful life, (ii) the projected assets under management, (iii) the projected revenue growth rates, and (iv) the discount rate.

KJRM's investment management contracts were determined to have indefinite useful lives at the time of the KJRM Acquisition and are not subject to amortization. The assignment of indefinite lives to such investment management contracts is primarily based upon (i) the assumption that there is no foreseeable limit on the contract period to manage KJRM's listed REITs; (ii) KKR expects to have the ability to continue to operate these products indefinitely; (iii) the products have multiple investors and are not reliant on a single investor or small group of investors for their continued operation; (iv) current competitive factors and economic conditions do not indicate a finite life; and (v) there is a high likelihood of continued renewal based on historical experience.

The carrying value of goodwill associated with the KJRM Acquisition was \$509 million as of the acquisition date and is entirely allocated to the asset management segment. The goodwill is attributable primarily to the assembled workforce of KJRM and expected synergies. The goodwill recorded is not expected to be deductible for tax purposes.

The fair value of assets acquired and liabilities assumed represent a provisional allocation as our evaluation of facts and circumstances available as of April 28, 2022 is ongoing. Pursuant to Topic 805, the financial statements will not be retrospectively adjusted for any changes to the provisional values of assets acquired and liabilities assumed that occur in subsequent periods. Rather, KKR will recognize any adjustments as we obtain information not available as of the completion of this preliminary fair value calculation. KKR will also be required to record, in the same period as the financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of any change to the provisional amounts, calculated as if the accounting had been completed at the acquisition date. KKR expects to finalize the purchase price allocation as soon as practicable, but no later than one year from the acquisition date.

Revenues and earnings for three and nine months ended September 30, 2022 attributable to KJRM after the completion of the KJRM Acquisition were determined to be immaterial. Pro forma results of operations would not be materially different as a result of the acquisition and therefore are not presented.

### *Acquisition of Global Atlantic*

On July 7, 2020, indirect subsidiaries of KKR & Co. Inc., namely Magnolia Parent LLC and Magnolia Merger Sub Limited, entered into an Agreement and Plan of Merger (the "GA Merger Agreement") with Global Atlantic Financial Group Limited ("GAFG"), Global Atlantic Financial Life Limited ("GAFLL"), LAMC LP, and Goldman Sachs & Co. LLC, solely in its capacity as the Equity Representative (as defined in the GA Merger Agreement). Pursuant to the GA Merger Agreement, at the closing of the acquisition of Global Atlantic by KKR (the "GA Acquisition"), among other things, Global Atlantic Financial Group Limited continued as the surviving entity in its merger with Magnolia Merger Sub Limited and became a direct subsidiary of Magnolia Parent LLC, which subsequently changed its name to The Global Atlantic Financial Group LLC ("TGAFG").

On February 1, 2021 (the "GA Acquisition Date"), the GA Acquisition was completed, and KKR acquired all of the voting interests in Global Atlantic and an economic ownership of 61.1% of Global Atlantic prior to certain post-closing purchase price adjustments discussed below and after taking into account GA Rollover Investors' and GA Co-Investors' (each as defined below) equity ownership of Global Atlantic. In addition to entering into the retirement and life insurance business through KKR's indirect ownership of Global Atlantic's insurance companies, KKR's flagship investment management company became the investment adviser for Global Atlantic's insurance companies, which increases KKR's presence in the insurance community. Furthermore, the transaction allows Global Atlantic to gain access to KKR's origination and asset management capabilities.

Under the GA Merger Agreement, KKR agreed to pay former shareholders of Global Atlantic Financial Group Limited an amount in cash equal to 1.0x U.S. GAAP Shareholders' Equity of Global Atlantic Financial Group Limited, excluding Accumulated Other Comprehensive Income and subject to certain other purchase price adjustments ("GA Book Value," determined as \$4.7 billion as of February 1, 2021 for purposes of the purchase price determination). The amount of consideration payable by KKR was reduced by the amount of equity rolled over by certain former shareholders of Global Atlantic Financial Group Limited who elected to continue their equity ownership in Global Atlantic at closing ("GA Rollover Investors"). In addition, KKR syndicated equity interests in Global Atlantic to minority co-investors ("GA Co-Investors"), which also had the effect of reducing the amount of consideration payable by KKR at closing. The purchase price is as follows (in thousands):

Cash consideration paid by KKR	\$	2,914,455
GA Co-Investors and GA Rollover Investors		1,824,239
Total Purchase Price	\$	<u>4,738,694</u>

The purchase price paid at closing was subject to certain post-closing adjustments, which were finalized in June 2021, and KKR and certain GA Co-Investors paid incremental amounts of \$55 million and \$3 million, respectively (\$58 million in total). As a result of the post-closing adjustments, KKR's economic ownership of Global Atlantic increased from 61.1% at closing to 61.5%.

The GA Acquisition was accounted for as a business combination under Topic 805. Goodwill of \$497.1 million has been recorded based on the amount that the purchase price exceeds the fair value of the net assets acquired less the amounts attributable to noncontrolling interests. Goodwill is primarily attributable to the scale, skill sets, operations, and synergies that can be achieved subsequent to the GA Acquisition. The goodwill recorded is not expected to be deductible for tax purposes and it has been allocated to the insurance segment.

The following table summarizes the fair value amounts recognized for the assets acquired and liabilities assumed and resulting goodwill as of the GA Acquisition Date:

	February 1, 2021	
<i>(\$ in thousands)</i>		
<b>Consideration Transferred</b>		
Cash Consideration paid by KKR	\$	2,914,455
GA Co-Investors		978,296
GA Rollover Investors		845,943
Settlement of pre-existing relationships <sup>(1)</sup>		(60,200)
<b>Total Consideration Transferred<sup>(2)</sup></b>	<b>\$</b>	<b>4,678,494</b>
<b>Recognized Amounts of Identifiable Assets Acquired and Liabilities Assumed:</b>		
Cash, Cash Equivalents and Restricted Cash	\$	3,358,772
Investments		99,544,755
Reinsurance Recoverable		15,753,030
Insurance Intangible Assets		1,024,520
Other Assets <sup>(3)</sup>		3,325,652
Separate Account Assets		5,371,060
Policy Liabilities		(100,374,765)
Debt Obligations		(1,450,920)
Funds Withheld Payable at Interest		(13,800,969)
Accrued Expenses and Other Liabilities		(2,735,811)
Reinsurance Liabilities		(180,573)
Separate Account Liabilities		(5,371,060)
<b>Total Identifiable Net Assets</b>		<b>4,463,691</b>
Redeemable non-controlling interests <sup>(4)</sup>		(91,845)
Other Noncontrolling interests <sup>(4)</sup>		(190,405)
<b>Goodwill</b>	<b>\$</b>	<b>497,053</b>

(1) Represents KKR debt obligations held by Global Atlantic at the GA Acquisition Date.

(2) At the GA Acquisition Date, the transaction was funded with a combination of (i) cash on hand by KKR, (ii) cash proceeds from syndication of the equity interests in Global Atlantic to minority co-investors and equity rolled over from certain former Global Atlantic shareholders. The equity held by GA co-investors and rollover investors are presented as noncontrolling interests in the financial statements. Acquisition of Global Atlantic, Net of Cash Acquired in the consolidated statements of cash flows represents the Total Consideration Transferred (excluding GA Rollover Investors) net of acquired Cash and Cash Equivalents and Restricted Cash and Cash Equivalents.

(3) Includes \$1.0 billion of deferred tax assets recognized from the step-up in basis under purchase accounting.

(4) Represents the fair value of Noncontrolling Interests in consolidated renewable energy entities held by Global Atlantic on the GA Acquisition Date. Such interests do not represent ownership interests held by GA Rollover Investors or GA Co-Investors in Global Atlantic's equity.

#### Measurement Period Adjustments

KKR finalized the valuation of the acquired assets and assumed liabilities in December 2021. During the second quarter of 2021, KKR recognized measurement period adjustments to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The measurement period adjustments also reflected the increase in the total consideration transferred of \$58 million as a result of final purchase price adjustments. Measurement period adjustments consist primarily of a \$50 million increase in the value of distribution agreements acquired, a \$63 million increase in policy liabilities, a \$25 million increase in investments, and a \$46 million increase in goodwill. The related impact to net income that would have been recognized in previous periods if the adjustments were recognized as of the GA Acquisition Date was not material to the consolidated financial statements.

KKR performed a valuation of the acquired investments, policy liabilities, value of business acquired ("VOBA"), other identifiable intangibles, and funds withheld at interest payables and receivables. The following is a summary of significant inputs to the valuation:

*Investments*

Global Atlantic's investment portfolio primarily consists of fixed maturity securities, mortgage and other loan receivables, equity securities, and investments in real assets such as renewable energy and transportation assets. All of the assets included within the investment portfolio were measured and reported at their fair values on the GA Acquisition Date consistent with the valuation methodologies discussed in Note 2 "Summary of Significant Accounting Policies" in audited financial statements included in KKR & Co. Inc.'s Annual Report. As a result, the cost basis of each respective investment was reset to equal fair value on the GA Acquisition Date.

*Policy liabilities*

Policy liabilities were remeasured based on generally accepted actuarial methods and reported at their fair values on the GA Acquisition Date. Assumptions for future mortality, persistency, policyholder behavior, expenses, investment return and other actuarial factors were based on an evaluation of Global Atlantic's recent experience, industry experience, and anticipated future trends. These assumptions are intended to be representative of market assumptions used by buyers and sellers in similar transactions. The approach employed to develop these projection assumptions is described below:

- Discount rates used to calculate fair value ranged from 11% to 15%, depending on product;
- Mortality and persistency assumptions are based on both Global Atlantic and general industry experience;
- Expenses were projected reflecting Global Atlantic's unit expenses with an allocation of a portion of overhead expenses to in-force business;
- Future investment income reflects a runoff of the existing asset portfolios and reinvestment strategies based on Global Atlantic's assumptions for asset yield, quality, and maturity. The projections are based on forward interest rates implied by the Treasury yield curve. Credit rates reflect Global Atlantic's target spreads;
- Separate account and index account growth rates are based on long-term return expectations for different fund types and on the underlying mix of funds; and
- Statutory reserves underlying the valuation reflect Global Atlantic's current reserving methodologies.

*Value of business acquired ("VOBA")*

VOBA represents the estimated fair value of future net cash flows from in-force life and annuity insurance contracts acquired at the GA Acquisition Date.

*Other identifiable intangible assets*

Other identifiable intangible assets represent distribution relationships, trade names and state insurance licenses. The distribution relationships were valued using the excess earnings method, which derives value based on the present value of the cash flow attributable to the distribution relationships, less returns for contributory assets. The trade name intangible asset represents the Global Atlantic trade name, and was valued using the relief-from-royalty method giving consideration to publicly available third-party trade name royalty rates as well as expected premiums generated by the use of the trade name over its anticipated life. The state insurance licenses represent Global Atlantic's jurisdictional insurance licenses, which include 52 insurance licenses, encompassing all 50 U.S. states, the District of Columbia, and the U.S. Virgin Islands. They were protected through registration and were valued using the market approach based on third-party market transactions from which the prices paid for state insurance licenses could be derived.

*Funds withheld at interest receivables and payables*

Funds withheld at interest receivables and payables were remeasured at fair value based on the fair value of assets held in the underlying portfolios supporting those receivables or payables.

The fair value and weighted average estimated useful lives of Value of Business Acquired and Other Identifiable Intangible Assets acquired in the GA Acquisition consist of the following (dollars in thousands):

	<u>Fair Value</u> <u>(\$ in thousands)</u>	<u>Average Useful Life</u> <u>(in years)</u>
VOBA (included within Insurance Intangible Assets)	\$ 1,024,520	28.6
Negative VOBA (included within Policy Liabilities)	(1,273,414)	22.2
<b>Total VOBA</b>	<b>\$ (248,894)</b>	
Value of Distribution Agreements Acquired	\$ 250,000	16 to 21
Trade Names	50,000	15 to 18
State Insurance Licenses	10,000	Indefinite
<b>Total Identifiable Other Intangible Assets (included within Other Assets)</b>	<b>\$ 310,000</b>	

As of the GA Acquisition Date, Global Atlantic's financial results are reflected in these financial statements. Global Atlantic's revenues and net income of \$2.2 billion and \$185.8 million, and \$4.5 billion and \$239.7 million, are included in the consolidated statement of operations for the three and nine months ended September 30, 2021, respectively.

### ***Pro- Forma Financial Information***

Unaudited pro-forma financial information for the three and nine months ended September 30, 2021 is presented below. Pro-forma financial information presented does not include adjustments to reflect any potential revenue synergies or cost savings that may be achievable in connection with the GA Acquisition and assume the GA Acquisition occurred as of January 1, 2020. The unaudited pro forma financial information is presented for informational purposes only, and is not necessarily indicative of future operations or results had the GA Acquisition been completed as of January 1, 2020.

	<u>Three Months Ended</u> <u>September 30, 2021</u>	<u>Nine Months Ended</u> <u>September 30, 2021</u>
Total Revenues	\$ 4,483,365	\$ 12,696,730
Net Income Attributable to KKR & Co. Inc. Common Stockholders	\$ 1,131,354	\$ 4,147,132

Amounts above reflect certain pro forma adjustments that were directly attributable to the GA Acquisition. These adjustments include the following:

- adjustment to reflect the elimination of historical amortization of Global Atlantic's intangibles and the additional amortization of intangibles measured at fair value as of the GA Acquisition Date;
- adjustment to reflect the prospective reclassification from accumulated other comprehensive earnings of the unrealized gains on available-for-sale securities to a premium which will be amortized into income based on the expected life of the investment securities;
- adjustments to reflect the KKR pro-rata economic ownership as well as financing consummated by KKR to complete the acquisition; and
- adjustments to reflect the adoption of ASC 326 "Financial Instruments - Credit Losses" in 2020 by Global Atlantic.

#### 4. REVENUES - ASSET MANAGEMENT

For the three and nine months ended September 30, 2022 and 2021, respectively, Asset Management revenues consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Management Fees	\$ 419,876	\$ 349,249	\$ 1,236,151	\$ 931,624
Fee Credits	(136,996)	(164,720)	(388,315)	(322,402)
Transaction Fees	328,483	437,619	973,310	978,399
Monitoring Fees	29,683	29,823	99,605	98,164
Incentive Fees	1,402	6,962	15,600	13,092
Expense Reimbursements	10,733	34,857	77,612	122,642
Consulting Fees	20,748	25,178	55,741	66,286
<b>Total Fees and Other</b>	<b>673,929</b>	<b>718,968</b>	<b>2,069,704</b>	<b>1,887,805</b>
Carried Interest	(477,681)	1,216,433	(1,999,678)	4,553,527
General Partner Capital Interest	(95,182)	310,234	(442,402)	1,183,180
<b>Total Capital Allocation-Based Income (Loss)</b>	<b>(572,863)</b>	<b>1,526,667</b>	<b>(2,442,080)</b>	<b>5,736,707</b>
<b>Total Revenues - Asset Management</b>	<b>\$ 101,066</b>	<b>\$ 2,245,635</b>	<b>\$ (372,376)</b>	<b>\$ 7,624,512</b>

## 5. NET GAINS (LOSSES) FROM INVESTMENT ACTIVITIES - ASSET MANAGEMENT

Net Gains (Losses) from Investment Activities in the consolidated statements of operations consist primarily of the realized and unrealized gains and losses on investments (including foreign exchange gains and losses attributable to foreign denominated investments and related activities) and other financial instruments, including those for which the fair value option has been elected. Unrealized gains or losses result from changes in the fair value of these investments and other financial instruments during a period. Upon disposition of an investment or financial instrument, previously recognized unrealized gains or losses are reversed and an offsetting realized gain or loss is recognized in the current period.

The following table summarizes total Net Gains (Losses) from Investment Activities:

	Three Months Ended September 30, 2022			Three Months Ended September 30, 2021		
	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total
Private Equity <sup>(1)</sup>	\$ 265,176	\$ (263,720)	\$ 1,456	\$ 296,410	\$ 647,448	\$ 943,858
Credit <sup>(1)</sup>	(91,950)	(131,594)	(223,544)	74,945	(117,354)	(42,409)
Investments of Consolidated CFEs <sup>(1)</sup>	(29,402)	30,765	1,363	23,198	(15,013)	8,185
Real Assets <sup>(1)</sup>	23,210	(266,029)	(242,819)	61,807	575,891	637,698
Equity Method - Other <sup>(1)</sup>	40,696	(166,024)	(125,328)	311,420	(137,281)	174,139
Other Investments <sup>(1)</sup>	(18,159)	(332,946)	(351,105)	(118,844)	199,961	81,117
Foreign Exchange Forward Contracts and Options <sup>(2)</sup>	190,047	403,719	593,766	(2,777)	323,916	321,139
Securities Sold Short <sup>(2)</sup>	23,523	78	23,601	(21,031)	2,579	(18,452)
Other Derivatives <sup>(2)</sup>	(13,905)	18,687	4,782	(17,687)	6,577	(11,110)
Debt Obligations and Other <sup>(3)</sup>	(60,242)	(1,110)	(61,352)	2,190	20,292	22,482
<b>Net Gains (Losses) From Investment Activities</b>	<b>\$ 328,994</b>	<b>\$ (708,174)</b>	<b>\$ (379,180)</b>	<b>\$ 609,631</b>	<b>\$ 1,507,016</b>	<b>\$ 2,116,647</b>

	Nine Months Ended September 30, 2022			Nine Months Ended September 30, 2021		
	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total
Private Equity <sup>(1)</sup>	\$ 689,141	\$ (2,192,262)	\$ (1,503,121)	\$ 1,322,179	\$ 3,479,827	\$ 4,802,006
Credit <sup>(1)</sup>	(145,416)	(630,558)	(775,974)	130,191	(11,864)	118,327
Investments of Consolidated CFEs <sup>(1)</sup>	(26,248)	(1,713,464)	(1,739,712)	44,954	173,775	218,729
Real Assets <sup>(1)</sup>	283,773	958,473	1,242,246	148,581	1,243,725	1,392,306
Equity Method - Other <sup>(1)</sup>	94,989	(484,292)	(389,303)	410,491	305,085	715,576
Other Investments <sup>(1)</sup>	18,744	(700,176)	(681,432)	(354,349)	908,906	554,557
Foreign Exchange Forward Contracts and Options <sup>(2)</sup>	331,889	485,642	817,531	(29,727)	282,030	252,303
Securities Sold Short <sup>(2)</sup>	83,075	20,422	103,497	36,517	21,313	57,830
Other Derivatives <sup>(2)</sup>	(30,527)	61,015	30,488	(125,376)	83,805	(41,571)
Debt Obligations and Other <sup>(3)</sup>	(140,838)	1,686,230	1,545,392	(50,505)	13,342	(37,163)
<b>Net Gains (Losses) From Investment Activities</b>	<b>\$ 1,158,582</b>	<b>\$ (2,508,970)</b>	<b>\$ (1,350,388)</b>	<b>\$ 1,532,956</b>	<b>\$ 6,499,944</b>	<b>\$ 8,032,900</b>

(1) See Note 8 "Investments."

(2) See Note 9 "Derivatives" and Note 15 "Other Assets and Accrued Expenses and Other Liabilities."

(3) See Note 17 "Debt Obligations."

## 6. NET INVESTMENT INCOME - INSURANCE

Net investment income for Global Atlantic is comprised primarily of interest income, including amortization of premiums and accretion of discounts, based on yields that change due to expectations in projected cash flows, dividend income from common and preferred stock, earnings from investments accounted for under equity method accounting, and lease income on other investments.

The components of net investment income were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Fixed maturity securities – interest and other income	\$ 820,530	\$ 632,314	\$ 2,257,169	\$ 1,512,377
Mortgage and other loan receivables	411,215	247,917	1,108,919	617,334
Investments in transportation and other leased assets	73,192	56,317	207,585	146,004
Investments in renewable energy	70,300	62,468	139,937	96,400
Investments in real estate	41,261	4,501	75,118	10,028
Short-term and other investment income	33,669	23,285	84,166	41,349
Income assumed from funds withheld receivable at interest	24,104	24,441	67,206	57,554
Policy loans	7,011	3,203	21,977	22,138
Equity securities – dividends and other income	—	764	—	23
Income ceded to funds withheld payable at interest	(238,817)	(160,073)	(657,280)	(273,611)
Gross investment income	1,242,465	895,137	3,304,797	2,229,596
<i>Less investment expenses:</i>				
Investment management and administration	87,282	88,789	296,069	190,458
Transportation and renewable energy asset depreciation and maintenance	54,233	47,331	157,042	117,749
Interest expense on derivative collateral and repurchase agreements	6,073	636	12,315	1,730
<b>Net investment income</b>	<b>\$ 1,094,877</b>	<b>\$ 758,381</b>	<b>\$ 2,839,371</b>	<b>\$ 1,919,659</b>



**7. NET INVESTMENT-RELATED GAINS (LOSSES) - INSURANCE**

Net investment-related gains (losses) from insurance operations primarily consists of (i) realized gains and (losses) from the disposal of investments, (ii) unrealized gains and (losses) from investments held for trading, equity securities, real estate investments accounted for under investment company accounting, and investments with fair value remeasurements recognized in earnings as a result of the election of a fair-value option, (iii) unrealized gains and (losses) on funds withheld at interest, (iv) unrealized gains and (losses) from derivatives not designated in an hedging relationship, and (v) allowances for credit losses, and other impairments of investments.

Net investment-related gains (losses) were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Realized gains (losses) on equity investments	\$ —	\$ 51,520	\$ —	\$ 76,645
Realized gains (losses) on available-for-sale fixed maturity debt securities	(8,277)	(15,026)	(539,000)	(88,300)
Credit loss allowances on available-for-sale securities	(15,065)	(3,809)	(32,109)	21,287
Credit loss allowances on mortgage and other loan receivables	(12,112)	(69,386)	(50,495)	(250,690)
Allowances on unfunded commitments	1,292	(3,677)	(2,086)	(15,372)
Unrealized gains (losses) on fixed maturity securities classified as trading	(720,418)	(133,118)	(2,748,542)	(130,228)
Unrealized gains (losses) on investments recognized under the fair-value option	(22,995)	303,021	(63,923)	350,442
Unrealized gains (losses) on real estate investments recognized at fair value under investment company accounting	(34,479)	9,997	88,609	20,264
Net gains (losses) on derivative instruments	655,304	40,792	2,370,404	70,098
Realized gains (losses) on funds withheld at interest, payable portfolio	3,652	(12,272)	5,992	(31,384)
Realized gains (losses) on funds withheld at interest, receivable portfolio	3,858	2,633	7,296	10,250
Other realized gains (losses)	(24,590)	(8,548)	(4,982)	(29)
<b>Net investment-related gains (losses)</b>	<b>\$ (173,830)</b>	<b>\$ 162,127</b>	<b>\$ (968,836)</b>	<b>\$ 32,983</b>

**Allowance for credit losses**
*Available-for-sale fixed maturity securities*

The table below presents a roll-forward of the allowance for credit losses recognized for fixed maturity securities held by Global Atlantic:

	Three Months Ended September 30, 2022			Nine Months Ended September 30, 2022		
	Corporate	Structured	Total	Corporate	Structured	Total
Balance, as of beginning of period	\$ 7,842	\$ 94,451	\$ 102,293	\$ 3,238	\$ 84,895	\$ 88,133
Initial impairments for credit losses recognized on securities not previously impaired	669	11,903	12,572	791	47,858	48,649
Initial credit loss allowance recognized on purchased credit deteriorated ("PCD") securities	—	—	—	—	707	707
Accretion of initial credit loss allowance on PCD securities	—	581	581	—	1,449	1,449
Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities previously identified as credit impaired	—	(3,352)	(3,352)	—	(7,811)	(7,811)
Net additions / reductions for securities previously impaired	121	2,372	2,493	4,603	(21,143)	(16,540)
Write-offs of credit losses previous recognized	(7,841)	—	(7,841)	(7,841)	—	(7,841)
<b>Balance, as of end of period</b>	<b>\$ 791</b>	<b>\$ 105,955</b>	<b>\$ 106,746</b>	<b>\$ 791</b>	<b>\$ 105,955</b>	<b>\$ 106,746</b>

	Three Months Ended September 30, 2021			Nine Months Ended September 30, 2021		
	Corporate	Structured	Total	Corporate	Structured	Total
Balance, as of beginning of period <sup>(1)</sup>	\$ —	\$ 91,646	\$ 91,646	\$ —	\$ 120,895	\$ 120,895
Initial impairments for credit losses recognized on securities not previously impaired	—	19,921	19,921	—	47,530	47,530
Initial credit loss allowance recognized on purchased credit deteriorated ("PCD") securities	—	1,576	1,576	—	7,204	7,204
Accretion of initial credit loss allowance on PCD securities	—	1,879	1,879	—	2,200	2,200
Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities previously identified as credit impaired	—	(2,510)	(2,510)	—	(12,612)	(12,612)
Net additions / reductions for securities previously impaired	—	(16,112)	(16,112)	—	(68,817)	(68,817)
<b>Balance, as of end of period</b>	<b>\$ —</b>	<b>\$ 96,400</b>	<b>\$ 96,400</b>	<b>\$ —</b>	<b>\$ 96,400</b>	<b>\$ 96,400</b>

(1) Includes securities designated as purchased credit impaired as of the time of the acquisition of Global Atlantic.

### Mortgage and other loan receivables

Changes in the allowance for credit losses on mortgage and other loan receivables held by Global Atlantic are summarized below:

	Three Months Ended September 30, 2022				Nine Months Ended September 30, 2022			
	Commercial Mortgage Loans	Residential Mortgage Loans	Consumer and Other Loan Receivables	Total	Commercial Mortgage Loans	Residential Mortgage Loans	Consumer and Other Loan Receivables	Total
Balance, as of beginning of period	\$ 103,944	\$ 96,194	\$ 211,747	\$ 411,885	\$ 65,970	\$ 72,082	\$ 236,025	\$ 374,077
Net provision (release)	26,817	(891)	(13,814)	12,112	64,791	23,221	(37,517)	50,495
Charge-offs	—	—	(671)	(671)	—	—	(1,246)	(1,246)
<b>Balance, as of end of period</b>	<b>\$ 130,761</b>	<b>\$ 95,303</b>	<b>\$ 197,262</b>	<b>\$ 423,326</b>	<b>\$ 130,761</b>	<b>\$ 95,303</b>	<b>\$ 197,262</b>	<b>\$ 423,326</b>

	Three Months Ended September 30, 2021				Nine Months Ended September 30, 2021			
	Commercial Mortgage Loans	Residential Mortgage Loans	Consumer and Other Loan Receivables	Total	Commercial Mortgage Loans	Residential Mortgage Loans	Consumer and Other Loan Receivables	Total
Balance, as of beginning of period <sup>(1)</sup>	\$ 58,255	\$ 76,536	\$ 163,135	\$ 297,926	\$ 58,203	\$ 62,056	\$ —	\$ 120,259
Net provision (release)	17,750	(2,793)	54,429	69,386	17,802	10,888	222,000	250,690
Loans purchased with credit deterioration	—	—	—	—	—	799	838	1,637
Charge-offs	—	(3,162)	5,274	2,112	—	(3,162)	—	(3,162)
<b>Balance, as of end of period</b>	<b>\$ 76,005</b>	<b>\$ 70,581</b>	<b>\$ 222,838</b>	<b>\$ 369,424</b>	<b>\$ 76,005</b>	<b>\$ 70,581</b>	<b>\$ 222,838</b>	<b>\$ 369,424</b>

(1) Includes loans designated as purchased credit deteriorated as of the time of the acquisition of Global Atlantic.

### Proceeds and gross gains and losses from voluntary sales

The proceeds from voluntary sales and the gross gains and losses on those sales of available-for-sale ("AFS") fixed maturity securities were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
AFS fixed maturity securities:				
Proceeds from voluntary sales	\$ 807,228	\$ 7,440,645	\$ 10,869,470	\$ 12,766,887
Gross gains	8,007	16,816	18,203	38,061
Gross losses	(14,676)	(30,086)	(547,123)	(103,190)

**8. INVESTMENTS**

Investments consist of the following:

	<b>September 30, 2022</b>	<b>December 31, 2021</b>
<i>Asset Management</i>		
Private Equity	\$ 26,542,743	\$ 25,685,750
Credit	7,532,222	7,949,573
Investments of Consolidated CFEs	21,500,342	22,076,809
Real Assets	16,659,585	12,500,749
Equity Method - Other	6,849,902	4,877,592
Equity Method - Capital Allocation-Based Income	7,032,596	11,539,945
Other Investments	3,603,469	4,145,096
Investments - Asset Management	<b>\$ 89,720,859</b>	<b>\$ 88,775,514</b>
<i>Insurance</i>		
Fixed maturity securities, available-for-sale, at fair value <sup>(1)</sup>	\$ 58,547,851	\$ 68,870,886
Mortgage and other loan receivables	35,420,094	28,876,759
Fixed maturity securities, trading, at fair value <sup>(2)</sup>	10,247,034	13,753,573
Other investments	10,830,743	8,208,566
Funds withheld receivable at interest	2,893,785	2,999,448
Policy loans	812,844	765,310
Equity securities at fair value	19,922	289,133
Investments - Insurance	<b>\$ 118,772,273</b>	<b>\$ 123,763,675</b>
<b>Total Investments</b>	<b>\$ 208,493,132</b>	<b>\$ 212,539,189</b>

(1) Amortized cost of \$70.5 billion and \$69.5 billion, net of credit loss allowances of \$106.7 million and \$88.1 million, respectively.

(2) Amortized cost of \$13.1 billion and \$13.9 billion, respectively.

As of September 30, 2022 and December 31, 2021, there were no investments which represented greater than 5% of total investments.

**Fixed maturity securities**

The cost or amortized cost and fair value for AFS fixed maturity securities were as follows:

As of September 30, 2022	Cost or amortized cost	Allowance for Credit Losses <sup>(2)(3)</sup>	Gross unrealized		Fair value
			gains	losses	
AFS fixed maturity securities portfolio by type:					
U.S. government and agencies	\$ 366,638	\$ —	\$ —	\$ (71,841)	\$ 294,797
U.S. state, municipal and political subdivisions	5,298,283	—	138	(1,271,381)	4,027,040
Corporate	41,326,728	(791)	18,021	(8,538,465)	32,805,493
Residential mortgage-backed securities ("RMBS")	7,478,505	(86,208)	17,823	(676,064)	6,734,056
Commercial mortgage-backed securities ("CMBS")	7,352,398	(10,809)	245	(740,518)	6,601,316
Collateralized bond obligations ("CBOs")	3,060,155	(35)	—	(223,969)	2,836,151
Collateralized loan obligations ("CLOs")	2,771,874	(4,366)	25	(209,329)	2,558,204
All other structured securities <sup>(1)</sup>	2,884,368	(4,537)	6,005	(195,042)	2,690,794
<b>Total AFS fixed maturity securities</b>	<b>\$ 70,538,949</b>	<b>\$ (106,746)</b>	<b>\$ 42,257</b>	<b>\$ (11,926,609)</b>	<b>\$ 58,547,851</b>

(1) Includes primarily asset-backed securities ("ABS").

(2) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of operations (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(3) Includes credit loss allowances on purchase-credit deteriorated fixed-maturity securities of \$(33.2) million.

As of December 31, 2021	Cost or amortized cost	Allowance for Credit Losses <sup>(2)(3)</sup>	Gross unrealized		Fair value
			gains	losses	
AFS fixed maturity securities portfolio by type:					
U.S. government and agencies	\$ 785,144	\$ —	\$ 4,171	\$ (4,768)	\$ 784,547
U.S. state, municipal and political subdivisions	5,122,651	—	42,286	(55,240)	5,109,697
Corporate	41,433,757	(3,238)	190,516	(688,648)	40,932,387
RMBS	7,703,030	(50,975)	126,662	(113,359)	7,665,358
CMBS	5,952,656	(282)	16,332	(56,523)	5,912,183
CBOs	3,111,620	(22,160)	6,862	(27,466)	3,068,856
CLOs	2,985,098	(639)	6,554	(5,776)	2,985,237
All other structured securities <sup>(1)</sup>	2,425,540	(10,839)	19,990	(22,070)	2,412,621
<b>Total AFS fixed maturity securities</b>	<b>\$ 69,519,496</b>	<b>\$ (88,133)</b>	<b>\$ 413,373</b>	<b>\$ (973,850)</b>	<b>\$ 68,870,886</b>

(1) Includes primarily asset-backed securities ("ABS").

(2) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of operations (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(3) Includes credit loss allowances on purchase-credit deteriorated fixed-maturity securities of \$(46.4) million.

Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties, or Global Atlantic may have the right to put or sell the obligations back to the issuers.

The maturity distribution for AFS fixed maturity securities is as follows:

<b>As of September 30, 2022</b>	<b>Cost or amortized cost (net of allowance)</b>	<b>Fair value</b>
Due in one year or less	\$ 551,784	\$ 544,880
Due after one year through five years	9,386,813	8,791,184
Due after five years through ten years	9,487,091	8,504,053
Due after ten years	27,565,170	19,287,213
Subtotal	46,990,858	37,127,330
RMBS	7,392,297	6,734,056
CMBS	7,341,589	6,601,316
CBOs	3,060,120	2,836,151
CLOs	2,767,508	2,558,204
All other structured securities	2,879,831	2,690,794
<b>Total AFS fixed maturity securities</b>	<b>\$ 70,432,203</b>	<b>\$ 58,547,851</b>

#### *Purchased credit deteriorated securities*

Certain securities purchased by Global Atlantic were assessed at acquisition as having experienced a more-than-insignificant deterioration in credit quality since their origination. These securities are identified as PCD, and a reconciliation of the difference between the purchase price and the par value of these PCD securities is below:

	<b>Nine Months Ended September 30,</b>	
	<b>2022</b>	<b>2021</b>
Purchase price of PCD securities acquired during the current period	\$ 24,005	\$ 1,726,900
Allowance for credit losses at acquisition	707	128,099
Discount (premium) attributable to other factors	1,710	308,053
Par value	\$ 26,422	\$ 2,163,052

#### **Securities in a continuous unrealized loss position**

The following tables provide information about AFS fixed maturity securities that have been continuously in an unrealized loss position:

<b>As of September 30, 2022</b>	<b>Less than 12 months</b>		<b>12 months or more</b>		<b>Total</b>	
	<b>Fair value</b>	<b>Unrealized losses</b>	<b>Fair value</b>	<b>Unrealized losses</b>	<b>Fair value</b>	<b>Unrealized losses</b>
AFS fixed maturity securities portfolio by type:						
U.S. government and agencies	\$ 190,438	\$ (53,005)	\$ 104,360	\$ (18,836)	\$ 294,798	\$ (71,841)
U.S. state, municipal and political subdivisions	3,326,504	(1,051,622)	682,195	(219,759)	4,008,699	(1,271,381)
Corporate	21,318,062	(5,654,193)	9,481,979	(2,884,272)	30,800,041	(8,538,465)
RMBS	4,664,201	(426,928)	1,511,761	(249,136)	6,175,962	(676,064)
CBOs	1,887,915	(145,811)	948,236	(78,158)	2,836,151	(223,969)
CMBS	5,407,270	(529,159)	1,162,325	(211,359)	6,569,595	(740,518)
CLOs	2,357,254	(185,863)	190,452	(23,466)	2,547,706	(209,329)
All other structured securities	1,891,789	(118,688)	539,752	(76,354)	2,431,541	(195,042)
<b>Total AFS fixed maturity securities in a continuous loss position</b>	<b>\$ 41,043,433</b>	<b>\$ (8,165,269)</b>	<b>\$ 14,621,060</b>	<b>\$ (3,761,340)</b>	<b>\$ 55,664,493</b>	<b>\$ (11,926,609)</b>

As of December 31, 2021	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
AFS fixed maturity securities portfolio by type:						
U.S. government and agencies	\$ 311,096	\$ (4,768)	\$ —	\$ —	\$ 311,096	\$ (4,768)
U.S. state, municipal and political subdivisions	2,802,309	(55,240)	—	—	2,802,309	(55,240)
Corporate	30,385,514	(688,648)	—	—	30,385,514	(688,648)
RMBS	3,196,876	(113,359)	—	—	3,196,876	(113,359)
CBOs	2,152,790	(27,466)	—	—	2,152,790	(27,466)
CMBS	3,405,774	(56,523)	—	—	3,405,774	(56,523)
CLOs	1,172,330	(5,776)	—	—	1,172,330	(5,776)
All other structured securities	1,348,356	(22,070)	—	—	1,348,356	(22,070)
<b>Total AFS fixed maturity securities in a continuous loss position</b>	<b>\$ 44,775,045</b>	<b>\$ (973,850)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 44,775,045</b>	<b>\$ (973,850)</b>

Unrealized gains and losses can be created by changing interest rates or several other factors, including changing credit spreads. Global Atlantic had gross unrealized losses on below investment grade AFS fixed maturity securities of \$687.7 million and \$77.0 million as of September 30, 2022 and December 31, 2021, respectively. The single largest unrealized loss on AFS fixed maturity securities was \$61.8 million and \$7.3 million as of September 30, 2022 and December 31, 2021, respectively. Global Atlantic had 6,184 and 4,370 securities in an unrealized loss position as of September 30, 2022 and December 31, 2021, respectively.

As of September 30, 2022, AFS fixed maturity securities in an unrealized loss position for 12 months or more consisted of 1,947 debt securities. These debt securities primarily relate to Corporate, RMBS, and U.S. state, municipal and political subdivisions fixed maturity securities, which have depressed values due primarily to an increase in interest rates since the purchase of these securities. Unrealized losses were not recognized in net income on these debt securities since Global Atlantic neither intends to sell the securities nor does it believe that it is more likely than not that it will be required to sell these securities before recovery of their cost or amortized cost basis. For securities with significant declines in value, individual security level analysis was performed utilizing underlying collateral default expectations, market data and industry analyst reports.

#### Mortgage and other loan receivables

Mortgage and other loan receivables consist of the following:

	September 30, 2022	December 31, 2021
Commercial mortgage loans <sup>(1)</sup>	\$ 18,479,742	\$ 13,824,772
Residential mortgage loans <sup>(1)</sup>	10,955,269	8,724,904
Consumer loans	5,445,370	5,617,925
Other loan receivables <sup>(2)(3)</sup>	963,039	1,083,235
<b>Total mortgage and other loan receivables</b>	<b>35,843,420</b>	<b>29,250,836</b>
Allowance for credit losses <sup>(4)</sup>	(423,326)	(374,077)
<b>Total mortgage and other loan receivables, net of allowance for loan losses</b>	<b>\$ 35,420,094</b>	<b>\$ 28,876,759</b>

- (1) Includes \$837.7 million and \$805.4 million of loans carried at fair value using the fair value option as of September 30, 2022 and December 31, 2021, respectively. The fair value option was elected for these loans for asset-liability matching purposes. These loans had unpaid principal balances of \$894.2 million and \$794.1 million as of September 30, 2022 and December 31, 2021, respectively.
- (2) As of September 30, 2022 and December 31, 2021, other loan receivables consisted primarily of loans collateralized by aircraft of \$312.7 million and \$850.1 million, respectively.
- (3) Includes \$33.2 million and \$27.3 million of related party loans carried at fair value using the fair value option as of September 30, 2022 and December 31, 2021, respectively. These loans had unpaid principal balances of \$33.2 million and \$27.3 million as of September 30, 2022 and December 31, 2021, respectively.
- (4) Includes credit loss allowances on purchase-credit deteriorated mortgage and other loan receivables of \$(78.6) million and \$(77.9) million as of September 30, 2022 and December 31, 2021, respectively.

The maturity distribution for residential and commercial mortgage loans was as follows as of September 30, 2022:

Years	Residential	Commercial	Total mortgage loans
Remainder of 2022	\$ 115,605	\$ 399,377	\$ 514,982
2023	126,160	1,441,199	1,567,359
2024	533,435	2,277,465	2,810,900
2025	17,027	3,390,721	3,407,748
2026	890,254	3,259,760	4,150,014
2027	955,188	2,843,765	3,798,953
2028 and thereafter	8,317,600	4,867,455	13,185,055
<b>Total</b>	<b>\$ 10,955,269</b>	<b>\$ 18,479,742</b>	<b>\$ 29,435,011</b>

Actual maturities could differ from contractual maturities, because borrowers may have the right to prepay (with or without prepayment penalties) and loans may be refinanced.

Global Atlantic diversifies its mortgage loan portfolio by both geographic region and property type to reduce concentration risk. The following tables present the mortgage loans by geographic region and property type:

Mortgage loans - carrying value by geographic region	September 30, 2022	December 31, 2021
Pacific	\$ 7,252,784	\$ 6,675,064
West South Central	3,594,519	2,675,890
South Atlantic	8,002,247	4,996,043
Middle Atlantic	3,708,296	3,142,973
East North Central	1,262,908	590,911
Mountain	3,151,942	1,957,099
New England	1,298,758	1,099,157
East South Central	740,228	1,035,764
West North Central	363,474	350,546
Other regions	59,855	26,229
<b>Total by geographic region</b>	<b>\$ 29,435,011</b>	<b>\$ 22,549,676</b>

Mortgage loans - carrying value by property type	September 30, 2022	December 31, 2021
Residential	\$ 10,955,269	\$ 8,724,904
Office building	4,654,349	4,185,146
Apartment	9,341,546	6,194,819
Industrial	2,938,321	1,981,713
Retail	650,903	780,071
Other property types	705,783	483,560
Warehouse	188,840	199,463
<b>Total by property type</b>	<b>\$ 29,435,011</b>	<b>\$ 22,549,676</b>

As of September 30, 2022 and December 31, 2021, Global Atlantic had \$179.6 million and \$202.7 million of mortgage loans that were 90 days or more past due or in the process of foreclosure, respectively. Global Atlantic ceases accrual of interest on loans that are more than 90 days past due and recognizes income as cash is received. As of September 30, 2022 and December 31, 2021, there were \$179.6 million and \$202.7 million of mortgage loans that were non-income producing, respectively.

As of September 30, 2022 and December 31, 2021, less than 1% and 1%, respectively, of residential mortgage loans have been granted forbearance for reasons including COVID-19. This forbearance, which generally involves a 3-month period in which payments are not required (though must subsequently be made up), is not considered to result in troubled debt restructurings for the three and nine months ended September 30, 2022 and 2021. Interest continues to accrue on loans in temporary forbearance.



As of September 30, 2022 and December 31, 2021, Global Atlantic had \$10.9 million and \$5.1 million of consumer loans that were delinquent by more than 120 days or in default, respectively.

#### *Purchased credit deteriorated loans*

Certain residential mortgage loans purchased by Global Atlantic were assessed at acquisition as having experienced a more-than-insignificant deterioration in credit quality since their origination. These loans are identified as PCD, and a reconciliation of the difference between the purchase price and the par value of these PCD loans is below:

	<b>Nine Months Ended September 30,</b>	
	<b>2021</b>	
Purchase price of PCD loans acquired during the current period	\$	4,231,426
Allowance for credit losses at acquisition		121,895
Discount (premium) attributable to other factors		(136,174)
<b>Par value</b>	<b>\$</b>	<b>4,217,147</b>

#### **Credit quality indicators**

##### *Mortgage and loan receivable performance status*

The following table represents the portfolio of mortgage and loan receivables by origination year and performance status:

Performance status	<b>As of September 30, 2022</b>						
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>Prior</b>	<b>Total</b>
<b>Commercial mortgage loans</b>							
Current	\$ 5,539,353	\$ 6,763,595	\$ 929,246	\$ 1,533,917	\$ 1,294,281	\$ 2,419,350	\$ 18,479,742
30 to 59 days past due	—	—	—	—	—	—	—
60 to 89 days past due	—	—	—	—	—	—	—
Over 90 days past due	—	—	—	—	—	—	—
<b>Total commercial mortgage loans</b>	<b>\$ 5,539,353</b>	<b>\$ 6,763,595</b>	<b>\$ 929,246</b>	<b>\$ 1,533,917</b>	<b>\$ 1,294,281</b>	<b>\$ 2,419,350</b>	<b>\$ 18,479,742</b>
<b>Residential mortgage loans</b>							
Current	\$ 1,897,046	\$ 5,002,374	\$ 1,884,802	\$ 278,805	\$ 15,119	\$ 1,530,375	\$ 10,608,521
30 to 59 days past due	9,608	33,064	4,334	1,305	645	77,467	126,423
60 to 89 days past due	1,233	10,727	3,646	752	—	24,391	40,749
Over 90 days past due	1,489	22,399	11,178	8,673	2,587	133,250	179,576
<b>Total residential mortgage loans</b>	<b>\$ 1,909,376</b>	<b>\$ 5,068,564</b>	<b>\$ 1,903,960</b>	<b>\$ 289,535</b>	<b>\$ 18,351</b>	<b>\$ 1,765,483</b>	<b>\$ 10,955,269</b>
<b>Total mortgage loans</b>	<b>\$ 7,448,729</b>	<b>\$ 11,832,159</b>	<b>\$ 2,833,206</b>	<b>\$ 1,823,452</b>	<b>\$ 1,312,632</b>	<b>\$ 4,184,833</b>	<b>\$ 29,435,011</b>

## As of December 31, 2021

Performance status	2021	2020	2019	2018	2017	Prior	Total
<b>Commercial mortgage loans</b>							
Current	\$ 6,831,655	\$ 976,369	\$ 1,883,908	\$ 1,373,865	\$ 817,954	\$ 1,941,021	\$ 13,824,772
30 to 59 days past due	—	—	—	—	—	—	—
60 to 89 days past due	—	—	—	—	—	—	—
Over 90 days past due	—	—	—	—	—	—	—
<b>Total commercial mortgage loans</b>	<b>\$ 6,831,655</b>	<b>\$ 976,369</b>	<b>\$ 1,883,908</b>	<b>\$ 1,373,865</b>	<b>\$ 817,954</b>	<b>\$ 1,941,021</b>	<b>\$ 13,824,772</b>
<b>Residential mortgage loans</b>							
Current	\$ 4,505,537	\$ 1,576,342	\$ 393,153	\$ 123,995	\$ 65,070	\$ 1,711,156	\$ 8,375,253
30 to 59 days past due	24,955	6,028	5,818	1,155	739	75,104	113,799
60 to 89 days past due	4,247	1,243	607	—	—	27,028	33,125
Over 90 days past due	5,305	14,272	21,985	2,686	—	158,479	202,727
<b>Total residential mortgage loans</b>	<b>\$ 4,540,044</b>	<b>\$ 1,597,885</b>	<b>\$ 421,563</b>	<b>\$ 127,836</b>	<b>\$ 65,809</b>	<b>\$ 1,971,767</b>	<b>\$ 8,724,904</b>
<b>Total mortgage loans</b>	<b>\$ 11,371,699</b>	<b>\$ 2,574,254</b>	<b>\$ 2,305,471</b>	<b>\$ 1,501,701</b>	<b>\$ 883,763</b>	<b>\$ 3,912,788</b>	<b>\$ 22,549,676</b>

The following table represents the portfolio of consumer loan receivables by performance status:

Performance status	September 30, 2022	December 31, 2021
<b>Consumer loans</b>		
Current	\$ 5,347,354	\$ 5,556,923
30 to 59 days past due	54,454	34,048
60 to 89 days past due	27,227	16,817
Over 90 days past due	16,335	10,137
<b>Total consumer loans</b>	<b>\$ 5,445,370</b>	<b>\$ 5,617,925</b>

**Loan-to-value ratio on mortgage loans**

The loan-to-value ratio is expressed as a percentage of the current amount of the loan relative to the value of the underlying collateral. The following table summarizes the loan-to-value ratios for commercial mortgage loans as of September 30, 2022 and December 31, 2021:

Loan-to-value as of September 30, 2022, by year of origination	Carrying value loan-to-value 70% and less	Carrying value loan-to-value 71% - 90%	Carrying value loan-to-value over 90%	Total carrying value
2022	\$ 5,174,067	\$ 365,286	\$ —	\$ 5,539,353
2021	4,744,972	2,018,623	—	6,763,595
2020	771,593	122,593	35,060	929,246
2019	1,360,360	173,557	—	1,533,917
2018	1,259,505	34,776	—	1,294,281
2017	722,333	44,548	—	766,881
Prior	1,652,469	—	—	1,652,469
<b>Total commercial mortgage loans</b>	<b>\$ 15,685,299</b>	<b>\$ 2,759,383</b>	<b>\$ 35,060</b>	<b>\$ 18,479,742</b>

Loan-to-value as of December 31, 2021, by year of origination	Carrying value loan-to-value 70% and less	Carrying value loan-to-value 71% - 90%	Carrying value loan-to-value over 90%	Total carrying value
2021	\$ 4,910,170	\$ 1,921,485	\$ —	\$ 6,831,655
2020	819,406	121,997	34,966	976,369
2019	1,747,656	136,252	—	1,883,908
2018	1,324,807	49,058	—	1,373,865
2017	772,989	44,965	—	817,954
2016	425,926	2,440	—	428,366
Prior	1,497,503	15,152	—	1,512,655
<b>Total commercial mortgage loans</b>	<b>\$ 11,498,457</b>	<b>\$ 2,291,349</b>	<b>\$ 34,966</b>	<b>\$ 13,824,772</b>

Changing economic conditions affect the valuation of commercial mortgage loans. Changing vacancies and rents are incorporated into the discounted cash flow analysis that Global Atlantic performs for monitored loans and may contribute to the establishment of (or increase or decrease in) a commercial mortgage loan valuation allowance for credit losses. In addition, Global Atlantic continuously monitors its commercial mortgage loan portfolio to identify risk. Areas of emphasis are properties that have exposure to specific geographic events, or have deteriorating credit.

The weighted average loan-to-value ratio for the residential mortgage loans was 62% and 68% as of September 30, 2022 and December 31, 2021, respectively.

### Other investments

Other investments consist of the following:

	September 30, 2022	December 31, 2021
Investments in real estate <sup>(1)</sup>	\$ 4,202,597	\$ 1,564,853
Investments in renewable energy <sup>(2)</sup>	3,420,210	3,573,811
Investments in transportation and other leased assets <sup>(3)</sup>	2,767,770	2,663,759
Other investment partnerships	257,905	234,301
FHLB common stock and other investments	182,261	171,842
<b>Total other investments</b>	<b>\$ 10,830,743</b>	<b>\$ 8,208,566</b>

(1) Investments in real estate are held in consolidated investment companies that use fair value accounting.

(2) Net of accumulated depreciation attributed to consolidated renewable energy assets of \$220.2 million and \$156.8 million as of September 30, 2022 and December 31, 2021, respectively.

(3) Net of accumulated depreciation of \$198.5 million and \$105.1 million as of September 30, 2022 and December 31, 2021, respectively.

The total amount of other investments accounted for using the equity method of accounting was \$1.2 billion as of both September 30, 2022 and December 31, 2021. Global Atlantic's maximum exposure to loss related to these equity method investments is limited to the carrying value of these investments plus unfunded commitments of \$21.1 million and \$22.4 million as of September 30, 2022 and December 31, 2021, respectively.

In addition, Global Atlantic has investments that would otherwise require the equity method of accounting for which the fair value option has been elected. The carrying amount of these investments was \$184.4 million and \$147.8 million as of September 30, 2022 and December 31, 2021, respectively.

### Funding agreements

Certain Global Atlantic subsidiaries are members of regional banks in the Federal Home Loan Bank ("FHLB") system. These subsidiaries have also entered into funding agreements with their respective FHLB. The funding agreements are issued in exchange for cash. The funding agreements require that Global Atlantic pledge eligible assets, such as commercial mortgage loans, as collateral. With respect to certain classes of eligible assets, the FHLB holds the pledged eligible assets in custody at the respective FHLB. The liabilities for the funding agreements are included in policy liabilities in the consolidated statements of financial condition.

Information related to the FHLB investment and funding agreements as of September 30, 2022 and December 31, 2021 is as follows:

	Investment in common stock		Funding agreements issued to FHLB member banks		Collateral	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
FHLB Indianapolis	\$ 80,512	\$ 80,640	\$ 1,610,025	\$ 1,619,765	\$ 2,362,537	\$ 2,577,698
FHLB Des Moines	31,120	34,600	532,467	620,006	838,297	1,004,530
FHLB Boston	17,520	22,520	322,922	326,639	436,645	553,384
<b>Total</b>	<b>\$ 129,152</b>	<b>\$ 137,760</b>	<b>\$ 2,465,414</b>	<b>\$ 2,566,410</b>	<b>\$ 3,637,479</b>	<b>\$ 4,135,612</b>

In addition, in January 2021, Global Atlantic launched an inaugural funding agreement backed note ("FABN") program, through which GA Global Funding Trust, a special purpose statutory trust, was established to offer its senior secured medium-term notes. Net proceeds from each sale of the aforementioned notes are used to purchase one or more funding agreements from Forethought Life Insurance Company, an insurance subsidiary of Global Atlantic. As of September 30, 2022 and December 31, 2021, Global Atlantic had \$5.5 billion and \$3.5 billion of such funding agreements outstanding, with \$4.5 billion and \$6.5 billion of remaining capacity under the program, respectively.

#### Repurchase agreement transactions

As of September 30, 2022 and December 31, 2021, Global Atlantic participated in third-party repurchase agreements with a notional value of \$778.5 million and \$300.4 million, respectively. As collateral for these transactions, as of September 30, 2022 and December 31, 2021, Global Atlantic posted fixed maturity securities with a fair value and amortized cost of \$810.9 million and \$1.1 billion, and \$313.0 million and \$317.0 million, respectively, which are included in Insurance - Investments in the consolidated statements of financial condition.

The fair value of securities pledged for repurchase agreements by class of collateral and remaining contractual maturity as of September 30, 2022 and December 31, 2021 is presented in the following tables:

As of September 30, 2022	Overnight	<30 Days	30 - 90 Days	> 90 Days	Total
Corporate Securities	\$ —	\$ —	\$ —	\$ 810,946	\$ 810,946
Total borrowing	\$ —	\$ —	\$ —	\$ 810,946	\$ 810,946

As of December 31, 2021	Overnight	<30 Days	30 - 90 Days	> 90 Days	Total
Corporate Securities	\$ —	\$ —	\$ —	\$ 312,965	\$ 312,965
Total borrowing	\$ —	\$ —	\$ —	\$ 312,965	\$ 312,965

#### Other

As of September 30, 2022 and December 31, 2021, the cost or amortized cost and fair value of the assets on deposit with various state and governmental authorities were \$184.8 million and \$139.9 million, and \$182.6 million and \$180.8 million, respectively.

## 9. DERIVATIVES

### Asset Management

KKR and certain of its consolidated funds have entered into derivative transactions as part of their overall risk management for the asset management business and investment strategies. These derivative contracts are not designated as hedging instruments for accounting purposes. Such contracts may include forward, swap and option contracts related to foreign currencies and interest rates to manage foreign exchange risk and interest rate risk arising from certain assets and liabilities. All derivatives are recognized in Other Assets or Accrued Expenses and Other Liabilities and are presented on a gross basis in the consolidated statements of financial condition and measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. KKR's derivative financial instruments contain credit risk to the extent that its counterparties may be unable to meet the terms of the agreements. KKR attempts to reduce this risk by limiting its counterparties to major financial institutions with strong credit ratings.

### Insurance

Global Atlantic holds derivative instruments that are primarily used in its hedge program. Global Atlantic has established a hedge program that seeks to mitigate economic impacts primarily from interest rate and equity price movements, while taking into consideration accounting and capital impacts.

Global Atlantic hedges interest rate and equity market risks associated with its insurance liabilities including fixed-indexed annuities, indexed universal life policies, variable annuity policies and variable universal life policies, among others. For fixed-indexed annuities and indexed universal life policies, Global Atlantic generally seeks to use static hedges to offset the exposure primarily created by changes in its embedded derivative balances. Global Atlantic generally purchases options which replicate the crediting rate strategies, often in the form of call spreads. Call spreads are the purchase of a call option matched by the sale of a different call option. For variable annuities and variable universal life policies, Global Atlantic generally seeks to dynamically hedge its exposure to changes in the value of the guarantee it provides to policyholders. Doing so requires the active trading of several financial instruments to respond to changes in market conditions. In addition, Global Atlantic enters into inflation swaps to manage inflation risk associated with inflation-indexed preneed policies.

In the context of specific reinsurance transactions in the institutional channel or acquisitions, Global Atlantic may also enter into hedges which are designed to limit short-term market risks to the economic value of the target assets. From time to time, Global Atlantic also enters into hedges designed to mitigate interest rate and credit risk in investment income, interest expense, and fair value of assets and liabilities. In addition, Global Atlantic enters into currency swaps and forwards to manage any foreign exchange rate risks that may arise from investments denominated in foreign currencies.

Global Atlantic attempts to mitigate the risk of loss due to ineffectiveness under these derivative investments through a regular monitoring process which evaluates the program's effectiveness. Global Atlantic is exposed to risk of loss in the event of non-performance by the counterparties and, accordingly, all option contracts are purchased from counterparties that have been evaluated for creditworthiness. All of these counterparties are nationally recognized financial institutions with a Moody's or S&P investment-grade credit rating. Global Atlantic monitors its derivative activities by reviewing portfolio activities and risk levels. Global Atlantic also oversees all derivative transactions to ensure that the types of transactions entered into and the results obtained from those transactions are consistent with both Global Atlantic's risk management strategy and its policies and procedures.

The restricted cash which was held in connection with open derivative transactions with exchange brokers was \$293.6 million and \$151.1 million as of September 30, 2022 and December 31, 2021, respectively.

Global Atlantic also has embedded derivatives related to reinsurance contracts that are accounted for on a modified coinsurance and funds withheld basis. An embedded derivative exists because the arrangement exposes the reinsurer to third-party credit risk. These embedded derivatives are included in funds withheld receivable and payable at interest in the consolidated statements of financial condition.

#### *Derivatives designated as accounting hedges*

Where Global Atlantic has derivative instruments that are designated and qualify as accounting hedges, these derivative instruments receive hedge accounting.

Global Atlantic has designated interest rate swaps to hedge the interest rate risk associated with the \$500.0 million senior unsecured notes due 2029, \$650.0 million senior unsecured notes due 2031, FHLB and FABN funding agreement liabilities in fair value hedges. The 2029 Senior Notes and 2031 Senior Notes are reported in debt and FHLB and FABN funding agreement liabilities are reported in policy liabilities in the consolidated statements of financial condition and are hedged through their respective maturities. These hedges qualify for the shortcut method of assessing hedge effectiveness.

The following table represents the gains (losses) recognized on derivative instruments and related hedged items in fair value hedging relationship:

<b>Three Months Ended September 30, 2022</b>		<b>Derivatives</b>	<b>Hedged items</b>	<b>Net</b>
2029 Senior Notes	\$	(25,777)	\$ 25,777	\$ —
2031 Senior Notes		(36,636)	36,636	—
FHLB funding agreement liabilities		(12,060)	12,060	—
FABN liabilities		(145,075)	145,075	—
<b>Nine Months Ended September 30, 2022</b>		<b>Derivatives</b>	<b>Hedged items</b>	<b>Net</b>
2029 Senior Notes	\$	(72,001)	\$ 72,001	\$ —
2031 Senior Notes		(108,087)	108,087	—
FHLB funding agreement liabilities		(52,326)	52,326	—
FABN liabilities		(374,468)	374,468	—
<b>Three Months Ended September 30, 2021</b>		<b>Derivatives</b>	<b>Hedged items</b>	<b>Net</b>
2029 Senior Notes	\$	(4,016)	\$ 4,016	\$ —
2031 Senior Notes		(7,023)	7,023	—
FHLB funding agreement liabilities		1,324	(1,324)	—
<b>Nine Months Ended September 30, 2021</b>		<b>Derivatives</b>	<b>Hedged items</b>	<b>Net</b>
2029 Senior Notes	\$	(16,364)	\$ 16,364	\$ —
2031 Senior Notes		(3,986)	3,986	—
FHLB funding agreement liabilities		(5,954)	5,954	—

The following table represents the carrying values and fair value adjustments for the hedged items:

	<b>As of September 30, 2022</b>		<b>As of December 31, 2021</b>	
	<b>Carrying value</b>	<b>Fair value of hedge adjustments</b>	<b>Carrying value</b>	<b>Fair value of hedge adjustments</b>
2029 Senior Notes	\$ 403,044	\$ (90,156)	\$ 473,890	\$ (18,808)
2031 Senior Notes	534,886	(115,113)	644,439	(5,561)
FHLB funding agreement liabilities	1,174,359	(67,327)	1,070,770	(16,092)
FABN liabilities	4,608,996	(372,494)	—	—

Global Atlantic has designated bond forwards to hedge the interest rate risk associated with the planned purchase of AFS debt securities in cash flow hedges. Regression analysis is used to assess the effectiveness of these hedges. As of September 30, 2022 and December 31, 2021, there was a cumulative (loss) gain of \$(164.3) million and \$9.4 million on the bond forwards recorded in accumulated other comprehensive loss, respectively. Amounts deferred in accumulated other comprehensive loss are reclassified to net investment income following the qualifying purchases of AFS securities, as an adjustment to the yield earned over the life of the purchased securities, using the effective interest method. These arrangements are hedging purchases from July 2021 through December 2027 and are expected to affect earnings until 2052. There were \$79.4 million and \$214.1 million of securities purchased for the three and nine months ended September 30, 2022, respectively. As of September 30, 2022, a cumulative loss of \$(23.4) million on the of settlement bond forward derivative hedge instruments, coinciding with the purchase of hedged bonds, began to be reclassified into net investment income. Global Atlantic estimates that the amount of gains/losses in accumulated other comprehensive loss to be reclassified into earnings in the next 12 months will not be material.

Global Atlantic has designated foreign exchange forward purchase contracts ("FX forwards") to hedge the foreign currency risk associated with foreign currency-denominated bonds in fair value hedges. These foreign currency-denominated bonds are accounted for as AFS fixed maturity securities. Changes in the fair value of the hedged AFS fixed maturity securities due to changes in spot exchange rates are reclassified from AOCI to earnings, which offsets the earnings impact of the spot changes of the FX forwards, both of which are recognized within investment-related gains (losses). The effectiveness of these hedges is assessed using the spot method. Changes in the fair value of the FX forwards related to changes in the spot-forward difference are excluded from the assessment of hedge effectiveness and are deferred in AOCI and recognized in earnings using a systematic and rational method over the life of the FX forwards.

The following table represents the gains (losses) related to the FX forwards hedging instruments:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<i>FX forward derivative:</i>				
Net investment-related gains (losses)	\$ 98,263	\$ 12,086	\$ 216,691	\$ 13,768
AOCI	(10,652)	766	7,997	399
Amortization - excluded component	11,941	593	17,471	1,206
<i>Hedged available-for-sale securities:</i>				
Net investment-related gains (losses)	(105,645)	(8,590)	(205,746)	(11,306)
			<b>September 30,</b>	<b>December 31,</b>
			<b>2022</b>	<b>2021</b>
Notional value of foreign currency forward			\$ 2,403,559	\$ 1,754,555

The fair value and notional value of the derivative assets and liabilities were as follows:

As of September 30, 2022	Notional Value	Derivative Assets	Derivative Liabilities
<i>Asset Management</i>			
Foreign Exchange Contracts and Options	\$ 15,020,028	\$ 1,016,135	\$ 242,117
Other Derivatives	1,247,992	39,887	20,249
Total Asset Management		\$ 1,056,022	\$ 262,366
<i>Insurance</i>			
Equity market contracts	\$ 39,471,819	\$ 579,918	\$ 217,106
Interest rate contracts	11,139,171	170,402	935,385
Foreign currency contracts	3,279,137	373,757	95,233
Credit risk contracts	107,754	—	308
Impact of netting <sup>(1)</sup>		(273,803)	(273,803)
Fair value included within derivative assets and derivative liabilities		850,274	974,229
Embedded derivative – indexed universal life products		—	315,889
Embedded derivative – annuity products		—	1,472,814
Fair value included within policy liabilities		—	1,788,703
Embedded derivative – funds withheld at interest		(21,954)	(3,419,586)
Total Insurance		\$ 828,320	\$ (656,654)
<b>Fair value included within total assets and liabilities</b>		<b>\$ 1,884,342</b>	<b>\$ (394,288)</b>

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

As of December 31, 2021	Notional Value		Derivative Assets		Derivative Liabilities	
<i>Asset Management</i>						
Foreign Exchange Contracts and Options	\$	12,822,521	\$	590,637	\$	319,511
Other Derivatives		505,725		491		45,003
Total Asset Management			\$	591,128	\$	364,514
<i>Insurance</i>						
Equity market contracts	\$	31,294,053	\$	1,216,843	\$	186,754
Interest rate contracts		16,692,035		198,658		101,245
Foreign currency contracts		1,517,434		32,464		7,639
Credit risk contracts		107,754		—		1,540
Impact of netting <sup>(1)</sup>				(152,015)		(152,015)
Fair value included within derivative assets and derivative liabilities				1,295,950		145,163
Embedded derivative – indexed universal life products				—		557,276
Embedded derivative – annuity products				—		1,983,949
Fair value included within policy liabilities				—		2,541,225
Embedded derivative – funds withheld at interest				31,740		(49,491)
Total Insurance			\$	1,327,690	\$	2,636,897
<b>Fair value included within total assets and liabilities</b>			<b>\$</b>	<b>1,918,818</b>	<b>\$</b>	<b>3,001,411</b>

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

The amounts of derivative gains and losses recognized are reported in the consolidated statements of operations as follows:

Derivative contracts not designated as hedges	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<i>Asset Management</i>				
Net Gains (Losses) from Investment Activities:				
Foreign Exchange Contracts and Options	\$ 593,766	\$ 321,139	\$ 817,531	\$ 252,303
Other Derivatives	4,782	(11,110)	30,488	(41,571)
Total included in Net Gains (Losses) from Investment Activities	\$ 598,548	\$ 310,029	\$ 848,019	\$ 210,732
<i>Insurance</i>				
Net investment-related gains (losses):				
Funds withheld receivable embedded derivatives	\$ 3,211	\$ (10,001)	\$ (64,130)	\$ 68,449
Funds withheld payable embedded derivatives	836,395	103,971	3,380,530	48,799
Equity index options	(156,561)	(25,854)	(884,786)	275,035
Equity future contracts	37,247	1,783	199,432	(171,982)
Interest rate contracts and other	(107,494)	(24,135)	(331,395)	(149,274)
Credit risk contracts	370	(196)	705	(254)
Total included in net investment-related gains (losses)	\$ 613,168	\$ 45,568	\$ 2,300,356	\$ 70,773



Derivative contracts designated as hedges	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Insurance</b>				
<b>Revenues</b>				
Net investment-related gains (losses):				
Foreign currency forwards	\$ 42,136	\$ (4,776)	\$ 70,048	\$ (675)
Total included in net investment-related gains (losses)	\$ 42,136	\$ (4,776)	\$ 70,048	\$ (675)
<b>Expenses</b>				
Net policy benefits and claims:				
Interest rate swaps	\$ (171,447)	\$ 74	\$ (426,794)	\$ (6,552)
Total included in net policy benefits and claims	\$ (171,447)	\$ 74	\$ (426,794)	\$ (6,552)
Interest expense:				
Interest rate swaps	\$ (62,413)	\$ (7,923)	\$ (180,087)	\$ (14,307)
Total included in interest expense	\$ (62,413)	\$ (7,923)	\$ (180,087)	\$ (14,307)

The amount of Global Atlantic's net derivative assets and liabilities after consideration of collateral received or pledged were as follows:

As of September 30, 2022	Gross amount recognized	Gross amounts offset in the statements of financial position <sup>(1)</sup>	Net amounts presented in the statements of financial condition	Collateral (received) / pledged	Net amount after collateral
Derivative assets (excluding embedded derivatives)	\$ 1,124,077	\$ (273,803)	\$ 850,274	\$ (429,796)	\$ 420,478
Derivative liabilities (excluding embedded derivatives)	\$ 1,248,032	\$ (273,803)	\$ 974,229	\$ 255,108	\$ 719,121

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

As of December 31, 2021	Gross amount recognized	Gross amounts offset in the statements of financial position <sup>(1)</sup>	Net amounts presented in the statements of financial condition	Collateral (received) / pledged	Net amount after collateral
Derivative assets (excluding embedded derivatives)	\$ 1,447,965	\$ (152,015)	\$ 1,295,950	\$ (1,086,061)	\$ 209,889
Derivative liabilities (excluding embedded derivatives)	\$ 297,178	\$ (152,015)	\$ 145,163	\$ 49,860	\$ 95,303

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

## 10. FAIR VALUE MEASUREMENTS

The following tables summarize the valuation of assets and liabilities measured and reported at fair value by the fair value hierarchy. Investments classified as Equity Method - Other, for which the fair value option has not been elected, and Equity Method - Capital Allocation-Based Income have been excluded from the tables below.

### Assets, at fair value:

	September 30, 2022			
	Level I	Level II	Level III	Total
<b>Asset Management</b>				
Private Equity	\$ 1,299,454	\$ 169,993	\$ 25,073,296	\$ 26,542,743
Credit	89,638	1,997,745	5,444,839	7,532,222
Investments of Consolidated CFEs	—	21,500,342	—	21,500,342
Real Assets	—	1,073,537	15,586,048	16,659,585
Equity Method - Other	454,611	891,076	1,561,621	2,907,308
Other Investments	422,335	47,711	3,133,423	3,603,469
Total Investments	\$ 2,266,038	\$ 25,680,404	\$ 50,799,227	\$ 78,745,669
Foreign Exchange Contracts and Options	—	1,016,135	—	1,016,135
Other Derivatives	266	26,371	13,250	39,887
Total Assets at Fair Value - Asset Management	<u>\$ 2,266,304</u>	<u>\$ 26,722,910</u>	<u>\$ 50,812,477</u>	<u>\$ 79,801,691</u>
<b>Insurance</b>				
AFS fixed maturity securities:				
U.S. government and agencies	\$ 212,032	\$ 82,765	\$ —	\$ 294,797
U.S. state, municipal and political subdivisions	—	4,027,040	—	4,027,040
Corporate	—	24,827,591	7,977,902	32,805,493
Structured securities	—	20,018,218	1,402,303	21,420,521
Total AFS fixed maturity securities	\$ 212,032	\$ 48,955,614	\$ 9,380,205	\$ 58,547,851
Trading fixed maturity securities:				
U.S. government and agencies	\$ 157,936	\$ 57,510	\$ —	\$ 215,446
U.S. state, municipal and political subdivisions	—	525,889	—	525,889
Corporate	—	5,568,632	633,147	6,201,779
Structured securities	—	2,760,029	543,891	3,303,920
Total trading fixed maturity securities	\$ 157,936	\$ 8,912,060	\$ 1,177,038	\$ 10,247,034
Equity securities	2,607	—	17,315	19,922
Mortgage and other loan receivables <sup>(2)</sup>	—	—	870,475	870,475
Other investments <sup>(3)</sup>	—	—	4,253,873	4,253,873
Funds withheld receivable at interest	—	—	(21,954)	(21,954)
Reinsurance recoverable	—	—	1,069,497	1,069,497
Derivative assets:				
Equity market contracts	90,387	489,531	—	579,918
Interest rate contracts	12,287	158,115	—	170,402
Foreign currency contracts	—	373,757	—	373,757
Impact of netting <sup>(4)</sup>	(51,954)	(221,849)	—	(273,803)
Total derivative assets	\$ 50,720	\$ 799,554	\$ —	\$ 850,274
Separate account assets	4,052,251	—	—	4,052,251
Total Assets at Fair Value - Insurance	<u>\$ 4,475,546</u>	<u>\$ 58,667,228</u>	<u>\$ 16,746,449</u>	<u>\$ 79,889,223</u>
<b>Total Assets at Fair Value</b>	<u><b>\$ 6,741,850</b></u>	<u><b>\$ 85,390,138</b></u>	<u><b>\$ 67,558,926</b></u>	<u><b>\$ 159,690,914</b></u>

	December 31, 2021			
	Level I	Level II	Level III	Total
<b>Asset Management</b>				
Private Equity	\$ 2,044,380	\$ 318,736	\$ 23,322,634	\$ 25,685,750
Credit	—	2,122,912	5,826,661	7,949,573
Investments of Consolidated CFEs	—	22,076,809	—	22,076,809
Real Assets	—	1,111,219	11,389,530	12,500,749
Equity Method - Other	482,061	105,647	1,013,807	1,601,515
Other Investments	759,002	146,081	3,240,013	4,145,096
Total Investments	\$ 3,285,443	\$ 25,881,404	\$ 44,792,645	\$ 73,959,492
Foreign Exchange Contracts and Options	—	590,637	—	590,637
Other Derivatives	—	12	479 <sup>(1)</sup>	491
Total Assets at Fair Value - Asset Management	<u>\$ 3,285,443</u>	<u>\$ 26,472,053</u>	<u>\$ 44,793,124</u>	<u>\$ 74,550,620</u>
<b>Insurance</b>				
AFS fixed maturity securities:				
U.S. government and agencies	\$ 500,325	\$ 284,222	\$ —	\$ 784,547
U.S. state, municipal and political subdivisions	—	5,109,697	—	5,109,697
Corporate	—	33,281,727	7,650,660	40,932,387
Structured securities	—	21,215,854	828,401	22,044,255
Total AFS fixed maturity securities	\$ 500,325	\$ 59,891,500	\$ 8,479,061	\$ 68,870,886
Trading fixed maturity securities:				
U.S. government and agencies	\$ 371,366	\$ 252,266	\$ —	\$ 623,632
U.S. state, municipal and political subdivisions	—	879,463	—	879,463
Corporate	—	8,486,922	565,025	9,051,947
Structured securities	—	2,779,757	418,774	3,198,531
Total trading fixed maturity securities	\$ 371,366	\$ 12,398,408	\$ 983,799	\$ 13,753,573
Equity securities	256,196	—	32,937	289,133
Mortgage and other loan receivables <sup>(2)</sup>	—	—	832,674	832,674
Other investments <sup>(3)</sup>	—	—	1,603,345	1,603,345
Funds withheld receivable at interest	—	—	31,740	31,740
Reinsurance recoverable	—	—	1,293,791	1,293,791
Derivative assets:				
Equity market contracts	66,510	1,150,333	—	1,216,843
Interest rate contracts	44,472	154,186	—	198,658
Foreign currency contracts	—	32,464	—	32,464
Impact of netting <sup>(4)</sup>	(25,588)	(126,427)	—	(152,015)
Total derivative assets	\$ 85,394	\$ 1,210,556	\$ —	\$ 1,295,950
Separate account assets	5,586,428	—	—	5,586,428
Total Assets at Fair Value - Insurance	<u>\$ 6,799,709</u>	<u>\$ 73,500,464</u>	<u>\$ 13,257,347</u>	<u>\$ 93,557,520</u>
<b>Total Assets at Fair Value</b>	<u><b>\$ 10,085,152</b></u>	<u><b>\$ 99,972,517</b></u>	<u><b>\$ 58,050,471</b></u>	<u><b>\$ 168,108,140</b></u>

(1) Includes derivative assets that were valued using a third-party valuation firm. The approach used to estimate the fair value of these derivative assets was generally the discounted cash flow method, which includes consideration of the current portfolio, projected portfolio construction, projected portfolio realizations, portfolio volatility (based on the volatility, correlation, and size of each underlying asset class), and the discounting of future cash flows to the reporting date.

(2) Includes related party balance of \$33.2 million and \$27.3 million in Level III for mortgage and other loan receivables as of September 30, 2022 and December 31, 2021, respectively.

(3) Other investments excluded from the fair value hierarchy include certain real estate and private equity funds for which fair value is measured at net asset value per share as a practical expedient. As of September 30, 2022 and December 31, 2021, the fair value of these investments was \$145.8 million and \$108.7 million, respectively.

(4) Represents netting of derivative exposures covered by qualifying master netting agreements.

**Liabilities, at fair value:**

	September 30, 2022			
	Level I	Level II	Level III	Total
<b>Asset Management</b>				
Securities Sold Short	\$ 87,894	\$ —	\$ —	\$ 87,894
Foreign Exchange Contracts and Options	—	242,117	—	242,117
Unfunded Revolver Commitments	—	—	108,195 <sup>(1)</sup>	108,195
Other Derivatives	—	20,249	—	20,249
Debt Obligations of Consolidated CFEs	—	21,118,566	—	21,118,566
Total Liabilities at Fair Value - Asset Management	<u>\$ 87,894</u>	<u>\$ 21,380,932</u>	<u>\$ 108,195</u>	<u>\$ 21,577,021</u>
<b>Insurance</b>				
Policy liabilities	\$ —	\$ —	\$ 417,863	\$ 417,863
Closed block policy liabilities	—	—	1,096,478	1,096,478
Funds withheld payable at interest	—	—	(3,419,586)	(3,419,586)
Derivative instruments payable:				
Equity market contracts	95,111	121,995	—	217,106
Interest rate contracts	18,025	917,360	—	935,385
Foreign currency contracts	—	95,233	—	95,233
Credit contracts	—	308	—	308
Impact of netting <sup>(2)</sup>	(51,954)	(221,849)	—	(273,803)
Total derivative instruments payable	<u>61,182</u>	<u>913,047</u>	<u>—</u>	<u>974,229</u>
Embedded derivative – indexed universal life products	—	—	315,889	315,889
Embedded derivative – annuity products	—	—	1,472,814	1,472,814
Total Liabilities at Fair Value - Insurance	<u>\$ 61,182</u>	<u>\$ 913,047</u>	<u>\$ (116,542)</u>	<u>\$ 857,687</u>
<b>Total Liabilities at Fair Value</b>	<u>\$ 149,076</u>	<u>\$ 22,293,979</u>	<u>\$ (8,347)</u>	<u>\$ 22,434,708</u>

	December 31, 2021			
	Level I	Level II	Level III	Total
<b>Asset Management</b>				
Securities Sold Short	\$ 249,383	\$ —	\$ —	\$ 249,383
Foreign Exchange Contracts and Options	—	319,511	—	319,511
Unfunded Revolver Commitments	—	—	64,276 <sup>(1)</sup>	64,276
Other Derivatives	—	45,003	—	45,003
Debt Obligations of Consolidated CFEs	—	21,271,084	—	21,271,084
Total Liabilities at Fair Value - Asset Management	<u>\$ 249,383</u>	<u>\$ 21,635,598</u>	<u>\$ 64,276</u>	<u>\$ 21,949,257</u>
<b>Insurance</b>				
Policy liabilities	\$ —	\$ —	\$ 519,454	\$ 519,454
Closed block policy liabilities	—	—	1,350,224	1,350,224
Funds withheld payable at interest	—	—	(49,491)	(49,491)
Derivative instruments payable:				
Equity market contracts	33,933	152,821	—	186,754
Interest rate contracts	14,009	87,236	—	101,245
Foreign currency contracts	—	7,639	—	7,639
Credit contracts	—	1,540	—	1,540
Impact of netting <sup>(2)</sup>	(25,588)	(126,427)	—	(152,015)
Total derivative instruments payable	<u>22,354</u>	<u>122,809</u>	<u>—</u>	<u>145,163</u>
Embedded derivative – indexed universal life products	—	—	557,276	557,276
Embedded derivative – annuity products	—	—	1,983,949	1,983,949
Total Liabilities at Fair Value - Insurance	<u>\$ 22,354</u>	<u>\$ 122,809</u>	<u>\$ 4,361,412</u>	<u>\$ 4,506,575</u>
<b>Total Liabilities at Fair Value</b>	<u><b>\$ 271,737</b></u>	<u><b>\$ 21,758,407</b></u>	<u><b>\$ 4,425,688</b></u>	<u><b>\$ 26,455,832</b></u>

(1) These unfunded revolver commitments are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.

(2) Represents netting of derivative exposures covered by qualifying master netting agreement.

The following tables summarize changes in assets and liabilities measured and reported at fair value for which Level III inputs have been used to determine fair value for the three and nine months ended September 30, 2022 and 2021, respectively. For certain insurance disclosures, the beginning of the period represents balances as of the GA Acquisition Date.

Three Months Ended September 30, 2022											
	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Issuances/Sales/Settlements	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date	Changes in Net Unrealized Gains (Losses) Included in OCI related to Level III Assets and Liabilities still held as of the Reporting Date	
<b>Assets</b>											
<i>Asset Management</i>											
Private Equity	\$ 22,918,721	\$ (49,000)	\$ —	\$ —	\$ 2,251,233	\$ (47,658)	\$ —	\$ 25,073,296	\$ (180,571)	\$ —	
Credit	4,927,912	34,245	—	(554)	682,518	(199,282)	—	5,444,839	(199,923)	—	
Real Assets	15,951,741	—	—	—	(14,403)	(351,290)	—	15,586,048	(452,358)	—	
Equity Method - Other	1,474,357	156,183	—	—	(656)	(68,263)	—	1,561,621	(68,229)	—	
Other Investments	2,934,772	513,875	—	(492)	(55,787)	(258,945)	—	3,133,423	(253,841)	—	
Other Derivatives	41,939	—	—	—	(33,907)	5,218	—	13,250	729	—	
Total Assets - Asset Management	\$ 48,249,442	\$ 655,303	\$ —	\$ (1,046)	\$ 2,828,998	\$ (920,220)	\$ —	\$ 50,812,477	\$ (1,154,193)	\$ —	
<i>Insurance</i>											
AFS fixed maturity securities:											
Corporate fixed maturity securities	\$ 8,043,069	\$ —	\$ —	\$ (23,071)	\$ 126,232	\$ (103,994)	\$ (64,334)	\$ 7,977,902	\$ —	\$ (80,146)	
Structured securities	1,283,879	—	—	—	150,387	4,007	(35,970)	1,402,303	—	(35,910)	
Total AFS fixed maturity securities	9,326,948	—	—	(23,071)	276,619	(99,987)	(100,304)	9,380,205	—	(116,056)	
Trading fixed maturity securities:											
Corporate fixed maturity securities	667,014	—	—	—	(6,766)	(27,101)	—	633,147	(26,661)	—	
Structured securities	579,701	—	9,900	(6,521)	(9,734)	(29,455)	—	543,891	(29,185)	—	
Total trading fixed maturity securities	1,246,715	—	9,900	(6,521)	(16,500)	(56,556)	—	1,177,038	(55,846)	—	
Equity securities	17,317	—	—	—	—	(2)	—	17,315	(2)	—	
Mortgage and other loan receivables	905,663	—	—	—	(17,532)	(17,656)	—	870,475	(17,258)	—	
Other investments	4,011,106	—	—	—	281,471	(38,704)	—	4,253,873	(39,632)	—	
Funds withheld receivable at interest	(25,166)	—	—	—	—	3,212	—	(21,954)	—	—	
Reinsurance recoverable	1,103,684	—	—	—	(3,626)	(30,561)	—	1,069,497	—	—	
Total Assets - Insurance	\$ 16,586,267	\$ —	\$ 9,900	\$ (29,592)	\$ 520,432	\$ (240,254)	\$ (100,304)	\$ 16,746,449	\$ (112,738)	\$ (116,056)	
<b>Total</b>	\$ 64,835,709	\$ 655,303	\$ 9,900	\$ (30,638)	\$ 3,349,430	\$ (1,160,474)	\$ (100,304)	\$ 67,558,926	\$ (1,266,931)	\$ (116,056)	

Nine Months Ended September 30, 2022

	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Issuances/Sales/Settlements	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date	Changes in Net Unrealized Gains (Losses) Included in OCI related to Level III Assets and Liabilities still held as of the Reporting Date
<b>Assets</b>										
<i>Asset Management</i>										
Private Equity	\$ 23,322,634	\$ (49,000)	\$ —	\$ (138,220)	\$ 2,929,393	\$ (991,511)	\$ —	\$ 25,073,296	\$ (1,307,533)	\$ —
Credit	5,826,661	34,245	—	(88,646)	124,050	(447,003)	(4,468)	5,444,839	(374,990)	—
Real Assets	11,389,530	—	—	—	3,080,113	1,116,405	—	15,586,048	725,446	—
Equity Method - Other	1,013,807	156,183	—	—	605,485	(213,854)	—	1,561,621	(215,037)	—
Other Investments	3,240,013	513,875	—	(839)	(125,702)	(493,924)	—	3,133,423	(468,891)	—
Other Derivatives	479	—	—	—	21,800	(9,029)	—	13,250	(8,901)	—
<b>Total Assets - Asset Management</b>	<b>\$ 44,793,124</b>	<b>\$ 655,303</b>	<b>\$ —</b>	<b>\$ (227,705)</b>	<b>\$ 6,635,139</b>	<b>\$ (1,038,916)</b>	<b>\$ (4,468)</b>	<b>\$ 50,812,477</b>	<b>\$ (1,649,906)</b>	<b>\$ —</b>
<i>Insurance</i>										
AFS fixed maturity securities:										
Corporate fixed maturity securities	\$ 7,652,134	\$ —	\$ —	\$ (88,076)	\$ 874,870	\$ (168,704)	\$ (292,322)	\$ 7,977,902	\$ —	\$ (271,515)
Structured securities	828,381	—	343,338	—	336,316	(5,347)	(100,385)	1,402,303	—	(110,257)
<b>Total AFS fixed maturity securities</b>	<b>8,480,515</b>	<b>—</b>	<b>343,338</b>	<b>(88,076)</b>	<b>1,211,186</b>	<b>(174,051)</b>	<b>(392,707)</b>	<b>9,380,205</b>	<b>—</b>	<b>(381,772)</b>
Trading fixed maturity securities:										
Corporate fixed maturity securities	565,354	—	—	(44,274)	187,661	(75,594)	—	633,147	(73,050)	—
Structured securities	418,774	—	115,882	(31,741)	112,313	(71,337)	—	543,891	(71,865)	—
<b>Total trading fixed maturity securities</b>	<b>984,128</b>	<b>—</b>	<b>115,882</b>	<b>(76,015)</b>	<b>299,974</b>	<b>(146,931)</b>	<b>—</b>	<b>1,177,038</b>	<b>(144,915)</b>	<b>—</b>
Equity securities	32,937	—	—	—	—	(15,622)	—	17,315	(15,622)	—
Mortgage and other loan receivables	832,674	—	—	—	110,878	(73,077)	—	870,475	(62,650)	—
Other investments	1,603,345	—	—	—	2,569,112	81,416	—	4,253,873	32,580	—
Funds withheld receivable at interest	31,740	—	—	—	10,435	(64,129)	—	(21,954)	—	—
Reinsurance recoverable	1,293,791	—	—	—	(16,728)	(207,566)	—	1,069,497	—	—
<b>Total Assets - Insurance</b>	<b>\$ 13,259,130</b>	<b>\$ —</b>	<b>\$ 459,220</b>	<b>\$ (164,091)</b>	<b>\$ 4,184,857</b>	<b>\$ (599,960)</b>	<b>\$ (392,707)</b>	<b>\$ 16,746,449</b>	<b>\$ (190,607)</b>	<b>\$ (381,772)</b>
<b>Total</b>	<b>\$ 58,052,254</b>	<b>\$ 655,303</b>	<b>\$ 459,220</b>	<b>\$ (391,796)</b>	<b>\$ 10,819,996</b>	<b>\$ (1,638,876)</b>	<b>\$ (397,175)</b>	<b>\$ 67,558,926</b>	<b>\$ (1,840,513)</b>	<b>\$ (381,772)</b>

Three Months Ended September 30, 2021

	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Issuances/Sales/Settlements	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date	Changes in Net Unrealized Gains (Losses) Included in OCI related to Level III Assets and Liabilities still held as of the Reporting Date
<b>Assets</b>										
<i>Asset Management</i>										
Private Equity	\$ 19,023,638	\$ —	\$ —	\$ (75,554)	\$ 1,636,915	\$ 1,159,950	\$ —	\$ 21,744,949	\$ 1,094,045	\$ —
Credit	9,931,511	—	—	—	317,956	(56,665)	7,809	10,200,611	(15,427)	7,809
Real Assets	8,717,571	(174,658)	—	—	2,454,477	635,794	—	11,633,184	609,092	—
Equity Method - Other	1,067,844	—	—	—	(75,143)	16,167	—	1,008,868	(22,455)	—
Other Investments	2,971,242	—	—	—	105,878	91,797	—	3,168,917	76,256	—
Other Derivatives	1,875	—	—	—	13,152	(14,984)	—	43	(14,984)	—
<b>Total Assets - Asset Management</b>	<b>\$ 41,713,681</b>	<b>\$ (174,658)</b>	<b>\$ —</b>	<b>\$ (75,554)</b>	<b>\$ 4,453,235</b>	<b>\$ 1,832,059</b>	<b>\$ 7,809</b>	<b>\$ 47,756,572</b>	<b>\$ 1,726,527</b>	<b>\$ 7,809</b>
<i>Insurance</i>										
AFS fixed maturity securities:										
Corporate fixed maturity securities	\$ 4,018,174	\$ —	\$ 48,093	\$ (29,400)	\$ 785,992	\$ —	\$ 19,444	\$ 4,842,303	\$ —	\$ 1,236
Structured securities	175,936	—	16,309	—	2,460	—	2,282	196,987	—	1,682
<b>Total AFS fixed maturity securities</b>	<b>4,194,110</b>	<b>—</b>	<b>64,402</b>	<b>(29,400)</b>	<b>788,452</b>	<b>—</b>	<b>21,726</b>	<b>5,039,290</b>	<b>—</b>	<b>2,918</b>
Trading fixed maturity securities:										
Corporate fixed maturity securities	1,009,357	—	—	—	368,624	6,984	—	1,384,965	4,926	—
Structured securities	20,939	—	15,744	—	44,233	84	—	81,000	1,131	—
<b>Total trading fixed maturity securities</b>	<b>1,030,296</b>	<b>—</b>	<b>15,744</b>	<b>—</b>	<b>412,857</b>	<b>7,068</b>	<b>—</b>	<b>1,465,965</b>	<b>6,057</b>	<b>—</b>
Equity securities	97,029	—	—	—	(90,855)	22,689	—	28,863	(10,074)	—
Mortgage and other loan receivables	1,224,789	—	—	—	58,303	5,386	—	1,288,478	2,047	—
Other investments	491,635	—	—	—	(33,619)	337,212	—	795,228	(22,496)	—
Funds withheld receivable at interest	78,450	—	—	—	(437)	2,480	—	80,493	—	—
Reinsurance recoverable	1,288,097	—	—	—	—	37,390	—	1,325,487	—	—
<b>Total Assets - Insurance</b>	<b>\$ 8,404,406</b>	<b>\$ —</b>	<b>\$ 80,146</b>	<b>\$ (29,400)</b>	<b>\$ 1,134,701</b>	<b>\$ 412,225</b>	<b>\$ 21,726</b>	<b>\$ 10,023,804</b>	<b>\$ (24,466)</b>	<b>\$ 2,918</b>
<b>Total</b>	<b>\$ 50,118,087</b>	<b>\$ (174,658)</b>	<b>\$ 80,146</b>	<b>\$ (104,954)</b>	<b>\$ 5,587,936</b>	<b>\$ 2,244,284</b>	<b>\$ 29,535</b>	<b>\$ 57,780,376</b>	<b>\$ 1,702,061</b>	<b>\$ 10,727</b>



Nine Months Ended September 30, 2021

	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Issuances/Sales/Settlements	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date	Changes in Net Unrealized Gains (Losses) Included in OCI related to Level III Assets and Liabilities still held as of the Reporting Date	
<b>Assets</b>											
<i>Asset Management</i>											
Private Equity	\$ 15,234,904	\$ —	\$ 5,034	\$ (504,112)	\$ —	\$ 1,853,614	\$ 5,155,509	\$ —	\$ 21,744,949	\$ 5,011,447	\$ —
Credit	9,172,848	(1,021)	86,135	—	—	875,871	59,611	7,167	10,200,611	134,588	7,167
Real Assets	5,924,575	(174,658)	17,567	—	—	4,503,849	1,361,851	—	11,633,184	1,293,618	—
Equity Method - Other	1,014,378	—	—	(22,601)	—	(237,737)	254,828	—	1,008,868	215,103	—
Other Investments	2,341,981	(2,879)	—	(115,274)	—	380,337	564,752	—	3,168,917	616,584	—
Other Derivatives	6,668	—	—	—	—	23,762	(30,387)	—	43	(30,387)	—
<b>Total Assets - Asset Management</b>	<b>\$ 33,695,354</b>	<b>\$ (178,558)</b>	<b>\$ 108,736</b>	<b>\$ (641,987)</b>	<b>\$ —</b>	<b>\$ 7,399,696</b>	<b>\$ 7,366,164</b>	<b>\$ 7,167</b>	<b>\$ 47,756,572</b>	<b>\$ 7,240,953</b>	<b>\$ 7,167</b>
<i>Insurance</i>											
AFS fixed maturity securities:											
Corporate fixed maturity securities	\$ 3,504,578	\$ —	\$ 76,277	\$ (38,610)	\$ —	\$ 1,298,035	\$ —	\$ 2,023	\$ 4,842,303	\$ —	\$ (9,447)
Structured securities	197,970	—	16,309	—	—	(17,047)	—	(245)	196,987	—	1,652
<b>Total AFS fixed maturity securities</b>	<b>3,702,548</b>	<b>—</b>	<b>92,586</b>	<b>(38,610)</b>	<b>—</b>	<b>1,280,988</b>	<b>—</b>	<b>1,778</b>	<b>5,039,290</b>	<b>—</b>	<b>(7,795)</b>
Trading fixed maturity securities:											
Corporate fixed maturity securities	676,650	—	—	—	—	705,027	3,288	—	1,384,965	604	—
Structured securities	14,661	—	15,744	—	—	50,208	387	—	81,000	1,337	—
<b>Total trading fixed maturity securities</b>	<b>691,311</b>	<b>—</b>	<b>15,744</b>	<b>—</b>	<b>—</b>	<b>755,235</b>	<b>3,675</b>	<b>—</b>	<b>1,465,965</b>	<b>1,941</b>	<b>—</b>
Equity securities	66,660	—	—	—	—	(90,855)	53,058	—	28,863	20,295	—
Mortgage and other loan receivables	928,673	—	—	—	—	348,098	11,707	—	1,288,478	9,814	—
Other investments	437,275	—	5,003	—	—	(20,693)	373,643	—	795,228	13,510	—
Funds withheld receivable at interest	—	—	—	—	—	152	80,341	—	80,493	—	—
Reinsurance recoverable	—	—	—	—	—	—	1,325,487	—	1,325,487	—	—
<b>Total Assets - Insurance</b>	<b>\$ 5,826,467</b>	<b>\$ —</b>	<b>\$ 113,333</b>	<b>\$ (38,610)</b>	<b>\$ —</b>	<b>\$ 2,272,925</b>	<b>\$ 1,847,911</b>	<b>\$ 1,778</b>	<b>\$ 10,023,804</b>	<b>\$ 45,560</b>	<b>\$ (7,795)</b>
<b>Total</b>	<b>\$ 39,521,821</b>	<b>\$ (178,558)</b>	<b>\$ 222,069</b>	<b>\$ (680,597)</b>	<b>\$ —</b>	<b>\$ 9,672,621</b>	<b>\$ 9,214,075</b>	<b>\$ 8,945</b>	<b>\$ 57,780,376</b>	<b>\$ 7,286,513</b>	<b>\$ (628)</b>

	Three Months Ended September 30, 2022					Nine Months Ended September 30, 2022				
	Purchases	Issuances	Sales	Settlements	Net Purchases/ Issuances/ Sales/ Settlements	Purchases	Issuances	Sales	Settlements	Net Purchases/ Issuances/ Sales/ Settlements
<b>Assets</b>										
<i>Asset Management</i>										
Private Equity	\$ 2,387,838	\$ —	\$ (136,605)	\$ —	\$ 2,251,233	\$ 3,444,454	\$ —	\$ (515,061)	\$ —	\$ 2,929,393
Credit	787,194	—	(64,068)	(40,608)	682,518	1,561,070	—	(1,111,399)	(325,621)	124,050
Real Assets	372,844	—	(336,859)	(50,388)	(14,403)	4,750,162	—	(1,619,661)	(50,388)	3,080,113
Equity Method - Other	177	—	(833)	—	(656)	612,343	—	(6,858)	—	605,485
Other Investments	41,445	—	(97,232)	—	(55,787)	271,005	—	(396,707)	—	(125,702)
Other Derivatives	—	—	(33,907)	—	(33,907)	55,707	—	(33,907)	—	21,800
<b>Total Assets - Asset Management</b>	<b>\$ 3,589,498</b>	<b>\$ —</b>	<b>\$ (669,504)</b>	<b>\$ (90,996)</b>	<b>\$ 2,828,998</b>	<b>\$ 10,694,741</b>	<b>\$ —</b>	<b>\$ (3,683,593)</b>	<b>\$ (376,009)</b>	<b>\$ 6,635,139</b>
<i>Insurance</i>										
AFS fixed maturity securities:										
Corporate fixed maturity securities	\$ 844,913	\$ —	\$ (29,842)	\$ (688,839)	\$ 126,232	\$ 2,441,634	\$ —	\$ (158,346)	\$ (1,408,418)	\$ 874,870
Structured securities	176,822	—	(13)	(26,422)	150,387	531,082	—	(13)	(194,753)	336,316
<b>Total AFS fixed maturity securities</b>	<b>1,021,735</b>	<b>—</b>	<b>(29,855)</b>	<b>(715,261)</b>	<b>276,619</b>	<b>2,972,716</b>	<b>—</b>	<b>(158,359)</b>	<b>(1,603,171)</b>	<b>1,211,186</b>
Trading fixed maturity securities:										
Corporate fixed maturity securities	31,633	—	(5)	(38,394)	(6,766)	250,288	—	(606)	(62,021)	187,661
Structured securities	93	—	(4,700)	(5,127)	(9,734)	195,887	—	(4,700)	(78,874)	112,313
<b>Total trading fixed maturity securities</b>	<b>31,726</b>	<b>—</b>	<b>(4,705)</b>	<b>(43,521)</b>	<b>(16,500)</b>	<b>446,175</b>	<b>—</b>	<b>(5,306)</b>	<b>(140,895)</b>	<b>299,974</b>
Mortgage and other loan receivables	3,456	—	—	(20,988)	(17,532)	236,734	—	(7,302)	(118,554)	110,878
Other investments	560,855	—	(279,384)	—	281,471	3,122,881	—	(553,769)	—	2,569,112
Funds withheld receivable at interest	—	—	—	—	—	—	10,435	—	—	10,435
Reinsurance recoverable	—	—	—	(3,626)	(3,626)	—	—	—	(16,728)	(16,728)
<b>Total Assets - Insurance</b>	<b>\$ 1,617,772</b>	<b>\$ —</b>	<b>\$ (313,944)</b>	<b>\$ (783,396)</b>	<b>\$ 520,432</b>	<b>\$ 6,778,506</b>	<b>\$ 10,435</b>	<b>\$ (724,736)</b>	<b>\$ (1,879,348)</b>	<b>\$ 4,184,857</b>
<b>Total</b>	<b>\$ 5,207,270</b>	<b>\$ —</b>	<b>\$ (983,448)</b>	<b>\$ (874,392)</b>	<b>\$ 3,349,430</b>	<b>\$ 17,473,247</b>	<b>\$ 10,435</b>	<b>\$ (4,408,329)</b>	<b>\$ (2,255,357)</b>	<b>\$ 10,819,996</b>

	Three Months Ended September 30, 2021					Nine Months Ended September 30, 2021				
	Purchases	Issuances	Sales	Settlements	Net Purchases/Issuances/Sales/Settlements	Purchases	Issuances	Sales	Settlements	Net Purchases/Issuances/Sales/Settlements
<b>Assets</b>										
<i>Asset Management</i>										
Private Equity	\$ 1,768,420	\$ —	\$ (131,505)	\$ —	\$ 1,636,915	\$ 2,147,332	\$ —	\$ (293,718)	\$ —	\$ 1,853,614
Credit	1,895,171	—	(1,579,340)	2,125	317,956	4,476,350	—	(3,440,035)	(160,444)	875,871
Real Assets	2,983,593	—	(529,116)	—	2,454,477	5,541,325	—	(1,037,476)	—	4,503,849
Equity Method - Other	7,201	—	(82,344)	—	(75,143)	21,800	—	(259,537)	—	(237,737)
Other Investments	257,463	—	(151,585)	—	105,878	588,865	—	(208,528)	—	380,337
Other Derivatives	13,152	—	—	—	13,152	23,762	—	—	—	23,762
<b>Total Assets - Asset Management</b>	<b>\$ 6,925,000</b>	<b>\$ —</b>	<b>\$ (2,473,890)</b>	<b>\$ 2,125</b>	<b>\$ 4,453,235</b>	<b>\$ 12,799,434</b>	<b>\$ —</b>	<b>\$ (5,239,294)</b>	<b>\$ (160,444)</b>	<b>\$ 7,399,696</b>
<i>Insurance</i>										
AFS fixed maturity securities:										
Corporate fixed maturity securities	\$ 2,155,228	\$ —	\$ (13,846)	\$ (1,355,390)	\$ 785,992	\$ 4,072,144	\$ —	\$ (48,073)	\$ (2,726,036)	\$ 1,298,035
Structured securities	4,218	—	—	(1,758)	2,460	4,289	—	—	(21,336)	(17,047)
<b>Total AFS fixed maturity securities</b>	<b>2,159,446</b>	<b>—</b>	<b>(13,846)</b>	<b>(1,357,148)</b>	<b>788,452</b>	<b>4,076,433</b>	<b>—</b>	<b>(48,073)</b>	<b>(2,747,372)</b>	<b>1,280,988</b>
Trading fixed maturity securities:										
Corporate fixed maturity securities	370,488	—	(623)	(1,241)	368,624	710,446	—	(623)	(4,796)	705,027
Structured securities	44,594	—	—	(361)	44,233	52,735	—	—	(2,527)	50,208
<b>Total trading fixed maturity securities</b>	<b>415,082</b>	<b>—</b>	<b>(623)</b>	<b>(1,602)</b>	<b>412,857</b>	<b>763,181</b>	<b>—</b>	<b>(623)</b>	<b>(7,323)</b>	<b>755,235</b>
Equity securities	—	—	(83,864)	(6,991)	(90,855)	—	—	(83,864)	(6,991)	(90,855)
Mortgage and other loan receivables	65,517	—	(6,541)	(673)	58,303	380,555	—	(22,200)	(10,257)	348,098
Other investments	25,000	—	(58,619)	—	(33,619)	37,926	—	(58,619)	—	(20,693)
Funds withheld receivable at interest	—	(437)	—	—	(437)	—	152	—	—	152
<b>Total Assets - Insurance</b>	<b>\$ 2,665,045</b>	<b>\$ (437)</b>	<b>\$ (163,493)</b>	<b>\$ (1,366,414)</b>	<b>\$ 1,134,701</b>	<b>\$ 5,258,095</b>	<b>\$ 152</b>	<b>\$ (213,379)</b>	<b>\$ (2,771,943)</b>	<b>\$ 2,272,925</b>
<b>Total</b>	<b>\$ 9,590,045</b>	<b>\$ (437)</b>	<b>\$ (2,637,383)</b>	<b>\$ (1,364,289)</b>	<b>\$ 5,587,936</b>	<b>\$ 18,057,529</b>	<b>\$ 152</b>	<b>\$ (5,452,673)</b>	<b>\$ (2,932,387)</b>	<b>\$ 9,672,621</b>

Three Months Ended September 30, 2022

	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Sales/Settlements/Issuances	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date
<b>Liabilities</b>									
<i>Asset Management</i>									
Unfunded Revolver Commitments	\$ 95,798	\$ —	\$ —	\$ —	\$ —	\$ 12,397	\$ —	\$ 108,195	\$ 12,397
Total Liabilities - Asset Management	\$ 95,798	\$ —	\$ —	\$ —	\$ —	\$ 12,397	\$ —	\$ 108,195	\$ 12,397
<i>Insurance</i>									
Policy liabilities	\$ 454,034	\$ —	\$ —	\$ —	\$ —	\$ (36,171)	\$ —	\$ 417,863	\$ —
Closed block policy liabilities	1,135,909	—	—	—	(4,396)	(34,741)	(294)	1,096,478	—
Funds withheld payable at interest	(2,583,191)	—	—	—	—	(836,395)	—	(3,419,586)	—
Embedded derivative – indexed universal life products	341,846	—	—	—	(25)	(25,932)	—	315,889	—
Embedded derivative – annuity products	1,429,394	—	—	—	214,455	(171,035)	—	1,472,814	—
Total Liabilities - Insurance	\$ 777,992	\$ —	\$ —	\$ —	\$ 210,034	\$ (1,104,274)	\$ (294)	\$ (116,542)	\$ —
<b>Total</b>	\$ 873,790	\$ —	\$ —	\$ —	\$ 210,034	\$ (1,091,877)	\$ (294)	\$ (8,347)	\$ 12,397

Nine Months Ended September 30, 2022

	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Sales/Settlements/Issuances	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date	
<b>Liabilities</b>										
<i>Asset Management</i>										
Unfunded Revolver Commitments	\$ 64,276	\$ —	\$ —	\$ —	\$ —	(4,728)	48,647	\$ —	108,195	48,647
Total Liabilities - Asset Management	\$ 64,276	\$ —	\$ —	\$ —	\$ —	(4,728)	48,647	\$ —	108,195	48,647
<i>Insurance</i>										
Policy liabilities	\$ 519,454	\$ —	\$ —	\$ —	\$ —	\$ —	(101,591)	\$ —	417,863	—
Closed block policy liabilities	1,350,224	—	—	—	—	(17,368)	(241,820)	5,442	1,096,478	—
Funds withheld payable at interest	(49,491)	—	—	—	—	10,435	(3,380,530)	—	(3,419,586)	—
Embedded derivative – indexed universal life products	557,276	—	—	—	—	2,993	(244,380)	—	315,889	—
Embedded derivative – annuity products	1,983,949	—	—	—	—	480,121	(991,256)	—	1,472,814	—
Total Liabilities - Insurance	\$ 4,361,412	\$ —	\$ —	\$ —	\$ —	476,181	(4,959,577)	5,442	(116,542)	—
<b>Total</b>	\$ 4,425,688	\$ —	\$ —	\$ —	\$ —	471,453	(4,910,930)	5,442	(8,347)	48,647

Three Months Ended September 30, 2021

	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Sales/Settlements/Issuances	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date
<b>Liabilities</b>									
<i>Asset Management</i>									
Unfunded Revolver Commitments	\$ 40,050	\$ —	\$ —	\$ —	\$ —	\$ 10,860	\$ —	\$ 50,910	\$ 10,860
Total Liabilities - Asset Management	\$ 40,050	\$ —	\$ —	\$ —	\$ —	\$ 10,860	\$ —	\$ 50,910	\$ 10,860
<i>Insurance</i>									
Policy liabilities	\$ 548,377	\$ —	\$ —	\$ —	\$ —	\$ (3,548)	\$ —	\$ 544,829	\$ —
Closed block policy liabilities	1,341,262	—	—	—	—	32,941	710	1,374,913	—
Funds withheld payable at interest	55,172	—	—	—	—	(91,927)	—	(36,755)	—
Embedded derivative – indexed universal life products	495,353	—	—	—	108	(5,448)	—	490,013	—
Embedded derivative – annuity products	1,521,447	—	—	—	81,926	49,341	—	1,652,714	—
Total Liabilities - Insurance	\$ 3,961,611	\$ —	\$ —	\$ —	\$ 82,034	\$ (18,641)	\$ 710	\$ 4,025,714	\$ —
<b>Total</b>	\$ 4,001,661	\$ —	\$ —	\$ —	\$ 82,034	\$ (7,781)	\$ 710	\$ 4,076,624	\$ 10,860

Nine Months Ended September 30, 2021

	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Sales/Settlements/Issuances	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date	
<b>Liabilities</b>										
<i>Asset Management</i>										
Unfunded Revolver Commitments	\$ 46,340	\$ —	\$ —	\$ —	\$ —	\$ 628	\$ 3,942	\$ —	\$ 50,910	\$ 3,942
Total Liabilities - Asset Management	\$ 46,340	\$ —	\$ —	\$ —	\$ —	\$ 628	\$ 3,942	\$ —	\$ 50,910	\$ 3,942
<i>Insurance</i>										
Policy liabilities	\$ 637,800	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (92,971)	\$ —	\$ 544,829	\$ —
Closed block policy liabilities	1,395,746	—	—	—	—	—	(22,205)	1,372	1,374,913	—
Funds withheld payable at interest	59,230	—	—	—	—	—	(95,985)	—	(36,755)	—
Embedded derivative – indexed universal life products	386,746	—	—	—	—	(393)	103,660	—	490,013	—
Embedded derivative – annuity products	1,024,601	—	—	—	—	208,027	420,086	—	1,652,714	—
Total Liabilities - Insurance	\$ 3,504,123	\$ —	\$ —	\$ —	\$ —	\$ 207,634	\$ 312,585	\$ 1,372	\$ 4,025,714	\$ —
<b>Total</b>	\$ 3,550,463	\$ —	\$ —	\$ —	\$ —	\$ 208,262	\$ 316,527	\$ 1,372	\$ 4,076,624	\$ 3,942

	Three Months Ended September 30, 2022			Nine Months Ended September 30, 2022		
	Issuances	Settlements	Net Issuances/Settlements	Issuances	Settlements	Net Issuances/Settlements
<b>Liabilities</b>						
<i>Asset Management</i>						
Unfunded Revolver Commitments	\$ 9,400	\$ (9,400)	\$ —	\$ 26,490	\$ (31,218)	\$ (4,728)
Total Liabilities - Asset Management	\$ 9,400	\$ (9,400)	\$ —	\$ 26,490	\$ (31,218)	\$ (4,728)
<i>Insurance</i>						
Closed block policy liabilities	\$ —	\$ (4,396)	\$ (4,396)	\$ —	\$ (17,368)	\$ (17,368)
Funds withheld payable at interest	—	—	—	10,435	—	10,435
Embedded derivative – indexed universal life products	5,687	(5,712)	(25)	18,063	(15,070)	2,993
Embedded derivative – annuity products	214,455	—	214,455	480,121	—	480,121
Total Liabilities - Insurance	\$ 220,142	\$ (10,108)	\$ 210,034	\$ 508,619	\$ (32,438)	\$ 476,181
<b>Total</b>	\$ 229,542	\$ (19,508)	\$ 210,034	\$ 535,109	\$ (63,656)	\$ 471,453
<b>Three Months Ended September 30, 2021</b>						
<b>Nine Months Ended September 30, 2021</b>						
	Issuances	Settlements	Net Issuances/Settlements	Issuances	Settlements	Net Issuances/Settlements
<b>Liabilities</b>						
<i>Asset Management</i>						
Unfunded Revolver Commitments	\$ 11,319	\$ (11,319)	\$ —	\$ 12,486	\$ (11,858)	\$ 628
Total Liabilities - Asset Management	\$ 11,319	\$ (11,319)	\$ —	\$ 12,486	\$ (11,858)	\$ 628
<i>Insurance</i>						
Embedded derivative – indexed universal life products	\$ 4,775	\$ (4,667)	\$ 108	\$ 14,853	\$ (15,246)	\$ (393)
Embedded derivative – annuity products	81,926	—	81,926	208,027	—	208,027
Total Liabilities - Insurance	\$ 86,701	\$ (4,667)	\$ 82,034	\$ 222,880	\$ (15,246)	\$ 207,634
<b>Total</b>	\$ 98,020	\$ (15,986)	\$ 82,034	\$ 235,366	\$ (27,104)	\$ 208,262

Total realized and unrealized gains and losses recorded for Asset Management - Level III assets and liabilities are reported in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations while Insurance - Level III assets and liabilities are reported in Net Investment Gains and Policy Benefits and Claims in the accompanying consolidated statements of operations.

The following table presents additional information about valuation methodologies and significant unobservable inputs used for financial assets and liabilities that are measured and reported at fair value and categorized within Level III as of September 30, 2022. Because input information includes only those items for which information is reasonably available, balances shown below may not equal total amounts reported for such Level III assets and liabilities:

Level III Assets	Fair Value September 30, 2022	Valuation Methodologies	Unobservable Input(s) <sup>(1)</sup>	Weighted Average <sup>(2)</sup>	Range	Impact to Valuation from an Increase in Input <sup>(3)</sup>
<b>ASSET MANAGEMENT</b>						
Private Equity	\$ 25,073,296					
Private Equity	\$ 22,354,498	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	6.5%	5.0% - 15.0%	Decrease
			Weight Ascribed to Market Comparables	29.0%	0.0% - 75.0%	(4)
			Weight Ascribed to Discounted Cash Flow	68.2%	0.0% - 100.0%	(5)
		Market comparables	Weight Ascribed to Transaction Price	2.8%	0.0% - 100.0%	(6)
			Enterprise Value/LTM EBITDA Multiple	16.8x	7.6x - 52.8x	Increase
			Enterprise Value/Forward EBITDA Multiple	14.9x	6.8x - 30.0x	Increase
		Discounted cash flow	Weighted Average Cost of Capital	9.9%	6.3% - 13.9%	Decrease
			Enterprise Value/LTM EBITDA Exit Multiple	14.1x	6.0x - 27.6x	Increase



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Level III Assets	Fair Value September 30, 2022	Valuation Methodologies	Unobservable Input(s) <sup>(1)</sup>	Weighted Average <sup>(2)</sup>	Range	Impact to Valuation from an Increase in Input <sup>(3)</sup>	
<b>Growth Equity</b>	\$ 2,718,798	Inputs to market comparables, discounted cash flow and milestones	Illiquidity Discount	8.6%	5.0% - 15.0%	Decrease	
			Weight Ascribed to Market Comparables	28.7%	0.0% - 100.0%	(4)	
			Weight Ascribed to Discounted Cash Flow	0.0%	0.0% - 5.0%	(5)	
			Weight Ascribed to Milestones	71.3%	0.0% - 100.0%	(6)	
			Scenario Weighting	Base	76.0%	60.0% - 80.0%	Increase
				Downside	4.8%	0.0% - 25.0%	Decrease
				Upside	19.2%	10.0% - 25.0%	Increase
<b>Credit</b>	\$ 5,444,839	Yield Analysis	Yield	10.8%	7.0% - 48.1%	Decrease	
			Net Leverage	6.2x	0.1x - 31.5x	Decrease	
			EBITDA Multiple	12.6x	0.3x - 33.0x	Increase	
<b>Real Assets</b>	\$ 15,586,048						
<b>Energy</b>	\$ 1,751,872	Inputs to market comparables and discounted cash flow	Weight Ascribed to Market Comparables	43.4%	0.0% - 50.0%	(4)	
			Weight Ascribed to Discounted Cash Flow	56.6%	50.0% - 100.0%	(5)	
		Market comparables	Enterprise Value/LTM EBITDA Multiple	4.5x	4.5x - 4.5x	Increase	
			Enterprise Value/Forward EBITDA Multiple	5.1x	3.3x - 5.9x	Increase	
		Discounted cash flow	Weighted Average Cost of Capital	12.7%	12.4% - 14.4%	Decrease	
			Average Price Per BOE (8)	\$49.79	\$45.69 - \$65.78	Increase	
<b>Infrastructure</b>	\$ 5,565,903	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	5.7%	5.0% - 10.0%	Decrease	
			Weight Ascribed to Market Comparables	1.9%	0.0% - 25.0%	(4)	
			Weight Ascribed to Discounted Cash Flow	84.2%	0.0% - 100.0%	(5)	
			Weight Ascribed to Transaction Price	13.9%	0.0% - 100.0%	(6)	
		Market comparables	Enterprise Value/Forward EBITDA Multiple	13.4x	10.5x - 17.9x	Increase	
		Discounted cash flow	Weighted Average Cost of Capital	7.9%	5.1% - 9.0%	Decrease	
			Enterprise Value/LTM EBITDA Exit Multiple	8.2x	1.4x - 14.6x	Increase	
<b>Real Estate</b>	\$ 8,268,273	Inputs to direct income capitalization, discounted cash flow and transaction price	Weight Ascribed to Direct Income Capitalization	23.3%	0.0% - 100.0%	(7)	
			Weight Ascribed to Discounted Cash Flow	74.1%	0.0% - 100.0%	(5)	
			Weight Ascribed to Transaction Price	2.6%	0.0% - 100.0%	(6)	
		Direct income capitalization	Current Capitalization Rate	4.8%	2.1% - 7.5%	Decrease	
		Discounted cash flow	Unlevered Discount Rate	6.2%	2.6% - 18.0%	Decrease	
<b>Equity Method - Other</b>	\$ 1,561,621	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	6.6%	5.0% - 10.0%	Decrease	
			Weight Ascribed to Market Comparables	40.5%	0.0% - 100.0%	(4)	
			Weight Ascribed to Discounted Cash Flow	18.6%	0.0% - 100.0%	(5)	
			Weight Ascribed to Transaction Price	40.9%	0.0% - 100.0%	(6)	
		Market comparables	Enterprise Value/LTM EBITDA Multiple	19.1x	4.5x - 42.0x	Increase	
			Enterprise Value/Forward EBITDA Multiple	16.2x	3.3x - 33.6x	Increase	
		Discounted cash flow	Weighted Average Cost of Capital	9.8%	6.3% - 17.8%	Decrease	
		Enterprise Value/LTM EBITDA Exit Multiple	19.4x	6.0x - 42.0x	Increase		
<b>Other Investments</b>	\$ 3,133,423 <sup>(9)</sup>	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	11.0%	9.4% - 20.0%	Decrease	
			Weight Ascribed to Market Comparables	26.5%	0.0% - 100.0%	(4)	
			Weight Ascribed to Discounted Cash Flow	48.0%	0.0% - 100.0%	(5)	
			Weight Ascribed to Transaction Price	25.5%	0.0% - 100.0%	(6)	
		Market comparables	Enterprise Value/LTM EBITDA Multiple	12.6x	4.8x - 24.0x	Increase	
			Enterprise Value/Forward EBITDA Multiple	12.8x	7.2x - 21.8x	Increase	
		Discounted cash flow	Weighted Average Cost of Capital	13.3%	6.2% - 44.1%	Decrease	
			Enterprise Value/LTM EBITDA Exit Multiple	8.4x	5.5x - 18.3x	Increase	

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Level III Assets	Fair Value September 30, 2022	Valuation Methodologies	Unobservable Input(s) <sup>(1)</sup>	Weighted Average <sup>(2)</sup>	Range	Impact to Valuation from an Increase in Input <sup>(3)</sup>
<b>INSURANCE</b>						
Corporate fixed maturity securities	\$ 1,722,501	Discounted cash flow	Discount Spread	3.12%	—% - 5.87%	Decrease
Structured securities	\$ 103,539	Discounted cash flow	Discount Spread	3.53%	3.10% - 6.27%	Decrease
			Constant Prepayment Rate	7.34%	5.00% - 15.00%	Increase/Decrease
			Constant Default Rate	1.18%	1.00% - 2.50%	Decrease
			Loss Severity		100%	Decrease
Other investments	\$ 2,434,881	Direct capitalization	Current Capitalization Rate		5.43%	Decrease
			Vacancy rate	3.32%	—% - 5.00%	Decrease
		Discounted cash flow	Yield Rate	6.42%	8%	Decrease
			Terminal capitalization rate	5.13%	3.95% - 5.50%	Decrease
Funds withheld receivable at interest	\$ (21,954)	Discounted cash flow	Duration/Weighted Average Life	8.43 years	0.0 years - 20.5 years	Increase
			Contractholder Persistency	7.17%	3.80% - 16.50%	Increase
			Nonperformance Risk		0.65% - 1.90%	Decrease
Reinsurance recoverable	\$ 1,069,497	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.	Expense assumption		The average expense assumption is between \$8.23 and \$78.00 per policy, increased by inflation. The annual inflation rate was increased from 2.00% to 2.50%.	Increase
			Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses and a cost of capital on the capital held in support of the liabilities.	Expense risk margin		9.42%
		Discounted cash flow	Cost of capital		3.69% - 13.85%	Increase
			Mortality Rate		5.46%	Increase
			Surrender Rate		2.01%	Increase

- (1) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company specific developments including exit strategies and realization opportunities. KKR has determined that market participants would take these inputs into account when valuing the investments and debt obligations. "LTM" means last twelve months, and "EBITDA" means earnings before interest, taxes, depreciation and amortization.
- (2) Inputs were weighted based on the fair value of the investments included in the range.
- (3) Unless otherwise noted, this column represents the directional change in the fair value of the Level III investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.
- (4) The directional change from an increase in the weight ascribed to the market comparables approach would increase the fair value of the Level III investments if the market comparables approach results in a higher valuation than the discounted cash flow approach and transaction price. The opposite would be true if the market comparables approach results in a lower valuation than the discounted cash flow approach and transaction price.
- (5) The directional change from an increase in the weight ascribed to the discounted cash flow approach would increase the fair value of the Level III investments if the discounted cash flow approach results in a higher valuation than the market comparables approach, transaction price and direct income capitalization approach. The opposite would be true if the discounted cash flow approach results in a lower valuation than the market comparables approach, transaction price and direct income capitalization approach.
- (6) The directional change from an increase in the weight ascribed to the transaction price or milestones would increase the fair value of the Level III investments if the transaction price or milestones results in a higher valuation than the market comparables and discounted cash flow approach. The opposite would be true if the transaction price or milestones results in a lower valuation than the market comparables approach and discounted cash flow approach.
- (7) The directional change from an increase in the weight ascribed to the direct income capitalization approach would increase the fair value of the Level III investments if the direct income capitalization approach results in a higher valuation than the discounted cash flow approach. The opposite would be true if the direct income capitalization approach results in a lower valuation than the discounted cash flow approach.

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- (8) The total energy fair value amount includes multiple investments (in multiple locations throughout North America) that are held in multiple investment funds and produce varying quantities of oil, condensate, natural gas liquids, and natural gas. Commodity price may be measured using a common volumetric equivalent where one barrel of oil equivalent ("BOE"), is determined using the ratio of six thousand cubic feet of natural gas to one barrel of oil, condensate or natural gas liquids. The price per BOE is provided to show the aggregate of all price inputs for the various investments over a common volumetric equivalent although the valuations for specific investments may use price inputs specific to the asset for purposes of our valuations. The discounted cash flows include forecasted production of liquids (oil, condensate, and natural gas liquids) and natural gas with a forecasted revenue ratio of approximately 82% liquids and 18% natural gas.
- (9) Consists primarily of investments in common stock, preferred stock, warrants and options of companies that are not private equity, real assets, credit, equity method - other or investments of consolidated CFEs.

Level III Liabilities	Fair Value September 30, 2022	Valuation Methodologies	Unobservable Input(s) <sup>(1)</sup>	Weighted Average <sup>(2)</sup>	Range	Impact to Valuation from an Increase in Input <sup>(3)</sup>
<b>ASSET MANAGEMENT</b>						
Unfunded Revolver Commitments	\$ 108,195	Yield Analysis	Yield	9.6%	6.2% - 12.5%	Decrease
<b>INSURANCE</b>						
Policy liabilities	\$ 417,863	Present value of best estimate liability cash flows. Unobservable inputs include a market participant view of the risk margin included in the discount rate which reflects the variability of the cash flows.  Policyholder behavior is also a significant unobservable input, including surrender and mortality.	Risk Margin Rate		0.65% - 2.66%	Decrease
			Surrender Rate		3.48% - 6.67%	Increase
			Mortality Rate		3.65% - 9.08%	Increase
Closed block policy liabilities	\$ 1,096,478	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.  Nonperformance Risk Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses and a cost of capital on the capital held in support of the liabilities.	Expense assumption		The average expense assumption is between \$8.23 and \$78.00 per policy, increased by inflation. The annual inflation rate was increased from 2.00% to 2.50%.	Increase
			Expense Risk Margin		0.65% - 1.90% 9.42%	Decrease Decrease
			Cost of Capital		3.69% - 13.85%	Increase
			Mortality Rate		5.46%	Increase
			Surrender Rate		2.01%	Increase
Funds withheld payable at interest	\$ (3,419,586)	Discounted cash flow	Duration/Weighted Average Life	8.5 years	0.0 years - 17.4 years	Decrease
			Contractholder Persistency	7.17%	3.80% - 16.50%	Decrease
			Nonperformance Risk		0.65% - 1.90%	Decrease
Embedded derivative – indexed universal life products	\$ 315,889	Policy persistency is a significant unobservable input.  Future costs for options used to hedge the contract obligations	Lapse Rate		3.41%	Decrease
			Mortality Rate		0.71%	Decrease
			Option Budge Assumption		3.65%	Increase
			Nonperformance Risk		0.65% - 1.90%	Decrease

Level III Liabilities	Fair Value September 30, 2022	Valuation Methodologies	Unobservable Input(s) <sup>(1)</sup>	Weighted Average <sup>(2)</sup>	Range	Impact to Valuation from an Increase in Input <sup>(3)</sup>	
Embedded derivative – annuity products	\$ 1,472,814	Policyholder behavior is a significant unobservable input, including utilization and lapse.	Utilization:				
			Fixed-indexed annuity	4.00%		Decrease	
			Variable annuity	4.27%	2.43% - 32.35%	Decrease	
			Surrender Rate:				
			Fixed-indexed annuity	10.26%		Decrease	
			Variable annuity		3.41% - 42.95%	Decrease	
			Mortality Rate:				
			Fixed-indexed annuity	2.18%		Decrease	
			Variable annuity		1.43% - 7.68%	Decrease	
			Future costs for options used to hedge the contract obligations	Option Budge Assumption:			
			Retail RIA	1.58%		Increase	
			Fixed-indexed annuity	2.14%		Increase	
Variable annuity	n/a						
Nonperformance Risk		0.65% - 1.90%	Decrease				

- (1) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company specific developments including exit strategies and realization opportunities. KKR has determined that market participants would take these inputs into account when valuing the investments and debt obligations. "LTM" means last twelve months, and "EBITDA" means earnings before interest, taxes, depreciation and amortization.
- (2) Inputs were weighted based on the fair value of the investments included in the range.
- (3) Unless otherwise noted, this column represents the directional change in the fair value of the Level III investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

In the table above, certain private equity investments may be valued at cost for a period of time after an acquisition as the best indicator of fair value. In addition, certain valuations of private equity investments may be entirely or partially derived by reference to observable valuation measures for a pending or consummated transaction.

The various unobservable inputs used to determine the Level III valuations may have similar or diverging impacts on valuation. Significant increases and decreases in these inputs in isolation and interrelationships between those inputs could result in significantly higher or lower fair value measurements as noted in the table above.

**Financial Instruments Not Carried At Fair Value**

Asset management financial instruments are primarily measured at fair value on a recurring basis, except as disclosed in Note 17 "Debt Obligations."

The following tables present carrying amounts and fair values of Global Atlantic's financial instruments which are not carried at fair value as of September 30, 2022 and December 31, 2021:

As of September 30, 2022 (\$ in thousands)	Carrying Value	Fair Value Hierarchy			Fair Value
		Level I	Level II	Level III	
<b>Financial assets:</b>					
<i>Insurance</i>					
Mortgage and other loan receivables	\$ 34,549,619	\$ —	\$ —	\$ 32,435,175	\$ 32,435,175
Policy loans	812,844	—	—	730,492	730,492
FHLB common stock and other investments	171,759	—	—	171,759	171,759
Funds withheld receivables at interest	2,915,739	—	2,915,739	—	2,915,739
Cash and cash equivalents	4,147,146	4,147,146	—	—	4,147,146
Restricted cash and cash equivalents	369,834	369,834	—	—	369,834
<b>Total financial assets</b>	<b>\$ 42,966,941</b>	<b>\$ 4,516,980</b>	<b>\$ 2,915,739</b>	<b>\$ 33,337,426</b>	<b>\$ 40,770,145</b>
<b>Financial liabilities:</b>					
<i>Insurance</i>					
Other contractholder deposit funds	\$ 37,406,920	\$ —	\$ 35,208,420	\$ —	\$ 35,208,420
Supplementary contracts without life contingencies	12,326	—	—	12,524	12,524
Funding agreements	2,465,414	—	—	2,398,436	2,398,436
Funds withheld payables at interest	24,483,163	—	24,483,163	—	24,483,163
Debt obligations	1,920,906	—	—	1,488,346	1,488,346
Securities sold under agreements to repurchase	779,469	—	779,469	—	779,469
<b>Total financial liabilities</b>	<b>\$ 67,068,198</b>	<b>\$ —</b>	<b>\$ 60,471,052</b>	<b>\$ 3,899,306</b>	<b>\$ 64,370,358</b>

As of December 31, 2021	Carrying Value	Fair Value Hierarchy			Fair Value
		Level I	Level II	Level III	
<i>(\$ in thousands)</i>					
<b>Financial assets:</b>					
<i>Insurance</i>					
Mortgage and other loan receivables	\$ 28,044,085	\$ —	\$ —	\$ 28,645,675	\$ 28,645,675
Policy loans	765,310	—	—	754,530	754,530
FHLB common stock and other investments	171,842	—	—	171,842	171,842
Funds withheld receivables at interest	2,967,708	—	2,967,708	—	2,967,708
Cash and cash equivalents	3,391,934	3,391,934	—	—	3,391,934
Restricted cash and cash equivalents	300,404	300,404	—	—	300,404
<b>Total financial assets</b>	<b>\$ 35,641,283</b>	<b>\$ 3,692,338</b>	<b>\$ 2,967,708</b>	<b>\$ 29,572,047</b>	<b>\$ 36,232,093</b>
<b>Financial liabilities:</b>					
<i>Insurance</i>					
Other contractholder deposit funds	\$ 30,295,965	\$ —	\$ 28,419,520	\$ —	\$ 28,419,520
Supplementary contracts without life contingencies	31,118	—	—	31,311	31,311
Funding agreements	2,566,410	—	—	2,549,494	2,549,494
Funds withheld payables at interest	23,509,744	—	23,509,744	—	23,509,744
Debt obligations	1,908,006	—	—	1,953,631	1,953,631
Securities sold under agreements to repurchase	300,446	—	300,446	—	300,446
<b>Total financial liabilities</b>	<b>\$ 58,611,689</b>	<b>\$ —</b>	<b>\$ 52,229,710</b>	<b>\$ 4,534,436</b>	<b>\$ 56,764,146</b>

**11. FAIR VALUE OPTION**

The following table summarizes the financial instruments for which the fair value option has been elected:

	<b>September 30, 2022</b>	<b>December 31, 2021</b>
<b>Assets</b>		
<i>Asset Management</i>		
Credit	\$ 1,012,948	\$ 2,019,229
Investments of Consolidated CFEs	21,500,342	22,076,809
Real Assets	201,989	182,858
Equity Method - Other	2,907,308	1,601,515
Other Investments	87,370	197,675
Total Asset Management	<u>\$ 25,709,957</u>	<u>\$ 26,078,086</u>
<i>Insurance</i>		
Mortgage and other loan receivables	\$ 870,475	\$ 832,674
Other investments	184,410	147,811
Reinsurance recoverable	1,069,497	1,293,791
Total Insurance	<u>\$ 2,124,382</u>	<u>\$ 2,274,276</u>
<b>Total Assets</b>	<b><u>\$ 27,834,339</u></b>	<b><u>\$ 28,352,362</u></b>
<b>Liabilities</b>		
<i>Asset Management</i>		
Debt Obligations of Consolidated CFEs	\$ 21,118,566	\$ 21,271,084
Total Asset Management	<u>\$ 21,118,566</u>	<u>\$ 21,271,084</u>
<i>Insurance</i>		
Policy liabilities	\$ 1,514,341	\$ 1,869,678
Total Insurance	<u>\$ 1,514,341</u>	<u>\$ 1,869,678</u>
<b>Total Liabilities</b>	<b><u>\$ 22,632,907</u></b>	<b><u>\$ 23,140,762</u></b>

The following table presents the net realized and unrealized gains (losses) on financial instruments for which the fair value option was elected:

	Three Months Ended September 30, 2022			Three Months Ended September 30, 2021		
	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total
<b>Assets</b>						
<i>Asset Management</i>						
Credit	\$ (33,528)	\$ (8,923)	\$ (42,451)	\$ 19,414	\$ 7,639	\$ 27,053
Investments of Consolidated CFEs	(29,402)	30,765	1,363	23,198	(15,013)	8,185
Real Assets	—	(5,084)	(5,084)	391	7,591	7,982
Equity Method - Other	17,381	(108,899)	(91,518)	293,819	(263,841)	29,978
Other Investments	644	(2,098)	(1,454)	11,175	1,062	12,237
Total Asset Management	\$ (44,905)	\$ (94,239)	\$ (139,144)	\$ 347,997	\$ (262,562)	\$ 85,435
<i>Insurance</i>						
Mortgage and other loan receivables	\$ —	\$ (17,086)	\$ (17,086)	\$ —	\$ 3,613	\$ 3,613
Other investments	—	1,554	1,554	—	317,542	317,542
Total Insurance	\$ —	\$ (15,532)	\$ (15,532)	\$ —	\$ 321,155	\$ 321,155
<b>Total Assets</b>	<b>\$ (44,905)</b>	<b>\$ (109,771)</b>	<b>\$ (154,676)</b>	<b>\$ 347,997</b>	<b>\$ 58,593</b>	<b>\$ 406,590</b>
<b>Liabilities</b>						
<i>Asset Management</i>						
Debt Obligations of Consolidated CFEs	\$ —	\$ (78,168)	\$ (78,168)	\$ 10,278	\$ (10,437)	\$ (159)
Total Asset Management	\$ —	\$ (78,168)	\$ (78,168)	\$ 10,278	\$ (10,437)	\$ (159)
<i>Insurance</i>						
Policy liabilities	\$ —	\$ 43,578	\$ 43,578	\$ —	\$ (3,463)	\$ (3,463)
Total Insurance	\$ —	\$ 43,578	\$ 43,578	\$ —	\$ (3,463)	\$ (3,463)
<b>Total Liabilities</b>	<b>\$ —</b>	<b>\$ (34,590)</b>	<b>\$ (34,590)</b>	<b>\$ 10,278</b>	<b>\$ (13,900)</b>	<b>\$ (3,622)</b>
<b>Assets</b>						
<i>Asset Management</i>						
Credit	\$ (95,485)	\$ (24,674)	\$ (120,159)	\$ 1,573	\$ 15,543	\$ 17,116
Investments of Consolidated CFEs	(26,248)	(1,713,464)	(1,739,712)	44,954	173,775	218,729
Real Assets	85	19,131	19,216	566	18,448	19,014
Equity Method - Other	19,562	(279,790)	(260,228)	368,931	(71,179)	297,752
Other Investments	6,766	(8,647)	(1,881)	16,581	17,627	34,208
Total Asset Management	\$ (95,320)	\$ (2,007,444)	\$ (2,102,764)	\$ 432,605	\$ 154,214	\$ 586,819
<i>Insurance</i>						
Mortgage and other loan receivables	\$ —	\$ (70,881)	\$ (70,881)	\$ —	\$ 9,443	\$ 9,443
Other investments	—	39,385	39,385	—	353,112	353,112
Total Insurance	\$ —	\$ (31,496)	\$ (31,496)	\$ —	\$ 362,555	\$ 362,555
<b>Total Assets</b>	<b>\$ (95,320)</b>	<b>\$ (2,038,940)</b>	<b>\$ (2,134,260)</b>	<b>\$ 432,605</b>	<b>\$ 516,769</b>	<b>\$ 949,374</b>
<b>Liabilities</b>						
<i>Asset Management</i>						
Debt Obligations of Consolidated CFEs	\$ (785)	\$ 1,477,514	\$ 1,476,729	\$ 9,740	\$ (82,107)	\$ (72,367)
Total Asset Management	\$ (785)	\$ 1,477,514	\$ 1,476,729	\$ 9,740	\$ (82,107)	\$ (72,367)
<i>Insurance</i>						
Policy liabilities	\$ —	\$ 87,635	\$ 87,635	\$ —	\$ (89,184)	\$ (89,184)
Total Insurance	\$ —	\$ 87,635	\$ 87,635	\$ —	\$ (89,184)	\$ (89,184)
<b>Total Liabilities</b>	<b>\$ (785)</b>	<b>\$ 1,565,149</b>	<b>\$ 1,564,364</b>	<b>\$ 9,740</b>	<b>\$ (171,291)</b>	<b>\$ (161,551)</b>



## 12. INSURANCE INTANGIBLES, UNEARNED REVENUE RESERVES AND UNEARNED FRONT-END LOADS

The following reflects the changes to the deferred policy acquisition costs ("DAC") asset:

	Nine Months Ended September 30,	
	2022	2021
<b>Balance, as of beginning of period</b>	\$ 447,886	\$ —
Acquisition/reinsurance	—	51,322
Deferrals	361,864	259,203
Amortized to expense during the period <sup>(1)</sup>	(69,104)	(13,016)
Adjustment for unrealized investment-related losses (gains) during the period	(17,848)	4,907
<b>Balance, as of end of period</b>	<b>\$ 722,798</b>	<b>\$ 302,416</b>

(1) These amounts are reported within amortization of policy acquisition costs in the consolidated statements of operations.

The following reflects the changes to the value of business acquired ("VOBA") asset:

	Nine Months Ended September 30,	
	2022	2021
<b>Balance, as of beginning of period</b>	\$ 959,263	\$ 1,024,520
Amortized to expense during the period <sup>(1)</sup>	(49,978)	(47,866)
<b>Balance, as of end of period</b>	<b>\$ 909,285</b>	<b>\$ 976,654</b>

(1) These amounts are reported within amortization of policy acquisition costs in the consolidated statements of operations.

The following reflects the changes to the negative VOBA liability:

	Nine Months Ended September 30,	
	2022	2021
<b>Balance, as of beginning of period</b>	\$ 1,118,716	\$ 1,273,414
Amortized to expense during the period <sup>(1)</sup>	(105,389)	(118,291)
<b>Balance, as of end of period</b>	<b>\$ 1,013,327</b>	<b>\$ 1,155,123</b>

(1) These amounts are reported within amortization of policy acquisition costs in the consolidated statements of operations.

The following reflects the changes to the unearned revenue reserve ("URR") and unearned front-end load ("UFEL):

	Nine Months Ended September 30,	
	2022	2021
<b>Balance, as of beginning of period</b>	\$ 33,603	\$ —
Deferrals	52,563	41,000
Amortized to expense during the period <sup>(1)</sup>	(17,965)	(1,302)
Adjustment for unrealized investment-related gains during the period	(68,201)	(4,100)
<b>Balance, as of end of period</b>	<b>\$ —</b>	<b>\$ 35,598</b>

(1) These amounts are reported within policy fees in the consolidated statements of operations.

### 13. REINSURANCE

Global Atlantic maintains a number of reinsurance treaties with third parties whereby Global Atlantic assumes fixed annuity, variable annuity, payout annuity, universal life, variable universal life and term life insurance policies on a coinsurance, modified coinsurance and funds withheld basis. Global Atlantic also maintains other reinsurance treaties including the cession of certain fixed annuity, variable annuity, payout annuity, universal life policies, individual disability income policies and discontinued accident and health insurance.

The effects of all reinsurance agreements on the consolidated statements of financial condition were as follows:

	September 30, 2022	December 31, 2021
<b>Policy liabilities:</b>		
Direct	\$ 70,525,068	\$ 67,131,818
Assumed	65,208,800	59,388,226
<b>Total policy liabilities</b>	<b>135,733,868</b>	<b>126,520,044</b>
Ceded <sup>(1)</sup>	(26,107,505)	(25,035,228)
<b>Net policy liabilities</b>	<b>\$ 109,626,363</b>	<b>\$ 101,484,816</b>

(1) Reported within reinsurance recoverable within the consolidated statements of financial condition.

A key credit quality indicator is a counterparty's A.M. Best financial strength rating. A.M. Best ratings are an independent opinion of a reinsurer's ability to meet ongoing obligations to policyholders. Global Atlantic mitigates counterparty credit risk by requiring collateral and credit enhancements in various forms including engaging in funds withheld at interest and modified coinsurance transactions. The following shows the amortized cost basis of Global Atlantic's reinsurance recoverable and funds withheld receivable at interest by credit quality indicator and any associated credit enhancements Global Atlantic has obtained to mitigate counterparty credit risk:

A.M. Best Rating <sup>(1)</sup>	As of September 30, 2022			As of December 31, 2021		
	Reinsurance recoverable and funds withheld receivable at interest <sup>(2)</sup>	Credit enhancements <sup>(3)</sup>	Net reinsurance credit exposure <sup>(4)</sup>	Reinsurance recoverable and funds withheld receivable at interest <sup>(2)</sup>	Credit enhancements <sup>(3)</sup>	Net reinsurance credit exposure <sup>(4)</sup>
A++	\$ 38,059	\$ —	\$ 38,059	\$ 7,911	\$ —	\$ 7,911
A+	1,813,199	—	1,813,199	1,989,426	—	1,989,426
A	2,581,882	—	2,581,882	2,652,286	—	2,652,286
A-	5,475,628	4,318,794	1,156,834	5,645,633	5,166,559	479,074
B++	51,917	—	51,917	33,410	—	33,410
B+	—	—	—	1,122	—	1,122
B	—	—	—	9,227	—	9,227
B-	(207)	—	—	1,274	—	1,274
Not rated <sup>(5)</sup>	19,214,936	16,744,782	2,470,154	17,698,613	18,323,795	—
<b>Total</b>	<b>\$ 29,175,414</b>	<b>\$ 21,063,576</b>	<b>\$ 8,112,045</b>	<b>\$ 28,038,902</b>	<b>\$ 23,490,354</b>	<b>\$ 5,173,730</b>

(1) Ratings are periodically updated (at least annually) as A.M. Best issues new ratings.

(2) At amortized cost, excluding any associated embedded derivative assets and liabilities.

(3) Includes funds withheld payable at interest and deferred intangible reinsurance assets and liabilities.

(4) Includes credit loss allowance of \$115.0 million and \$8.4 million as of September 30, 2022 and December 31, 2021, respectively, held against reinsurance recoverable.

(5) Includes \$19.2 billion and \$17.7 billion as of September 30, 2022 and December 31, 2021, respectively, associated with cessions to Ivy Re Limited and Ivy Re II Limited (the "Ivy Vehicles"), which are co-investment vehicles that participate in qualifying reinsurance transactions sourced by Global Atlantic.

As of September 30, 2022 and December 31, 2021, Global Atlantic had \$2.9 billion and \$3.0 billion of funds withheld receivable at interest, with six counterparties related to modified coinsurance and funds withheld contracts, respectively. The assets supporting these receivables were held in trusts and not part of the respective counterparty's general accounts.

The effects of reinsurance on the consolidated statements of operations were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Net premiums:</b>				
Direct	\$ 21,236	\$ 28,509	\$ 85,842	\$ 74,959
Assumed <sup>(1)</sup>	829,585	1,908,614	1,533,459	3,778,810
Ceded	(370,359)	(962,220)	(992,197)	(2,154,857)
<b>Net premiums</b>	<b>\$ 480,462</b>	<b>\$ 974,903</b>	<b>\$ 627,104</b>	<b>\$ 1,698,912</b>

(1) Includes related party activity of \$— million and \$8.7 million for the three and nine months ended September 30, 2021, respectively.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Policy fees:</b>				
Direct	\$ 237,755	\$ 233,029	\$ 723,590	\$ 614,910
Assumed <sup>(1)</sup>	99,204	77,694	268,719	210,411
Ceded	(16,753)	(342)	(27,960)	(995)
<b>Net policy fees</b>	<b>\$ 320,206</b>	<b>\$ 310,381</b>	<b>\$ 964,349</b>	<b>\$ 824,326</b>

(1) Includes related party activity of \$— million and \$6.2 million for the three and nine months ended September 30, 2021, respectively.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Net policy benefits and claims:</b>				
Direct	\$ 429,511	\$ 554,134	\$ 695,543	\$ 1,996,642
Assumed <sup>(1)</sup>	1,146,895	2,254,670	2,180,471	3,987,189
Ceded	(488,675)	(1,111,758)	(1,107,630)	(2,390,268)
<b>Net policy benefits and claims</b>	<b>\$ 1,087,731</b>	<b>\$ 1,697,046</b>	<b>\$ 1,768,384</b>	<b>\$ 3,593,563</b>

(1) Includes related party activity of \$— million and \$76.2 million for the three and nine months ended September 30, 2021, respectively.

Global Atlantic holds collateral for and provides collateral to our reinsurance clients. Global Atlantic held \$24.3 billion and \$23.4 billion of collateral in the form of funds withheld payable on behalf of our reinsurers as of September 30, 2022 and December 31, 2021, respectively. As of both September 30, 2022 and December 31, 2021, reinsurers held collateral of \$1.3 billion on behalf of Global Atlantic. A significant portion of the collateral that Global Atlantic provides to its reinsurance clients is provided in the form of assets held in a trust for the benefit of the counterparty. As of September 30, 2022 and December 31, 2021, these trusts held in excess of the \$59.7 billion and \$55.2 billion of assets it is required to hold in order to support reserves of \$61.6 billion and \$55.8 billion, respectively. Of the cash held in trust, Global Atlantic classified \$76.2 million and \$149.3 million as restricted as of September 30, 2022 and December 31, 2021, respectively.

#### 14. NET INCOME (LOSS) ATTRIBUTABLE TO KKR & CO. INC. PER SHARE OF COMMON STOCK

For the three and nine months ended September 30, 2022 and 2021, basic and diluted Net Income (Loss) attributable to KKR & Co. Inc. per share of common stock were calculated as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Net Income (Loss) Available to KKR &amp; Co. Inc. Common Stockholders - Basic</b>	\$ (91,646)	\$ 1,131,354	\$ (993,350)	\$ 4,053,271
(+) Series C Mandatory Convertible Preferred Dividend (if dilutive) <sup>(1)</sup>	—	17,250	—	51,750
<b>Net Income (Loss) Available to KKR &amp; Co. Inc. Common Stockholders - Diluted</b>	\$ (91,646)	\$ 1,148,604	\$ (993,350)	\$ 4,105,021

##### Basic Net Income (Loss) Per Share of Common Stock

Weighted Average Shares of Common Stock Outstanding - Basic	859,833,444	583,030,506	711,908,107	580,742,033
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Per Share of Common Stock - Basic</b>	\$ (0.11)	\$ 1.94	\$ (1.40)	\$ 6.98

##### Diluted Net Income (Loss) Per Share of Common Stock

Weighted Average Shares of Common Stock Outstanding - Basic	859,833,444	583,030,506	711,908,107	580,742,033
Incremental Common Shares:				
Assumed vesting of dilutive equity awards <sup>(2)</sup>	—	27,562,994	—	22,055,422
Assumed conversion of Series C Mandatory Convertible Preferred Stock <sup>(1)</sup>	—	26,822,600	—	26,822,600
<b>Weighted Average Shares of Common Stock Outstanding - Diluted</b>	<b>859,833,444</b>	<b>637,416,100</b>	<b>711,908,107</b>	<b>629,620,055</b>
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Per Share of Common Stock - Diluted</b>	\$ (0.11)	\$ 1.80	\$ (1.40)	\$ 6.52

(1) For the three and nine months ended September 30, 2022, the impact of Series C Mandatory Convertible Preferred Stock is excluded from the calculation of Diluted Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock because inclusion of such shares would be anti-dilutive having the effect of decreasing the loss per share of common stock. For the three and nine months ended September 30, 2021, the impact of Series C Mandatory Convertible Preferred Stock calculated under the if-converted method was dilutive, and as such (i) 26.8 million shares of common stock (assuming a conversion ratio based on the average volume weighted average price per share of common stock over each reporting period) were included in the Weighted Average Shares of Common Stock Outstanding - Diluted and (ii) \$17.3 million and \$51.8 million, respectively, of Series C Mandatory Convertible Preferred dividends were added back to Net Income (Loss) Available to KKR & Co. Inc. Common Stockholders - Diluted.

(2) For the three and nine months ended September 30, 2022, all unvested equity awards are excluded from the calculation of Diluted Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock because inclusion of such unvested equity awards would be anti-dilutive having the effect of decreasing the loss per share of common stock. For the three and nine months ended September 30, 2021, Weighted Average Shares of Common Stock Outstanding - Diluted includes unvested equity awards, including certain equity awards that have met their market price-based vesting condition but have not satisfied their service-based vesting condition, which have been granted under the Equity Incentive Plans. Vesting of these equity awards dilute equity holders of KKR Group Partnership, including KKR & Co. Inc. and holders of exchangeable securities pro rata in accordance with their respective ownership interests in KKR Group Partnership.

The adoption of ASU 2020-06 in 2022 did not result in a material impact to the calculation of the Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted. For three and nine months ended September 30, 2021, the Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted was unchanged by the adoption of ASU 2020-06, and there was no impact to previously reported amounts.

##### Exchangeable Securities

For the three and nine months ended September 30, 2022 and 2021, KKR Holdings units and RHUs (as defined in Note 19—Equity Based Compensation) have been excluded from the calculation of Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted since the exchange of these units would not dilute KKR & Co. Inc.'s ownership interests in KKR Group Partnership. As of May 31, 2022, there are no outstanding KKR Holdings units. See Note 1 "Organization".

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Weighted Average KKR Holdings Units	—	271,027,751	143,082,708	272,674,225
Weighted Average RHUs	2,465,810	1,222,489	2,102,758	1,128,451
<b>Total</b>	<b>2,465,810</b>	<b>272,250,240</b>	<b>145,185,466</b>	<b>273,802,676</b>

*Market Condition Awards*

For the three months ended September 30, 2022 and 2021, 17.1 million and 4.7 million, respectively, and for the nine months ended September 30, 2022 and 2021, 17.1 million and 10.4 million, respectively, of unvested equity awards that are subject to market price based and service-based vesting conditions were excluded from the calculation of Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted since the market price based vesting condition was not satisfied. See Note 19 "Equity Based Compensation."

## 15. OTHER ASSETS AND ACCRUED EXPENSES AND OTHER LIABILITIES

Other Assets consist of the following:

	September 30, 2022	December 31, 2021
<i>Asset Management</i>		
Unsettled Investment Sales <sup>(1)</sup>	\$ 82,121	\$ 182,267
Receivables	54,314	81,133
Due from Broker <sup>(2)</sup>	106,228	365,053
Deferred Tax Assets, net (See Note 18)	52,145	85,770
Interest Receivable	170,778	144,221
Fixed Assets, net <sup>(3)</sup>	843,630	820,143
Foreign Exchange Contracts and Options <sup>(4)</sup>	1,016,135	590,637
Goodwill <sup>(5)</sup>	546,144	83,500
Intangible Assets <sup>(6)</sup>	1,583,876	5,575
Derivative Assets	39,887	491
Prepaid Taxes	198,575	93,296
Prepaid Expenses	59,839	29,290
Operating Lease Right of Use Assets <sup>(7)</sup>	229,339	228,363
Deferred Financing Costs	17,404	17,953
Other	176,627	158,621
<b>Total Asset Management</b>	<b>\$ 5,177,042</b>	<b>\$ 2,886,313</b>
<i>Insurance</i>		
Unsettled Investment Sales <sup>(1)</sup>	\$ 1,730,201	\$ 941,427
Deferred Tax Assets, net	2,698,280	755,876
Derivative Assets	850,274	1,295,950
Accrued Investment Income	1,078,161	817,486
Goodwill <sup>(9)</sup>	501,496	501,496
Intangible Assets and Deferred Sales Inducements <sup>(8)</sup>	280,588	293,824
Operating Lease Right of Use Assets <sup>(7)</sup>	177,624	160,888
Premiums and Other Account Receivables	113,700	86,524
Other	109,265	96,093
Current Income Tax Recoverable	190,804	103,954
<b>Total Insurance</b>	<b>\$ 7,730,393</b>	<b>\$ 5,053,518</b>
<b>Total Other Assets</b>	<b>\$ 12,907,435</b>	<b>\$ 7,939,831</b>

(1) Represents amounts due from third parties for investments sold for which cash settlement has not occurred.

(2) Represents amounts held at clearing brokers resulting from securities transactions.

(3) Net of accumulated depreciation and amortization of \$175.4 million and \$141.6 million as of September 30, 2022 and December 31, 2021, respectively. Depreciation and amortization expense of \$14.2 million and \$11.3 million for the three months ended September 30, 2022 and 2021, respectively, and \$39.8 million and \$33.6 million for the nine months ended September 30, 2022 and 2021, respectively, are included in General, Administrative and Other in the accompanying consolidated statements of operations.

(4) Represents derivative financial instruments used to manage foreign exchange risk arising from certain foreign currency denominated investments. Such instruments are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 5 "Net Gains (Losses) from Investment Activities - Asset Management" for the net changes in fair value associated with these instruments.

(5) As of September 30, 2022, the carrying value of goodwill is recorded and assessed for impairment at the reporting unit. There are approximately \$46 million of cumulative foreign currency translation adjustments included in AOCI related to the goodwill recorded as result of the acquisition of KJRM (see Note 3 "Acquisitions").

(6) There are approximately \$158 million of cumulative foreign currency translation adjustments included in AOCI related to the intangible assets recorded as result of the acquisition of KJRM (see Note 3 "Acquisitions").

(7) For Asset Management, non-cancelable operating leases consist of leases for office space in North America, Europe, Asia and Australia. KKR is the lessee under the terms of the operating leases. The operating lease cost was \$13.9 million and \$11.9 million for the three months ended September 30, 2022 and 2021, respectively, and \$39.3 million and \$37.1 million for the nine months ended September 30, 2022 and 2021, respectively. For Insurance, non-cancelable operating leases consist of leases for office space and land in the U.S. For the three months ended September 30, 2022 and 2021, the operating lease cost was \$6.4 million and \$3.9 million, respectively, and for the nine months ended September 30, 2022 and 2021, the operating lease cost was \$18.2 million and \$10.5 million, respectively. Insurance lease right-of-use assets are reported net of \$22.5 million and \$22.7 million in deferred rent and lease incentives as of September 30, 2022 and December 31, 2021, respectively.

(8) The definite life intangible assets are amortized by using the straight-line method over the useful life of the assets which is an average of 15 years. The indefinite life intangible assets are not subject to amortization. For both the three months ended September 30, 2022 and 2021, the amortization expense of definite life intangible assets was \$4.4 million, and for the nine months ended September 30, 2022 and 2021, the amortization expense of definite life intangible assets was \$13.2 million and \$11.8 million, respectively.

- (9) The amounts include approximately \$4.5 million of goodwill related to an immaterial acquisition of a residential mortgage platform, which Global Atlantic acquired in October 2021 for a purchase price consideration of \$4.6 million. The insurance segment reported a negative equity carrying amount as of September 30, 2022 primarily due to unrealized losses on available-for-sale fixed maturity investment portfolio. Global Atlantic does not expect these unrealized losses to be realized as it intends to hold these investments until recovery of the losses, which may be at maturity, as part of its asset liability cash-flow matching strategy. KKR evaluated qualitative factors, including market and economic conditions, industry-specific events and company-specific financial results, and determined that it was not more likely than not that goodwill was impaired.

Accrued Expenses and Other Liabilities consist of the following:

	September 30, 2022	December 31, 2021
<i>Asset Management</i>		
Amounts Payable to Carry Pool <sup>(1)</sup>	\$ 1,998,211	\$ 3,650,312
Unsettled Investment Purchases <sup>(2)</sup>	426,891	1,315,163
Securities Sold Short <sup>(3)</sup>	87,894	249,383
Derivative Liabilities	20,249	45,003
Accrued Compensation and Benefits	950,105	210,789
Interest Payable	275,213	162,801
Foreign Exchange Contracts and Options <sup>(4)</sup>	242,117	319,511
Accounts Payable and Accrued Expenses	236,313	187,564
Taxes Payable	50,831	42,745
Uncertain Tax Positions	57,306	78,226
Unfunded Revolver Commitments	108,195	64,276
Operating Lease Liabilities <sup>(5)</sup>	233,953	230,995
Deferred Tax Liabilities, net (See Note 18)	1,923,278	900,436
Other Liabilities	524,568	439,693
<b>Total Asset Management</b>	<b>\$ 7,135,124</b>	<b>\$ 7,896,897</b>
<i>Insurance</i>		
Unsettled Investment Purchases <sup>(2)</sup>	\$ 1,500,351	\$ 395,722
Collateral on Derivative Instruments	429,796	1,086,061
Accrued Expenses	603,450	747,237
Securities Sold Under Agreements to Repurchase	779,469	300,446
Derivative Liabilities	974,229	145,163
Accrued Employee Related Expenses	316,293	280,668
Operating Lease Liabilities <sup>(5)</sup>	198,052	180,574
Tax Payable to Former Parent Company	66,352	74,423
Interest Payable	32,321	12,930
Accounts and Commissions Payable	18,311	26,054
Other Tax Related Liabilities	9,259	14,288
<b>Total Insurance</b>	<b>\$ 4,927,883</b>	<b>\$ 3,263,566</b>
<b>Total Accrued Expenses and Other Liabilities</b>	<b>\$ 12,063,007</b>	<b>\$ 11,160,463</b>

- (1) Represents the amount of carried interest payable to current and former KKR employees arising from KKR's investment funds and co-investment vehicles that provide for carried interest.
- (2) Represents amounts owed to third parties for investment purchases for which cash settlement has not occurred.
- (3) Represents the obligations of KKR to deliver a specified security at a future point in time. Such securities are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 5 "Net Gains (Losses) from Investment Activities - Asset Management" for the net changes in fair value associated with these instruments.
- (4) Represents derivative financial instruments used to manage foreign exchange risk arising from certain foreign currency denominated investments. Such instruments are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 5 "Net Gains (Losses) from Investment Activities - Asset Management" for the net changes in fair value associated with these instruments.
- (5) For Asset Management, operating leases for office space have remaining lease terms that range from approximately 1 year to 13 years, some of which include options to extend the leases for up to 5 years. The weighted average remaining lease terms were 8.9 years and 9.5 years as of September 30, 2022 and December 31, 2021, respectively. The weighted average discount rates were 1.3% and 1.2% as of September 30, 2022 and December 31, 2021, respectively. For Insurance, operating leases for office space have remaining lease terms that range from approximately 1 year to 11 years, some of which include options to extend the leases for up to 10 years. The weighted average remaining lease terms was 6.6 years and 7.8 years as of September 30, 2022 and December 31, 2021, respectively. The weighted average discount rate was 3.1% and 2.9% as of September 30, 2022 and December 31, 2021, respectively. The weighted average remaining lease term for land was 26.9 years and 27.9 years as of September 30, 2022 and December 31, 2021, respectively.

**16. VARIABLE INTEREST ENTITIES*****Consolidated VIEs***

KKR consolidates certain variable interest entities ("VIEs") in which it is determined that KKR is the primary beneficiary. The consolidated VIEs are predominately CLOs and certain investment funds sponsored by KKR. The primary purpose of these VIEs is to provide strategy specific investment opportunities to earn investment gains, current income or both in exchange for management fees and performance income. KKR's investment strategies differ for these VIEs; however, the fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance income. KKR does not provide performance guarantees and has no other financial obligation to provide funding to these consolidated VIEs, beyond amounts previously committed, if any. Furthermore, KKR consolidates certain VIEs, which are formed by Global Atlantic to hold investments, including investments in transportation, renewable energy, consumer and other loans and fixed maturity securities.

***Unconsolidated VIEs***

KKR holds variable interests in certain VIEs which are not consolidated as it has been determined that KKR is not the primary beneficiary. VIEs that are not consolidated predominantly include certain investment funds sponsored by KKR as well as certain investment partnerships where Global Atlantic retains an economic interest. KKR's investment strategies differ by investment fund; however, the fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance income. KKR's maximum exposure to loss as a result of its investments in the unconsolidated investment funds is the carrying value of such investments, including KKR's capital interest and any unrealized carried interest. Accordingly, disaggregation of KKR's involvement by type of unconsolidated investment fund would not provide more useful information. For these unconsolidated investment funds in which KKR is the sponsor, KKR may have an obligation as general partner to provide commitments to such investment funds. As of September 30, 2022, KKR's commitments to these unconsolidated investment funds were \$4.7 billion. KKR has not provided any financial support other than its obligated amount as of September 30, 2022. Additionally, Global Atlantic also has unfunded commitments of \$24.9 million in relation to other limited partnership interests as of September 30, 2022.

As of September 30, 2022 and December 31, 2021, the maximum exposure to loss, before allocations to the carry pool and noncontrolling interests, if any, for those VIEs in which KKR is determined not to be the primary beneficiary but in which it has a variable interest is as follows:

	<b>September 30, 2022</b>	<b>December 31, 2021</b>
Investments - Asset Management	\$ 7,032,596	\$ 11,539,945
Due from (to) Affiliates, net	1,160,053	1,046,210
<b>Maximum Exposure to Loss - Asset Management</b>	<b>\$ 8,192,649</b>	<b>\$ 12,586,155</b>
Other Investment in Partnership - Insurance	\$ 214,396	\$ 190,106
Investment in Renewable Partnerships - Insurance	30,146	30,760
<b>Maximum Exposure to Loss - Insurance</b>	<b>\$ 244,542</b>	<b>\$ 220,866</b>
<b>Total Maximum Exposure to Loss</b>	<b>\$ 8,437,191</b>	<b>\$ 12,807,021</b>



## 17. DEBT OBLIGATIONS

### Asset Management Debt Obligations

In Asset Management, KKR enters into credit agreements and issues debt for its general operating and investment purposes. KKR consolidates and reports debt obligations of KKR Financial Holdings LLC, a KKR subsidiary ("KFN"), which are non-recourse to KKR beyond the assets of KFN. From time to time, KKR may provide credit support for the debt obligations of its subsidiaries.

Certain of KKR's consolidated investment funds have entered into financing arrangements with financial institutions, generally to provide liquidity to such investment funds. These financing arrangements are generally not direct obligations of the general partners of KKR's investment funds (beyond KKR's capital interest) or its management companies. Such borrowings have varying maturities and bear interest at floating rates. Borrowings are generally secured by the investment purchased with the proceeds of the borrowing and/or the uncalled capital commitment of each respective fund. When an investment vehicle borrows, the proceeds are available only for use by that investment vehicle and are not available for the benefit of other investment vehicles or KKR. Collateral within each investment vehicle is also available only against borrowings by that investment vehicle and not against the borrowings of other investment vehicles or KKR.

In certain other cases, investments and other assets held directly by majority-owned consolidated investment vehicles and other entities have been funded with borrowings that are collateralized by the investments and assets they own. These borrowings are non-recourse to KKR beyond the investments or assets serving as collateral or the capital that KKR has committed to fund such investment vehicles. Such borrowings have varying maturities and generally bear interest at fixed rates.

In addition, consolidated CFEs issue debt securities to third-party investors which are collateralized by assets held by the CFE. Debt securities issued by CFEs are supported solely by the assets held at the CFEs and are not collateralized by assets of any other KKR entity. CFEs also may have warehouse facilities with banks to provide liquidity to the CFE. The CFE's debt obligations are non-recourse to KKR beyond the assets of the CFE.

KKR's Asset Management debt obligations consisted of the following:

	September 30, 2022			December 31, 2021		
	Financing Available	Borrowing Outstanding	Fair Value	Financing Available	Borrowing Outstanding	Fair Value
<b>Revolving Credit Facilities:</b>						
Corporate Credit Agreement	\$ 1,500,000	\$ —	\$ —	\$ 1,000,000	\$ —	\$ —
KCM Credit Agreement	723,067	—	—	728,799	—	—
KCM 364-Day Revolving Credit Agreement	750,000	—	—	750,000	—	—
<b>Notes Issued:</b> <sup>(1)</sup>						
KKR ¥25 billion (or \$173.0 million) 0.509% Notes Due 2023	<sup>(4)</sup> —	172,856	172,886	—	216,881	216,818
KKR ¥5 billion (or \$34.6 million) 0.764% Notes Due 2025	<sup>(4)</sup> —	34,318	34,487	—	43,082	43,452
KKR ¥36.4 billion (or \$251.9 million) 1.054% Notes Due 2027	<sup>(4)</sup> —	250,529	250,550	—	—	—
KKR €650 million (or \$632.5 million) 1.625% Notes Due 2029	<sup>(5)</sup> —	626,547	524,289	—	729,048	776,926
KKR \$750 million 3.750% Notes Due 2029	<sup>(4)</sup> —	744,000	669,000	—	743,333	825,540
KKR ¥4.9 billion (or \$33.9 million) 1.244% Notes Due 2029	<sup>(4)</sup> —	33,404	33,589	—	—	—
KKR \$750 million 4.850% Notes Due 2032	<sup>(4)</sup> —	741,433	690,090	—	—	—
KKR ¥6.2 billion (or \$42.9 million) 1.437% Notes Due 2032	<sup>(4)</sup> —	42,324	42,236	—	—	—
KKR ¥7.5 billion (or \$51.9 million) 1.553% Notes Due 2034	<sup>(4)</sup> —	51,240	50,743	—	—	—
KKR ¥5.5 billion (or \$38.1 million) 1.795% Notes Due 2037	<sup>(4)</sup> —	37,457	36,893	—	—	—
KKR ¥10.3 billion (or \$71.3 million) 1.595% Notes Due 2038	<sup>(4)</sup> —	70,320	66,127	—	88,505	92,198
KKR \$500 million 5.500% Notes Due 2043 <sup>(6)</sup>	<sup>(4)</sup> —	491,927	451,810	—	491,153	661,351
KKR \$1.0 billion 5.125% Notes Due 2044 <sup>(6)</sup>	<sup>(4)</sup> —	964,785	836,235	—	951,462	1,237,888
KKR \$500 million 3.625% Notes Due 2050	<sup>(4)</sup> —	492,686	347,755	—	492,486	535,550
KKR \$750 million 3.500% Notes Due 2050 <sup>(6)</sup>	<sup>(4)</sup> —	736,328	509,665	—	735,905	784,650
KKR \$750 million 3.250% Notes Due 2051	<sup>(4)</sup> —	739,745	489,195	—	739,481	747,900
KKR \$500 million 4.625% Notes Due 2061	<sup>(5)</sup> —	486,310	365,600	—	486,044	523,200
KFN \$500 million 5.500% Notes Due 2032	<sup>(2)</sup> —	495,389	431,939	—	495,025	487,779
KFN \$120 million 5.200% Notes Due 2033	<sup>(2)</sup> —	118,743	100,094	—	118,654	115,535
KFN \$70 million 5.400% Notes Due 2033	<sup>(2)</sup> —	69,025	59,197	—	68,957	68,532
KFN Issued Junior Subordinated Notes <sup>(3)</sup>	<sup>(2)</sup> —	237,135	194,404	—	236,138	178,335
	2,973,067	7,636,501	6,356,784	2,478,799	6,636,154	7,295,654
Other Debt Obligations <sup>(6)</sup>	5,728,978	30,621,332	30,621,332	4,941,755	30,033,601	30,033,601
	<u>\$ 8,702,045</u>	<u>\$ 38,257,833</u>	<u>\$ 36,978,116</u>	<u>\$ 7,420,554</u>	<u>\$ 36,669,755</u>	<u>\$ 37,329,255</u>

- (1) Borrowing outstanding includes: (i) unamortized note discount (net of premium), as applicable and (ii) unamortized debt issuance costs, as applicable. Financing costs related to the issuance of the notes have been deducted from the note liability and are being amortized over the life of the notes.
- (2) These debt obligations are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.
- (3) KKR consolidates KFN and reports KFN's outstanding \$258.5 million aggregate principal amount of junior subordinated notes. The weighted average interest rate is 5.3% and 2.6% and the weighted average years to maturity is 14.0 years and 14.8 years as of September 30, 2022 and December 31, 2021, respectively.
- (4) The notes are classified as Level II within the fair value hierarchy and fair value is determined by third party broker quotes.
- (5) The notes are classified as Level I within the fair value hierarchy and fair value is determined by quoted prices in active markets since the debt is publicly listed.
- (6) As of September 30, 2022 and December 31, 2021, the borrowing outstanding reflects the elimination for the portion of these debt obligations that are held by Global Atlantic.

## ***Asset Management Revolving Credit Facilities***

### ***KCM Short-Term Credit Agreement***

On April 8, 2022, KKR Capital Markets Holdings L.P. and certain other capital markets subsidiaries (the "KCM Borrowers") entered into a 364-day revolving credit agreement (the "KCM Short-Term Credit Agreement") with Mizuho Bank, Ltd., as administrative agent, and one or more lenders party thereto. The KCM Short-Term Credit Agreement replaces the prior 364-day revolving credit agreement, dated as of April 9, 2021, between the KCM Borrowers and the administrative agent, and one or more lenders party to the KCM Short-Term Agreement, which was terminated according to its terms on April 8, 2022. The KCM Short-Term Credit Agreement provides for revolving borrowings up to \$750 million, expires on April 7, 2023, and ranks pari passu with the existing \$750 million revolving credit facility provided by them for KKR's capital markets business (the "KCM Credit Agreement").

If a borrowing is made under the KCM Short-Term Credit Agreement, the interest rate will vary depending on the type of drawdown requested. If the borrowing is (i) denominated in U.S. dollars and a term rate, it will be based on the term Secured Overnight Financing Rate ("SOFR"), (ii) denominated in euros, it will be based on EURIBOR and (iii) denominated in pounds sterling, it will be based on the Sterling Overnight Interbank Average Rate (SONIA), in each case, plus the applicable margin which ranges initially between 1.50% and 2.75%, depending on the duration of the loan. If the borrowing is an ABR Loan, it will be based on the greater of (i) the federal funds rate plus 0.50% and (ii) term SOFR for one-month tenor plus 1.00%, in each case, plus the applicable margin which ranges initially between 0.50% and 1.75% depending on the amount and nature of the loan. Borrowings under the KCM Short-Term Credit Agreement may only be used to facilitate the settlement of debt transactions syndicated by KKR's capital markets business. Obligations under the KCM Short-Term Credit Agreement are limited to the KCM Borrowers, which are solely entities involved in KKR's capital markets business, and liabilities under the KCM Short-Term Credit Agreement are non-recourse to other parts of KKR.

The KCM Short-Term Credit Agreement contains customary representations and warranties, events of default, and affirmative and negative covenants, including a financial covenant providing for a maximum debt to equity ratio for the KCM Borrowers. The KCM Borrowers' obligations under the KCM Short-Term Credit Agreement are secured by certain assets of the KCM Borrowers, including a pledge of equity interests of certain subsidiaries of the KCM Borrowers.

### ***KKR Issued Yen Senior Notes***

On April 26, 2022, KKR Group Finance Co. XI LLC, an indirect subsidiary of KKR & Co. Inc., completed the offering of (i) ¥36.4 billion aggregate principal amount of its 1.054% Senior Notes due 2027 (the "2027 Yen Notes"), (ii) ¥4.9 billion aggregate principal amount of its 1.244% Senior Notes due 2029 (the "2029 Yen Notes"), (iii) ¥6.2 billion aggregate principal amount of its 1.437% Senior Notes due 2032 (the "2032 Yen Notes"), (iv) ¥7.5 billion aggregate principal amount of its 1.553% Senior Notes due 2034 (the "2034 Yen Notes"), and (v) ¥5.5 billion aggregate principal amount of its 1.795% Senior Notes due 2037 (the "2037 Yen Notes") and, together with the 2027 Yen Notes, the 2029 Yen Notes, the 2032 Yen Notes and the 2034 Yen Notes, the "Yen Notes"). The Yen Notes are guaranteed by KKR & Co. Inc. and KKR Group Partnership.

Each of the Yen Notes bear interest at the following rates and will mature on the following dates unless earlier redeemed. The 2027 Yen Notes bear interest at a rate of 1.054% per annum and will mature on April 26, 2027. The 2029 Yen Notes bear interest at a rate of 1.244% per annum and will mature on April 26, 2029. The 2032 Yen Notes bear interest at a rate of 1.437% per annum and will mature on April 26, 2032. The 2034 Yen Notes bear interest at a rate of 1.553% per annum and will mature on April 26, 2034. The 2037 Yen Notes bear interest at a rate of 1.795% per annum and will mature on April 24, 2037. Interest on the Yen Notes accrues from April 26, 2022 and is payable semi-annually in arrears on April 26 and October 26 of each year, commencing on October 26, 2022 and ending on the applicable maturity date. The Yen Notes are unsecured and unsubordinated obligations of KKR Group Finance Co. XI LLC. The Yen Notes are fully and unconditionally guaranteed, jointly and severally, by each of the guarantors. The guarantees are unsecured and unsubordinated obligations of the guarantors.

The indenture governing the Yen Notes includes covenants, including limitations on KKR Group Finance Co. XI LLC's and the Guarantors' ability, subject to exceptions, to incur indebtedness secured by liens on voting stock or profit participating equity interests of their subsidiaries or merge, consolidate or sell, transfer or convey all or substantially all of their assets. The indenture governing the Yen Notes also provides for events of default and further provides that the trustee or the holders of not less than 25% in aggregate principal amount of the outstanding Yen Notes may declare the Yen Notes immediately due and payable upon the occurrence and during the continuance of any event of default after expiration of any applicable grace period. In the case of specified events of bankruptcy, insolvency, receivership or reorganization, the principal amount of the Yen Notes and any accrued and unpaid interest on the Yen Notes automatically become due and payable. KKR Group Finance Co. XI LLC may redeem the Yen Notes at its option, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Yen Notes to be redeemed, together with interest accrued and unpaid to, but excluding, the date fixed for redemption, at

any time, in the event of certain changes affecting taxation as provided in the indenture governing the Yen Notes. If a change of control repurchase event occurs, the Yen Notes are subject to repurchase by KKR Group Finance Co. XI LLC at a repurchase price in cash equal to 101% of the aggregate principal amount of the Yen Notes repurchased plus any accrued and unpaid interest on the Yen Notes repurchased to, but not including, the date of repurchase.

*KKR Issued 4.850% Senior Notes Due 2032*

On May 17, 2022, KKR Group Finance Co. XII LLC, an indirect subsidiary of KKR & Co. Inc., issued \$750 million aggregate principal amount of its 4.850% Senior Notes due 2032 (the “KKR 2032 Senior Notes”). The KKR 2032 Senior Notes are guaranteed by KKR & Co. Inc. and KKR Group Partnership.

The KKR 2032 Senior Notes bear interest at a rate of 4.850% per annum and will mature on May 17, 2032 unless redeemed earlier. Interest on the KKR 2032 Senior Notes accrues from May 17, 2022 and is payable semi-annually in arrears on May 17 and November 17 of each year, commencing on November 17, 2022. The KKR 2032 Senior Notes are unsecured and unsubordinated obligations of the issuer. The KKR 2032 Senior Notes are fully and unconditionally guaranteed, jointly and severally, by each of the guarantors. The guarantees are unsecured and unsubordinated obligations of the guarantors.

The indenture governing the KKR 2032 Senior Notes includes covenants, including limitations on the issuer’s and the guarantors’ ability, subject to exceptions, to incur indebtedness secured by liens on voting stock or profit participating equity interests of their subsidiaries or merge, consolidate or sell, transfer or convey all or substantially all of their assets. The indenture governing the KKR 2032 Senior Notes also provides for events of default and further provides that the trustee or the holders of not less than 25% in aggregate principal amount of the outstanding KKR 2032 Senior Notes may declare the KKR 2032 Senior Notes immediately due and payable upon the occurrence and during the continuance of any event of default after expiration of any applicable grace period. In the case of specified events of bankruptcy, insolvency, receivership or reorganization, the principal amount of the KKR 2032 Senior Notes and any accrued and unpaid interest on the KKR 2032 Senior Notes automatically become due and payable. Prior to February 17, 2032 (three months prior to the maturity date of the KKR 2032 Senior Notes), all or a portion of the KKR 2032 Senior Notes may be redeemed at the issuer’s option in whole or in part, at any time and from time to time, prior to their stated maturity, at the make-whole redemption price set forth in the KKR 2032 Senior Notes. On or after February 17, 2032 (three months prior to the maturity date of the KKR 2032 Senior Notes), the KKR 2032 Senior Notes may be redeemed at the issuer’s option in whole or in part, at any time and from time to time, at par plus any accrued and unpaid interest on the KKR 2032 Senior Notes redeemed to, but not including, the date of redemption. If a change of control repurchase event occurs, the KKR 2032 Senior Notes are subject to repurchase by the issuer at a repurchase price in cash equal to 101% of the aggregate principal amount of the KKR 2032 Senior Notes repurchased plus any accrued and unpaid interest on the KKR 2032 Senior Notes repurchased to, but not including, the date of repurchase.

*KKR Corporate Credit Agreement*

On September 2, 2022, KKR Group Partnership and Kohlberg Kravis Roberts & Co. L.P. (the “Borrowers”) entered into a First Amendment and Lender Joinder Agreement to amend and restate the Second Amended and Restated Credit Agreement, dated as of August 4, 2021 (as amended and restated, the “KKR Corporate Credit Agreement”), by and among the Borrowers, the guarantors from time to time party thereto, the lending institutions from time to time party thereto, and HSBC Bank USA, National Association, as administrative agent. The principal amendments made were to: (i) increase the revolving borrowing limit from \$1.0 billion to \$1.5 billion, (ii) to replace USD LIBOR rate borrowings with SOFR rate borrowings with certain rate adjustments. Beginning on September 2, 2022, interest on any funded balances will accrue at term SOFR plus a spread ranging from .565% to 1.1%.

As of September 30, 2022, there was no revolving borrowings and no letters of credit outstanding under the KKR Corporate Credit Agreement.

### Other Asset Management Debt Obligations

As of September 30, 2022, other debt obligations consisted of the following:

	Financing Available	Borrowing Outstanding	Fair Value	Weighted Average Interest Rate	Weighted Average Remaining Maturity in Years
Financing Facilities of Consolidated Funds and Other <sup>(1)</sup>	\$ 5,728,978	\$ 9,502,766	\$ 9,502,766	4.2%	5.4
Debt Obligations of Consolidated CLOs	—	21,118,566	21,118,566	<sup>(2)</sup>	10.1
	<u>\$ 5,728,978</u>	<u>\$ 30,621,332</u>	<u>\$ 30,621,332</u>		

(1) Includes borrowings collateralized by fund investments, fund co-investments and other assets held by levered investment vehicles of \$2.2 billion.

(2) The senior notes of the consolidated CLOs had a weighted average interest rate of 3.4%. The subordinated notes of the consolidated CLOs do not have contractual interest rates but instead receive a pro rata amount of the net distributions from the excess cash flows of the respective CLO vehicle. Accordingly, weighted average borrowing rates for the subordinated notes are based on cash distributions during the period, if any.

Debt obligations of consolidated CLOs are collateralized by assets held by each respective CLO vehicle and assets of one CLO vehicle may not be used to satisfy the liabilities of another. As of September 30, 2022, the fair value of the consolidated CLO assets was \$22.4 billion. This collateral consisted of Cash and Cash Equivalents, Investments, and Other Assets.

### Insurance Debt Obligations

Global Atlantic's debt obligations consisted of the following:

	September 30, 2022			December 31, 2021		
	Financing Available	Borrowing Outstanding	Fair Value <sup>(2)</sup>	Financing Available	Borrowing Outstanding	Fair Value <sup>(2)</sup>
<b>Revolving Credit Facilities:</b>						
Global Atlantic revolving credit facility, due August 2026	\$ 800,000	\$ 200,000	\$ 200,000	\$ 1,000,000	\$ —	\$ —
<b>Notes Issued and Others:</b>						
Global Atlantic senior notes, due October 2029		500,000	424,950		500,000	539,350
Global Atlantic senior notes, due June 2031		650,000	476,840		650,000	644,800
Global Atlantic subordinated debentures, due October 2051		750,000	565,650		750,000	761,475
		<u>2,100,000</u>	<u>\$ 1,667,440</u>		<u>1,900,000</u>	<u>\$ 1,945,625</u>
Purchase accounting adjustments <sup>(1)</sup>		44,063			51,050	
Debt issuance costs, net of accumulated amortization		(17,888)			(18,675)	
Fair value loss (gain) of hedged debt obligations, recognized in earnings		(205,269)			(24,369)	
		<u>\$ 1,920,906</u>			<u>\$ 1,908,006</u>	

(1) For the three months ended September 30, 2022 and 2021, the amortization of the purchase accounting adjustments was \$0.8 million and \$0.8 million, respectively, and for the nine months ended September 30, 2022 and 2021, the amortization of the purchase accounting adjustments was \$7.0 million and \$4.0 million, respectively.

(2) These debt obligations are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.

**Debt Covenants**

Borrowings of KKR (including Global Atlantic) contain various debt covenants. These covenants do not, in management's opinion, materially restrict KKR's operating business or investment strategies as of September 30, 2022. KKR (including Global Atlantic) was in compliance with such debt covenants in all material respects as of September 30, 2022.

**Global Atlantic Credit Agreement**

On September 23, 2022, Global Atlantic (Fin) Company ("GA FinCo") amended its Credit Agreement (the "GA Credit Agreement") with Wells Fargo Bank, N.A., as administrative agent, and other lenders thereto. The principal amendments made were to replace LIBOR based interest rates with interest rates based on term SOFR with certain rate adjustments. Beginning on September 30, 2022, interest on any funded balances will accrue at term SOFR plus a spread ranging from 1.225% to 2.100%.

As of September 30, 2022, there was \$200 million in revolving borrowings outstanding and no letters of credit outstanding under the GA Credit Agreement.

## 18. INCOME TAXES

KKR & Co. Inc. is a domestic corporation for U.S. federal income tax purposes and is subject to U.S. federal, state and local income taxes at the entity level on its share of taxable income. In addition, KKR Group Partnership and certain of its subsidiaries operate as partnerships for U.S. federal tax purposes but as taxable entities for certain state, local or non-U.S. tax purposes. Moreover, certain corporate subsidiaries of KKR, including certain Global Atlantic subsidiaries, are domestic corporations for U.S. federal income tax purposes and are subject to U.S. federal, state, and local income taxes. Income taxes reported in these consolidated financial statements include the taxes described in this paragraph.

The effective tax rates were (52.6)% and 10.4% for the three months ended September 30, 2022 and 2021, respectively. The effective tax rates were 11.6% and 9.2% for the nine months ended September 30, 2022 and 2021, respectively. The effective tax rate differs from the statutory rate primarily due to the mix of asset management and insurance income (loss) along with a substantial portion of the reported net income (loss) before taxes is not attributable to KKR but rather is attributable to noncontrolling interests held in KKR's consolidated entities by KKR's principals or by third parties.

Future realization of deferred tax assets is dependent on KKR generating sufficient taxable income before the tax benefits are expected to expire. KKR considers projections of taxable income in evaluating its ability to utilize those deferred tax assets. In projecting its taxable income, KKR begins with historical results and incorporates assumptions concerning the amount and timing of future pre-tax operating income. Those assumptions require significant judgment and are consistent with the plans and estimates that KKR uses to manage its business. As of September 30, 2022, KKR concluded it is more likely than not that its deferred tax assets will be realized and therefore no valuation allowance had been recorded. In addition, as of September 30, 2022, no valuation allowance was recorded for deferred tax assets related to the unrealized losses on available-for-sale securities held by Global Atlantic. Management intends to hold these securities until the recovery of the losses, which may be at maturity, as part of its asset liability cash-flow matching strategy and will continue to monitor its position and may make changes to the valuation allowance in future periods as circumstances change.

During the three months ended September 30, 2022, there was no change to KKR's uncertain tax positions. During the nine months ended September 30, 2022, there was a decrease of \$21.2 million to KKR's uncertain tax positions primarily due to the settlement of state tax audits conducted for the years ended 2010 through 2014.

As a result of the Reorganization Mergers (see Note 1 "Organization"), KKR recorded additional deferred tax liabilities of \$1,093 million with a corresponding decrease to Additional Paid-in Capital during the nine months ended September 30, 2022.

On August 16, 2022, the Inflation Reduction Act (the "IRA") was signed into law. In general, the provisions of the IRA will be effective beginning with the fiscal year 2023, with certain exceptions. The IRA includes a new 15% corporate minimum tax as well as a 1% excise tax on corporate stock repurchases completed after December 31, 2022. As required under the authoritative guidance of ASC 740, Income Taxes, we reviewed the impact on income taxes due to the change in legislation and concluded there was no impact to the financial statements as of September 30, 2022. KKR is in the process of evaluating the potential future impacts of the IRA, and the Company will continue to review and monitor the issuance of additional guidance from the Internal Revenue Service.

## 19. EQUITY BASED COMPENSATION

### *Asset Management*

#### **KKR Equity Incentive Plan Awards**

For the three months ended September 30, 2022 and 2021, KKR recorded equity based compensation expense of \$111.8 million and \$73.4 million, respectively, and for the nine months ended September 30, 2022 and 2021, KKR recorded equity based compensation expense of \$339.5 million and \$199.6 million, respectively. These amounts include for the three months ended September 30, 2022 and 2021, equity based compensation related to our insurance business of \$2.2 million and \$10.9 million, respectively, and for the nine months ended September 30, 2022 and 2021, equity based compensation related to our insurance business of \$6.5 million and \$11.4 million, respectively.

Under KKR's Equity Incentive Plans, KKR is permitted to grant equity awards representing ownership interests in KKR & Co. Inc. common stock. On March 29, 2019, the 2019 Equity Incentive Plan became effective. Following the effectiveness of the 2019 Equity Incentive Plan, KKR no longer makes further grants under the 2010 Equity Incentive Plan, and the 2019 Equity Incentive Plan became KKR's only plan for providing new equity-based awards by KKR & Co. Inc. Outstanding awards under the 2010 Equity Incentive Plan will remain outstanding, unchanged and subject to the terms of the 2010 Equity Incentive Plan and their respective equity award agreements, until the vesting, expiration or lapse of such awards in accordance with their terms. The total number of equity awards representing shares of common stock that may be issued under the 2019 Equity Incentive Plan is equivalent to 15% of the aggregate number of the shares of common stock and KKR Group Partnership Units (excluding KKR Group Partnership Units held by KKR & Co. Inc. or its wholly-owned subsidiaries), subject to annual adjustment. As of September 30, 2022, 73,281,459 shares may be issued under the 2019 Equity Incentive Plan. Equity awards granted pursuant to the Equity Plans generally consist of (i) restricted stock units ("RSUs") that convert into shares of common stock of KKR & Co. Inc. (or cash equivalent) upon vesting and (ii) restricted holdings units ("RHUs") that are exchangeable into shares of common stock of KKR & Co. Inc. upon vesting and certain other conditions.

#### *Service-Vesting Awards*

Under the Equity Incentive Plans, KKR grants RSUs and RHUs that are subject to service-based vesting, typically over a three to five-year period from the date of grant (referred to hereafter as "Service-Vesting Awards"). In certain cases, these Service-Vesting Awards may have a percentage of the award that vests immediately upon grant. Additionally, some but not all Service-Vesting Awards are subject to transfer restrictions and/or minimum retained ownership requirements. The transfer restriction period, if applicable, lasts for (i) one year with respect to one-half of the interests vesting on any vesting date and (ii) two years with respect to the other one-half of the interests vesting on such vesting date. While providing services to KKR, some but not all of these awards are also subject to minimum retained ownership rules requiring the award recipient to continuously hold shares of common stock equivalents equal to at least 15% of their cumulatively vested awards that have or had the minimum retained ownership requirement. Holders of the Service-Vesting Awards do not participate in dividends until such awards have met their vesting requirements.

Expense associated with the vesting of these Service-Vesting Awards is based on the closing price of KKR & Co. Inc. common stock on the date of grant, discounted for the lack of participation rights in the expected dividends on unvested equity awards. Expense is recognized on a straight line basis over the life of the award and assumes a forfeiture rate of up to 7% annually based upon expected turnover by class of recipient.

As of September 30, 2022, there was approximately \$488.7 million of total estimated unrecognized expense related to unvested Service-Vesting Awards, which is expected to be recognized over the weighted average remaining requisite service period of 1.6 years.



A summary of the status of unvested Service-Vesting Awards granted under the Equity Incentive Plans from January 1, 2022 through September 30, 2022 is presented below:

	Shares	Weighted Average Grant Date Fair Value
Balance, January 1, 2022	19,307,041	\$ 41.21
Granted	847,666	57.10
Vested	(3,846,900)	33.51
Forfeitures	(444,554)	46.63
Balance, September 30, 2022	<u>15,863,253</u>	<u>\$ 43.77</u>

#### Market Condition Awards

Under the Equity Incentive Plans, KKR also grants RSUs and RHUs that are subject to both a service-based vesting condition and a market price based vesting condition (referred to hereafter as "Market Condition Awards") for certain employees. The following is a discussion of Market Condition Awards excluding the Co-CEO Awards, except where discussed below.

The number of Market Condition Awards (other than the Co-CEO awards) that will vest depend upon (i) the market price of KKR common stock reaching certain price targets that range from \$45.00 to \$140.00 and (ii) the employee being employed by KKR on a certain date, which typically is five and a half years from the date of grant (with exceptions for involuntary termination without cause, death and permanent disability). The market price vesting condition is met when the average closing price of KKR common stock during 20 consecutive trading days meets or exceeds the stock price targets. Holders of the Market Condition Awards do not participate in dividends until such awards have met both their service-based and market price based vesting requirements. Additionally, these awards are subject to additional transfer restrictions and minimum retained ownership requirements after vesting.

Due to the existence of the service requirement, the vesting period for these Market Condition Awards (other than the Co-CEO awards) is explicit, and as such, compensation expense will be recognized on (i) a straight-line basis over the period from the date of grant through the date the award recipient is required to be employed by KKR and (ii) assumes a forfeiture rate of up to 7% annually based upon expected turnover. The fair value of the awards granted are based on a Monte Carlo simulation valuation model. In addition, the grant date fair value assumes that holders of the Market Condition Awards will not participate in dividends until such awards have met all of their vesting requirements.

Below is a summary of the grant date fair value based on the Monte Carlo simulation valuation model and the significant assumptions used to estimate the grant date fair value of these Market Condition Awards:

	Weighted Average	Range
Grant Date Fair Value	\$25.70	\$19.87 - \$66.80
Closing KKR share price as of valuation date	\$43.04	\$37.93 - \$76.31
Risk Free Rate	0.55%	0.41% - 3.46%
Volatility	28.16%	28.00% - 38.00%
Dividend Yield	1.41%	0.76% - 1.53%
Expected Cost of Equity	10.59%	9.13% - 11.15%

As of September 30, 2022, there was approximately \$333.3 million of total estimated unrecognized expense related to these unvested Market Condition Awards, which is expected to be recognized over the weighted average remaining requisite service period of 3.7 years.

A summary of the status of unvested Market Condition Awards granted under the Equity Incentive Plans from January 1, 2022 through September 30, 2022 is presented below:

	Shares	Weighted Average Grant Date Fair Value
Balance, January 1, 2022	21,370,847	\$ 25.03
Granted	550,000	51.74
Vested	(175,000)	19.87
Forfeitures	(507,887)	21.21
Balance, September 30, 2022	<b>21,237,960</b>	<b>\$ 25.85</b>

As of September 30, 2022, 19.4 million of these Market Condition awards have met their market price based vesting condition.

*Co-CEO Awards*

On December 9, 2021, the Board of Directors approved grants of 7.5 million RHUs to each of KKR's Co-Chief Executive Officers that are subject to both a service-based vesting condition and a market price based vesting condition (referred to hereafter as "Co-CEOs Awards"). For both Co-Chief Executive Officers, 20% of the Co-CEOs Awards are eligible to vest at each of the following KKR common stock prices targets: \$95.80, \$105.80, \$115.80, \$125.80 and \$135.80. The market price based vesting condition is met when the average closing price of KKR common stock during 20 consecutive trading days meets or exceeds the stock price targets. In addition to the market price based vesting conditions, in order for the Co-CEOs Awards to vest, the Co-Chief Executive Officer is required to be employed by KKR on December 31, 2026 (with exceptions for involuntary termination without cause, death and permanent disability).

These awards will be automatically canceled and forfeited upon the earlier of the Co-Chief Executive Officer's termination of service (except for involuntary termination without cause, death or permanent disability) or the failure to meet the market price based vesting condition by December 31, 2028 (for which continued service is required if the market price vesting condition is met after December 31, 2026). Co-CEO Awards do not participate in dividends until such awards have met both their service-based and market price based vesting requirements. Additionally, these awards are subject to additional transfer restrictions and minimum retained ownership requirements after vesting.

Due to the existence of the service requirement, the vesting period for these Co-CEO Awards is explicit, and as such, compensation expense will be recognized on a straight-line basis over the period from the date of grant through December 31, 2026 given the derived service period is less than the explicit service period. The fair value of the awards granted are based on a Monte Carlo simulation valuation model. In addition, the grant date fair value assumes that these Co-CEO Awards will not participate in dividends until such awards have met all of their vesting requirements.

Below is a summary of the grant date fair value based on the Monte Carlo simulation valuation model and the significant assumptions used to estimate the grant date fair value of these Co-CEO Awards:

Grant Date Fair Value	\$48.91
Closing KKR share price as of valuation date	\$75.76
Risk Free Rate	1.42 %
Volatility	28.0 %
Dividend Yield	0.77 %
Expected Cost of Equity	9.36 %

As of September 30, 2022, there was approximately \$616.5 million of total estimated unrecognized expense related to these unvested Co-CEO Awards, which is expected to be recognized ratably from October 1, 2022 to December 31, 2026. As of September 30, 2022, none of these Co-CEO awards have met their market price based vesting condition.

## **KKR Holdings Awards**

For the three months ended September 30, 2022 and 2021, KKR recorded equity based compensation expense of \$19.5 million and \$8.7 million, respectively, and for the nine months ended September 30, 2022 and 2021, KKR recorded equity based compensation expense of \$119.8 million and \$35.2 million, respectively. The \$19.5 million expense for the three months ended September 30, 2022 relates to the remaining 30% of KKR Holdings units that were subject to forfeiture if the Co-CEOs were not employed by KKR on October 1, 2022, as discussed below.

On October 8, 2021, as part of the transactions contemplated by the Reorganization Mergers, of the 3.3 million outstanding KKR Holdings units that remained unallocated, KKR Holdings allocated 1,150,000 KKR Holdings units to each of KKR's Co-CEOs, of which 70% vested immediately, on October 8, 2021, and the remaining 30% were subject to forfeiture if such Co-CEO is not employed by KKR on October 1, 2022 (except in the case of death or permanent disability). These KKR Holdings units were subject to customary one- and two-year transfer restrictions that will apply, as applicable, until October 1, 2023 and October 1, 2024.

In advance of the closing of the Reorganization Mergers, the vesting of KKR Holdings units held by Messrs. Kravis, Roberts, Bae and Nuttall was accelerated, and the forfeiture and transfer restrictions applicable to certain KKR Holdings units were transferred to the common stock received as contemplated by the Reorganization Agreement. In addition, on May 27, 2022, KKR Holdings allocated 535,185 units of KKR Holdings to Mr. Kravis and 535,184 units of KKR Holdings to Mr. Roberts' trust with no vesting conditions. Please refer to Note 1 "Organization" for further information on the Reorganization Mergers pursuant to which, among other things, KKR acquired KKR Holdings, and all outstanding KKR Holdings units were exchanged for KKR & Co. Inc. common stock.

Prior to the Reorganization Mergers, KKR Holdings awards gave rise to equity-based compensation in the consolidated statements of operations based on the grant-date fair value of the award discounted for the lack of participation rights in the expected distributions on unvested units. This discount is consistent with that noted above for shares issued under the Equity Incentive Plans. Expense was recognized on a straight line basis over the life of the award and assumed a forfeiture rate of up to 7% annually based on expected turnover by class of recipient.

### ***Insurance***

Global Atlantic recognized \$16.4 million and \$27.9 million of expense related to equity-based compensation and long-term incentive awards for the three months ended September 30, 2022 and 2021, respectively, and Global Atlantic recognized \$53.1 million and \$47.1 million of expense related to equity-based compensation and long-term incentive awards for the nine months ended September 30, 2022 and 2021, respectively.

No equity-based compensation costs were capitalized during the three and nine months ended September 30, 2022 and 2021.

### ***Equity Classified Awards - KKR Equity Incentive Plan Awards***

On February 1, 2021, in connection with the GA Acquisition, employees of Global Atlantic were awarded a one-time grant of RSUs under the 2019 Equity Incentive Plan. These awards (i) are subject to service-based vesting conditions and (ii) expense associated with the vesting of these awards is based on the closing price of KKR & Co. Inc. common stock on the date of grant, consistent with other awards granted under the 2019 Equity Incentive Plan as described above.

On July 1, 2021, a grant of a Market Condition Award was made under the 2019 Equity Incentive Plan. This award is subject to meeting certain market price based vesting conditions of KKR common stock but has no service vesting condition. Expense associated with the grant date fair value of this award of \$10.5 million was fully recognized in the three months ended September 30, 2021.

Global Atlantic recognized \$2.2 million and \$10.9 million of total equity-based compensation expense for the three months ended September 30, 2022 and 2021 associated with these awards, respectively, and Global Atlantic recognized \$6.5 million and \$11.4 million of total equity-based compensation expense for the nine months ended September 30, 2022 and 2021 associated with these awards, respectively.

**Liability Classified Awards - Book Value Awards**

On February 1, 2021, Global Atlantic adopted the Global Atlantic Financial Company Book Value Award Plan ("GA Book Value Plan") to enhance the ability of Global Atlantic to attract, motivate and retain its employees and to promote the success of the Global Atlantic business.

The GA Book Value Plan authorizes the grant of cash-settled awards ("book value awards") representing the right to receive one or more payments upon vesting equal to the product of an initial dollar value set by the award multiplied by a pre-determined formula as of each applicable vesting date. The predetermined formula is equal to the quotient determined by dividing the book value of one share of TGAFG on the applicable vesting date by the book value of a share on the original grant date, subject to adjustments. Book value awards generally vest in three equal, annual installments, subject to continued employment.

On February 1, 2021, under the terms of the GA Merger Agreement and in accordance with applicable plan documentation, former Global Atlantic restricted share awards that were unvested immediately prior to the closing of the GA Acquisition converted into the right to receive a number of book value awards under the GA Book Value Plan having the same value and the same vesting schedule as the former Global Atlantic restricted share awards immediately prior to the closing of the GA Acquisition.

An aggregate of 3,020,017 unvested former Global Atlantic restricted share awards having a fair value of \$29.47 per share were converted to book value awards at an aggregate grant-date value of \$89.0 million. On February 28, 2021, book value awards having an aggregate value of approximately \$28.0 million vested as set forth in the former Global Atlantic grant agreements and resulted in a cash payment of \$17.0 million to participants, net of applicable tax withholding.

Also in connection with the GA Acquisition, on February 1, 2021, Global Atlantic employees were issued a one-time grant of book value awards having an aggregate initial value of \$23.0 million. These one-time book value awards vest over five (5) years, with the first 25% vesting on April 1, 2023 and the remainder vesting 25% annually on April 1 each subsequent year until fully vested, subject to continued employment. Global Atlantic is recording compensation expense over the vesting schedule of the awards, net of an estimated forfeiture rate of 4%.

On March 1, 2021, pursuant to the GA Book Value Plan, book value awards having an aggregate initial value of approximately \$32 million were granted. Such book value awards generally vest annually over three years in equal increments, subject to continued employment. Global Atlantic is recording compensation expense over the vesting schedule of the awards, net of an estimated forfeiture rate of 4%.

Global Atlantic began recognizing long-term incentive expense for the book value awards described above at the grant dates, based on their initial value, net of a 4% estimated forfeiture rate. Global Atlantic adjusts expense periodically for changes in book value until the awards are settled or forfeited. Expense recognized on forfeited awards is reversed in the period of forfeiture. The table below presents the activity related to book value awards for the nine months ended September 30, 2022 and 2021:

	Nine Months Ended	
	September 30, 2022	September 30, 2021
Outstanding amount as of beginning of period	\$ 145,000	\$ —
Pre-acquisition awards converted to book-value awards on February 1, 2021	—	89,000
Granted	27,191	57,213
Forfeited	(4,647)	(5,508)
Impact of change in book value on outstanding awards	—	6,597
Vested and issued	(49,405)	(31,086)
<b>Outstanding amount as of end of period</b>	<b>\$ 118,139</b>	<b>\$ 116,216</b>

Global Atlantic recognized \$14.2 million and \$17.0 million of compensation expense for the three months ended September 30, 2022 and 2021 associated with these awards, respectively, and Global Atlantic recognized \$46.6 million and \$35.7 million of compensation expense for the nine months ended September 30, 2022 and 2021 associated with these awards, respectively. As of September 30, 2022 and December 31, 2021, the remaining unamortized compensation expenses of \$90.0 million and \$99.6 million are expected to be recognized over a remaining average period of 2.39 years and 2.67 years, respectively.

#### ***GA Equity Incentive Plan Awards***

On June 24, 2021, Global Atlantic issued 1,000 non-voting incentive shares to a Bermuda exempted partnership owned by certain Global Atlantic employees, who are eligible to receive incentive units under Global Atlantic's Senior Management Equity Incentive Plan ("GA Equity Incentive Plan"). These incentive units represent an interest in the receipt of certain amounts based on Global Atlantic's book value, market value, and AUM, in each case as derived in part from the value of TGAFG's fully-diluted equity shares.

On June 24, 2021, Global Atlantic granted approximately 808 incentive units under the GA Equity Incentive Plan. The book value component of the incentive units vests 20% per year on the anniversary of the GA Acquisition Date, as long as the grantee remains then employed, and will be settled in cash. The market value and AUM components of the incentive units cliff vest upon the earlier to occur of (i) the fifth anniversary of the GA Acquisition Date, or (ii) a change of control, and will be settled in a variable number of TGAFG's non-voting common shares. TGAFG shares issued under the AUM component of the Plan are exchangeable for shares of KKR. Except in the event of termination due to death or disability, generally, unvested market value and AUM amounts are forfeited upon a termination of employment.

The GA Equity Incentive Plan is accounted for as a hybrid compensation plan, consisting of one component most closely aligned with a profit-sharing plan under ASC 710, *Compensation - General*, as well as other components within scope of ASC 718, *Compensation - Stock Compensation*, in all cases with obligations liability-classified. Accordingly, with regard to awards within scope of ASC 710, Global Atlantic records expense based on payouts deemed to be probable and reasonably estimable based on the book value growth of Global Atlantic at the grant date and at each reporting period. For award components subject to liability-classification under ASC 718, Global Atlantic records expense, net of a 0% estimated forfeiture rate, based on the fair value of awards granted, with periodic adjustments to expense for changes in fair value, over the requisite 5-year service period.

The aggregate value of the GA Equity Incentive Plan awards at the initial date of grant was \$197.0 million, based on the intrinsic value of the book value component at the date of grant (\$5.0 million) and the fair value of the market value and AUM components at the date of grant (\$192.0 million, collectively), based on the projected growth in value of each component over the 5-year vesting schedule and applying a forfeiture rate of 0%. Expense is remeasured accordingly at each reporting period and adjusted as needed until the awards are forfeited or settled.

During both the three and nine months ended September 30, 2022, 27 incentive units were granted to employees, and 5 and 35 incentive units were forfeited during the three and nine months ended September 30, 2022, respectively. As of September 30, 2022 and December 31, 2021, there were approximately 845 and 831 incentive units outstanding under the Plan, respectively.

Global Atlantic recorded compensation expense of \$28.0 million and \$54.8 million for the three and nine months ended September 30, 2022 related to the GA Units granted under the GA Equity Incentive Plan, with a corresponding offset to other liabilities, respectively. As of September 30, 2022 and December 31, 2021, there was approximately \$98.7 million and \$104.1 million of unrecognized expense related to the GA Units granted under the GA Equity Incentive Plan with a weighted average service period remaining of 3.34 years and 4.09 years, respectively.

## 20. RELATED PARTY TRANSACTIONS

### Due from Affiliates consists of:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Amounts due from unconsolidated investment funds	\$ 1,204,863	\$ 1,109,769
Amounts due from portfolio companies	165,830	114,514
<b>Due from Affiliates</b>	<b><u>\$ 1,370,693</u></b>	<b><u>\$ 1,224,283</u></b>

### Due to Affiliates consists of:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Amounts due to current and former employees under the tax receivable agreement <sup>(1)</sup>	\$ 400,062	\$ 399,163
Amounts due to unconsolidated investment funds	44,810	63,559
<b>Due to Affiliates</b>	<b><u>\$ 444,872</u></b>	<b><u>\$ 462,722</u></b>

(1) See Note 1 "Organization."

## 21. SEGMENT REPORTING

KKR operates through two reportable segments which are presented below and reflect how its chief operating decision-makers allocate resources and assess performance:

- Asset Management - the asset management business offers a broad range of investment management services to investment funds, vehicles and accounts (including Global Atlantic) and provides capital markets services to portfolio companies and third parties. This reportable segment also reflects how its business lines operate collaboratively with predominantly a single expense pool.
- Insurance - the insurance business is operated by Global Atlantic, which is a leading U.S. retirement and life insurance company that provides a broad suite of protection, legacy and savings products and reinsurance solutions to clients across individual and institutional markets. Global Atlantic primarily generates income by earning a spread between its investment income and the cost of policyholder benefits.

KKR's segment profitability measure used to make operating decisions and assess performance across KKR's reportable segments is presented prior to giving effect to the allocation of income (loss) among KKR & Co. Inc. and holders of any exchangeable securities, and the consolidation of the investment funds, vehicles and accounts that KKR advises, manages or sponsors (including CFEs). KKR's segment profitability measure excludes: (i) equity-based compensation charges, (ii) amortization of acquired intangibles, (iii) strategic transaction-related charges and (iv) non-recurring items, if any. Strategic transaction-related items arise from corporate actions and consist primarily of (i) impairments, (ii) non-monetary gains or losses on divestitures, (iii) transaction costs from strategic acquisitions, and (iv) depreciation on real estate that KKR owns and occupies. Inter-segment transactions are not eliminated from segment results when management considers those transactions in assessing the results of the respective segments. These transactions include (i) management fees earned by KKR as the investment adviser for Global Atlantic insurance companies and (ii) interest income and expense based on lending arrangements where one or more KKR subsidiaries borrow from a Global Atlantic insurance subsidiary. Inter-segment transactions are recorded by each segment based on the definitive documents that contain arms' length terms and comply with applicable regulatory requirements. Segment operating earnings for the asset management and insurance segments is further defined as follows:

- Asset Management Segment Operating Earnings is the profitability measure used to make operating decisions and to assess the performance of the asset management segment and is comprised of: (i) Fee Related Earnings, (ii) Realized Performance Income, (iii) Realized Performance Income Compensation, (iv) Realized Investment Income, and (v) Realized Investment Income Compensation. Asset Management Segment Operating Earnings excludes the impact of: (i) unrealized carried interest, (ii) net unrealized gains (losses) on investments, and (iii) related unrealized performance income compensation. Management fees earned by KKR as the adviser, manager, or sponsor for its investment funds, vehicles and accounts, including its Global Atlantic insurance companies and Ivy Vehicles are included in Asset Management Segment Operating Earnings.
- Insurance Segment Operating Earnings is the profitability measure used to make operating decisions and to assess the performance of the insurance segment and is comprised of: (i) Net Investment Income, (ii) Net Cost of Insurance, (iii) General, Administrative, and Other Expenses, (iv) Income Taxes, and (v) Net Income Attributable to Noncontrolling Interests. The non-operating adjustments made to derive Insurance Segment Operating Earnings eliminate the impact of: (i) realized (gains) losses related to asset/liability matching investments strategies, (ii) unrealized investment (gains) losses, (iii) changes in the fair value of derivatives, embedded derivatives, and fair value liabilities for fixed-indexed annuities, indexed universal life contracts and variable annuities, and (iv) the associated income tax effects of all exclusions from Insurance Segment Operating Earnings except for equity-based compensation expense. Insurance Segment Operating Earnings includes (i) realized gains and losses not related to asset/liability matching investments strategies and (ii) the investment management fee expenses that are earned by KKR as the investment adviser of the Global Atlantic insurance companies.

### Segment Presentation

The following tables set forth information regarding KKR's segment results:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Asset Management</b>				
Management Fees <sup>(1)</sup>	\$ 670,534	\$ 559,016	\$ 1,950,389	\$ 1,478,878
Transaction and Monitoring Fees, Net	167,455	249,670	580,794	645,108
Fee Related Performance Revenues	49,924	9,897	71,974	34,760
Fee Related Compensation	(199,780)	(184,224)	(585,748)	(485,760)
Other Operating Expenses	(146,370)	(104,772)	(409,489)	(309,483)
Fee Related Earnings	541,763	529,587	1,607,920	1,363,503
Realized Performance Income	497,860	432,784	1,837,925	1,222,403
Realized Performance Income Compensation	(322,927)	(274,955)	(1,180,990)	(797,965)
Realized Investment Income <sup>(2)</sup>	284,979	447,565	911,221	1,277,701
Realized Investment Income Compensation	(42,747)	(67,142)	(136,683)	(191,663)
<b>Asset Management Segment Operating Earnings</b>	<b>958,928</b>	<b>1,067,839</b>	<b>3,039,393</b>	<b>2,873,979</b>
<b>Insurance</b>				
Net Investment Income <sup>(1)(2)</sup>	1,054,757	771,982	2,881,567	1,977,383
Net Cost of Insurance	(642,443)	(436,415)	(1,664,664)	(1,076,566)
General, Administrative and Other	(161,242)	(139,489)	(472,795)	(338,325)
Pre-tax Insurance Operating Earnings	251,072	196,078	744,108	562,492
Income Taxes	(44,468)	(9,046)	(125,927)	(63,148)
Net Income Attributable to Noncontrolling Interest	(79,582)	(72,043)	(238,118)	(193,570)
<b>Insurance Segment Operating Earnings</b>	<b>127,022</b>	<b>114,989</b>	<b>380,063</b>	<b>305,774</b>
<b>Total Segment Operating Earnings</b>	<b>\$ 1,085,950</b>	<b>\$ 1,182,828</b>	<b>\$ 3,419,456</b>	<b>\$ 3,179,753</b>

<sup>(1)</sup> Includes intersegment management fees of \$83.0 million and \$46.7 million, for the three months ended September 30, 2022 and 2021, respectively, and \$211.3 million and \$108.5 million for the nine months ended September 30, 2022 and 2021, respectively.

<sup>(2)</sup> Includes intersegment interest expense and income of \$44.0 million and \$10.8 million, for the three months ended September 30, 2022 and 2021, respectively, and \$104.3 million and \$11.9 million for the nine months ended September 30, 2022 and 2021, respectively.

	As of	
	September 30, 2022	September 30, 2021
<b>Segment Assets:</b>		
Asset Management	\$ 31,244,274	\$ 31,853,573
Insurance	165,521,042	164,436,876
<b>Total Segment Assets</b>	<b>\$ 196,765,316</b>	<b>\$ 196,290,449</b>

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Noncash expenses excluded from Segment Operating Earnings</b>				
<i>Equity Based Compensation and Other</i>				
Asset Management	\$ 109,509	\$ 62,510	\$ 332,986	\$ 188,269
Insurance	41,102	40,086	94,711	64,061
<b>Total Non-cash expenses</b>	<b>\$ 150,611</b>	<b>\$ 102,596</b>	<b>\$ 427,697</b>	<b>\$ 252,330</b>



## Reconciliations of Total Segment Amounts

The following tables reconcile the Segment Revenues, Segment Operating Earnings, and Segment Assets to their equivalent GAAP measure:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Total GAAP Revenues</b>	\$ 1,858,413	\$ 4,483,365	\$ 3,192,500	\$ 12,182,552
Impact of Consolidation and Other	207,822	134,524	593,340	392,883
<i>Asset Management Adjustments:</i>				
Capital Allocation-Based Income (Loss) (GAAP)	572,863	(1,526,667)	2,442,080	(5,736,707)
Realized Carried Interest	496,494	413,114	1,799,870	1,183,826
Realized Investment Income	284,979	447,565	911,221	1,277,701
Capstone Fees	(20,748)	(25,178)	(55,743)	(66,286)
Expense Reimbursements	(10,733)	(34,857)	(77,612)	(122,642)
<i>Insurance Adjustments:</i>				
Net Premiums	(480,462)	(974,903)	(627,104)	(1,698,912)
Policy Fees	(320,206)	(310,381)	(964,349)	(824,326)
Other Income	(35,632)	(31,938)	(102,888)	(82,160)
Investment Gains and Losses	(11,584)	(156,909)	176,559	83,153
Derivative Gains and Losses	184,303	53,179	945,996	47,151
<b>Total Segment Revenues <sup>(1)</sup></b>	<b>\$ 2,725,509</b>	<b>\$ 2,470,914</b>	<b>\$ 8,233,870</b>	<b>\$ 6,636,233</b>

- (1) Total Segment Revenues is comprised of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, (v) Realized Investment Income, and (vi) Net Investment Income.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Income (Loss) Before Tax (GAAP)</b>	\$ (52,153)	\$ 3,660,927	\$ (1,110,231)	\$ 12,621,574
Impact of Consolidation and Other	97,699	(1,472,312)	(168,246)	(4,985,859)
Interest Expense	83,335	63,446	229,414	185,100
Equity-based compensation - KKR Holdings <sup>(1)</sup>	19,500	8,764	119,834	35,734
<i>Asset Management Adjustments:</i>				
Net Unrealized (Gains) Losses	233,265	(598,304)	1,734,293	(2,890,326)
Unrealized Carried Interest	1,094,782	(911,156)	3,946,182	(3,872,150)
Unrealized Carried Interest Compensation (Carry Pool)	(468,785)	397,449	(1,629,011)	1,667,447
Strategic Corporate Transaction-Related Charges <sup>(2)</sup>	17,925	7,362	88,129	17,497
Equity-based compensation	50,566	44,488	156,259	138,196
Equity-based compensation - Performance based	58,943	18,022	176,727	50,073
<i>Insurance Adjustments:<sup>(3)</sup></i>				
Net (Gains) Losses from Investments and Derivatives	(54,585)	(75,241)	(120,033)	183,842
Strategic Corporate Transaction-Related Charges	4,413	3,931	14,120	15,947
Equity-based and Other Compensation	41,102	40,086	94,711	64,061
Amortization of Acquired Intangibles	4,411	4,412	13,235	11,765
Income Taxes	(44,468)	(9,046)	(125,927)	(63,148)
<b>Total Segment Operating Earnings</b>	<b>\$ 1,085,950</b>	<b>\$ 1,182,828</b>	<b>\$ 3,419,456</b>	<b>\$ 3,179,753</b>

- (1) Represents equity-based compensation expense in connection with the allocation of units of KKR Holdings, which were not dilutive to common stockholders of KKR & Co. Inc.
- (2) For the nine months ended September 30, 2022, strategic corporate transaction-related charges include a \$40.7 million realized loss from foreign exchange derivatives that were entered in connection with the acquisition of KJRM and that were settled upon closing in the second quarter of 2022.
- (3) Amounts include the portion allocable to noncontrolling interests (~39%).

	As of	
	September 30, 2022	September 30, 2021
<b>Total GAAP Assets</b>	<b>\$ 266,248,640</b>	<b>\$ 265,799,650</b>
Impact of Consolidation and Reclassifications	(67,485,113)	(65,946,515)
Carry Pool Reclassifications	(1,998,211)	(3,562,686)
<b>Total Segment Assets</b>	<b>\$ 196,765,316</b>	<b>\$ 196,290,449</b>

## 22. EQUITY

### Stockholders' Equity

#### *Common Stock*

The common stock of KKR & Co. Inc. is entitled to vote as provided by its certificate of incorporation, Delaware General Corporation Law and the rules of the NYSE. Subject to preferences that apply to shares of Series C Mandatory Convertible Preferred Stock and any other shares of preferred stock outstanding at the time on which dividends are payable, the holders of common stock are entitled to receive dividends out of funds legally available if the board of directors, in its discretion, determines to declare dividends and then only at the times and in the amounts that the board of directors may determine. The common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

#### *Series I and Series II Preferred Stock*

Except for any distribution required by Delaware law to be made upon a dissolution event, the holders of Series I preferred stock do not have any economic rights to receive dividends. Series I preferred stock is entitled to vote on various matters that may be submitted to vote of the stockholders and the other matters as set forth in the certificate of incorporation. Upon a dissolution event, each holder of Series I preferred stock will be entitled to a payment equal to \$0.01 per share of Series I preferred stock. The Series I preferred stock will be eliminated on the Sunset Date (as defined in the Reorganization Agreement), which is scheduled to occur not later than December 31, 2026.

The Series II preferred stock was eliminated upon the closing of the Reorganization Mergers. Prior to the Reorganization Mergers, for matters on which common stock was entitled to vote, so long as the ratio at which KKR Group Partnership Units was exchangeable for shares of common stock remains on a one-for-one basis, Series II preferred stock was entitled to vote together with common stock as a single class and on an equivalent basis, except Series II preferred stock was entitled to vote separately as a class on any amendment to the certificate of incorporation that changed certain terms, rights or preferences of Series II preferred stock. Prior to the Reorganization Mergers, each holder of Series II preferred stock was entitled to a payment equal to \$0.000000001 per share of Series II preferred stock upon a dissolution event.

#### *Series C Mandatory Convertible Preferred Stock*

On August 14, 2020, KKR & Co. Inc. issued 23,000,000 shares, or \$1.15 billion aggregate liquidation preference, of its 6.00% Series C Mandatory Convertible Preferred Stock (the "Series C Mandatory Convertible Preferred Stock").

Unless converted or redeemed earlier in accordance with the terms of the Series C Mandatory Convertible Preferred Stock, each share of Series C Mandatory Convertible Preferred Stock will automatically convert on the mandatory conversion date, which is expected to be September 15, 2023, into between 1.1662 shares and 1.4285 shares of common stock, in each case, subject to customary anti-dilution adjustments described in the certificate of designations related to the Series C Mandatory Convertible Preferred Stock. The number of shares of common stock issuable upon conversion will be determined based on the average volume weighted average price per share of common stock over the 20 consecutive trading day period beginning on, and including, the 21st scheduled trading day immediately prior to September 15, 2023.

Dividends on the Series C Mandatory Convertible Preferred Stock will be payable on a cumulative basis when, as and if declared by our board of directors, or an authorized committee thereof, at an annual rate of 6.00% on the liquidation preference of \$50.00 per share of Series C Mandatory Convertible Preferred Stock, and may be paid in cash or, subject to certain limitations, in shares of common stock or, subject to certain limitations, any combination of cash and shares of common stock. If declared, dividends on the Series C Mandatory Convertible Preferred Stock will be payable quarterly on March 15, June 15, September 15 and December 15 of each year to, and including, September 15, 2023, commencing on December 15, 2020.

Upon KKR & Co. Inc.'s voluntary or involuntary liquidation, winding-up or dissolution, each holder of the Series C Mandatory Convertible Preferred Stock would be entitled to receive a liquidation preference in the amount of \$50.00 per share of Series C Mandatory Convertible Preferred Stock, plus an amount equal to accumulated and unpaid dividends on such shares, whether or not declared, to, but excluding, the date fixed for liquidation, winding-up or dissolution, to be paid out of KKR & Co. Inc.'s assets legally available for distribution to its stockholders after satisfaction of debt and other liabilities owed to KKR & Co. Inc.'s creditors and holders of shares of its stock ranking senior to the Series C Mandatory Convertible Preferred Stock and before any payment or distribution is made to holders of any stock ranking junior to the Series C Mandatory Convertible Preferred Stock, including, without limitation, common stock.

In connection with the issuance of the Series C Mandatory Convertible Preferred Stock, the limited partnership agreement of KKR Group Partnership was amended to provide for preferred units with economic terms designed to mirror those of the Series C Mandatory Convertible Preferred Stock.

### **Share Repurchase Program**

Under KKR's repurchase program, shares of common stock of KKR & Co. Inc. may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing, manner, price and amount of any repurchases will be determined by KKR in its discretion and will depend on a variety of factors, including legal requirements, price and economic and market conditions. In addition to the repurchases of common stock, the repurchase program will be used for the retirement (by cash settlement or the payment of tax withholding amounts upon net settlement) of equity awards granted pursuant to our Equity Incentive Plans representing the right to receive common stock. KKR expects that the program, which has no expiration date, will be in effect until the maximum approved dollar amount has been used. The program does not require KKR to repurchase or retire any specific number of shares of common stock or equity awards, respectively, and the program may be suspended, extended, modified or discontinued at any time. As of October 28, 2022, the remaining amount available under the repurchase program was approximately \$78 million.

The following table presents KKR & Co. Inc. common stock that has been repurchased or equity awards retired under the repurchase program:

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Shares of common stock repurchased	—	—	5,191,174	2,667,995
Equity awards for common stock retired	—	—	596,437	2,366,447

### **Noncontrolling Interests**

Noncontrolling interests represent (i) noncontrolling interests in consolidated entities and (ii) noncontrolling interests held by KKR Holdings before the closing of the Reorganization Mergers described in Note 1 "Organization".

#### **Noncontrolling Interests in Consolidated Entities and Other**

Noncontrolling interests in consolidated entities represent the non-redeemable ownership interests in KKR that are held primarily by:

- (i) third party fund investors in KKR's consolidated funds and certain other entities;
- (ii) third parties entitled to up to 1% of the carried interest received by certain general partners of KKR's funds that have made investments on or prior to December 31, 2015;
- (iii) certain former principals and their designees representing a portion of the carried interest received by the general partners of KKR's private equity funds that was allocated to them with respect to private equity investments made during such former principals' tenure with KKR prior to October 1, 2009;

- (iv) certain former principals representing all of the capital invested by or on behalf of the general partners of KKR's private equity funds prior to October 1, 2009 and any returns thereon;
- (v) third parties in KKR's Capital Markets business line;
- (vi) certain current and former employees who hold exchangeable securities; and
- (vii) third parties in KKR's insurance business including GA Rollover Investors, GA Co-Investors and third party investors in Global Atlantic's consolidated renewable energy entities and certain other entities.

**Noncontrolling Interests held by KKR Holdings**

Noncontrolling interests held by KKR Holdings prior to the Reorganization Mergers consisted of economic interests held by principals indirectly in KKR Group Partnership Units. Such principals received financial benefits from KKR's business in the form of distributions received from KKR Holdings and through their direct and indirect participation in the value of KKR Group Partnership Units held by KKR Holdings. These financial benefits were not paid by KKR & Co. Inc. and were borne by KKR Holdings. As described in Note 1 "Organization", KKR completed the Reorganization Mergers on May 31, 2022 and acquired KKR Holdings and all of the KKR Group Partnership Units held by it.

The following tables present the calculation of total noncontrolling interests:

	<b>Three Months Ended September 30, 2022</b>		
	<b>Noncontrolling Interests in Consolidated Entities and Other</b>	<b>Noncontrolling Interests Held by KKR Holdings</b>	<b>Total Noncontrolling Interests</b>
<b>Balance at the beginning of the period</b>	\$ 33,664,541	\$ —	\$ 33,664,541
Net income (loss) attributable to noncontrolling interests <sup>(1)</sup>	(6,792)	—	(6,792)
Other comprehensive income (loss), net of tax <sup>(2)</sup>	(815,541)	—	(815,541)
Equity-based and other non-cash compensation	65,179	—	65,179
Capital contributions	3,685,933	—	3,685,933
Capital distributions	(2,143,703)	—	(2,143,703)
<b>Balance at the end of the period</b>	<b>\$ 34,449,617</b>	<b>\$ —</b>	<b>\$ 34,449,617</b>

	<b>Nine Months Ended September 30, 2022</b>		
	<b>Noncontrolling Interests in Consolidated Entities and Other</b>	<b>Noncontrolling Interests Held by KKR Holdings</b>	<b>Total Noncontrolling Interests</b>
<b>Balance at the beginning of the period</b>	\$ 32,043,699	\$ 8,430,866	\$ 40,474,565
Net income (loss) attributable to noncontrolling interests <sup>(1)</sup>	271,678	(313,019)	(41,341)
Other comprehensive income (loss), net of tax <sup>(2)</sup>	(3,434,340)	(1,074,414)	(4,508,754)
Exchange of KKR Holdings Units to Common Stock <sup>(3)</sup>	—	(12,865)	(12,865)
Equity-based and other non-cash compensation	193,907	100,334	294,241
Capital contributions	11,117,981	—	11,117,981
Capital distributions	(5,588,024)	(171,580)	(5,759,604)
Holdings Merger <sup>(4)</sup>	—	(6,959,322)	(6,959,322)
Change in KKR & Co. Inc.'s Ownership Interest	(155,284)	—	(155,284)
<b>Balance at the end of the period</b>	<b>\$ 34,449,617</b>	<b>\$ —</b>	<b>\$ 34,449,617</b>

**Three Months Ended September 30, 2021**

	<b>Noncontrolling Interests in Consolidated Entities and Other</b>	<b>Noncontrolling Interests Held by KKR Holdings</b>	<b>Total Noncontrolling Interests</b>
<b>Balance at the beginning of the period</b>	\$ 28,402,888	\$ 7,935,515	\$ 36,338,403
Net income (loss) attributable to noncontrolling interests <sup>(1)</sup>	1,452,730	670,839	2,123,569
Other comprehensive income (loss), net of tax <sup>(2)</sup>	(54,640)	(31,904)	(86,544)
Equity-based and other non-cash compensation	32,255	8,764	41,019
Capital contributions	3,658,497	—	3,658,497
Capital distributions	(1,981,504)	(49,844)	(2,031,348)
Changes in consolidation	(12,352)	—	(12,352)
<b>Balance at the end of the period</b>	<b>\$ 31,497,874</b>	<b>\$ 8,533,370</b>	<b>\$ 40,031,244</b>

**Nine Months Ended September 30, 2021**

	<b>Noncontrolling Interests in Consolidated Entities and Other</b>	<b>Noncontrolling Interests Held by KKR Holdings</b>	<b>Total Noncontrolling Interests</b>
<b>Balance at the beginning of the period</b>	\$ 20,570,716	\$ 6,512,382	\$ 27,083,098
Net income (loss) attributable to noncontrolling interests <sup>(1)</sup>	4,889,401	2,425,961	7,315,362
Other comprehensive income (loss), net of tax <sup>(2)</sup>	(132,351)	(77,377)	(209,728)
Exchange of KKR Holdings Units to Common Stock <sup>(3)</sup>	—	(122,065)	(122,065)
Equity-based and other non-cash compensation	71,993	35,734	107,727
Capital contributions	9,721,024	25	9,721,049
Capital distributions	(3,734,474)	(241,290)	(3,975,764)
Impact of Acquisition <sup>(5)</sup>	190,405	—	190,405
Changes in consolidation	(78,840)	—	(78,840)
<b>Balance at the end of the period</b>	<b>\$ 31,497,874</b>	<b>\$ 8,533,370</b>	<b>\$ 40,031,244</b>

- (1) Refer to the table below for calculation of net income (loss) attributable to noncontrolling interests formerly held by KKR Holdings.
- (2) With respect to noncontrolling interests formerly held by KKR Holdings, calculated on a pro rata basis based on the weighted average KKR Group Partnership Units formerly held by KKR Holdings during the reporting period.
- (3) Calculated based on the proportion of KKR Holdings units exchanged for KKR & Co. Inc. common stock. The exchange agreement with KKR Holdings provided for the exchange of KKR Group Partnership Units held by KKR Holdings for KKR & Co. Inc. common stock.
- (4) Refer to Note 1 "Organization" for further information on the Reorganization Mergers that closed on May 31, 2022, pursuant to which KKR acquired KKR Holdings and all of the KKR Group Partnership Units held by it, and all outstanding KKR Holdings units were exchanged for KKR & Co. Inc. common stock.
- (5) Represents other noncontrolling interests at the GA Acquisition Date.

Net income (loss) attributable to each of KKR & Co. Inc. common stockholders, KKR Holdings prior to the Reorganization Mergers, and holders of exchangeable securities, with the exception of certain tax assets and liabilities that are directly allocable to KKR & Co. Inc., is attributed based on the percentage of the weighted average KKR Group Partnership Units directly or indirectly held by them. However, primarily because of the (i) contribution of certain expenses borne entirely by KKR Holdings prior to the Reorganization Mergers and holders of exchangeable securities, (ii) the periodic exchange of KKR Holdings units for KKR & Co. Inc. common stock pursuant to the exchange agreement prior to the Reorganization Mergers and (iii) the contribution of certain expenses borne entirely by KKR associated with the Equity Incentive Plans, equity allocations shown in the consolidated statement of changes in equity differ from their respective pro rata ownership interests in KKR's net assets.

The following table presents net income (loss) attributable to noncontrolling interests held by KKR Holdings:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>Net income (loss)</b>	\$ (79,587)	\$ 3,281,645	\$ (981,395)	\$ 11,459,886
(-) Net income (loss) attributable to Redeemable Noncontrolling Interests	1,601	1,519	1,546	2,856
(-) Net income (loss) attributable to Noncontrolling Interests in consolidated entities and other	(6,792)	1,452,730	271,678	4,889,401
(-) Series A and B Preferred Stock Dividends	—	7,953	—	36,647
(-) Series C Mandatory Convertible Preferred Stock Dividends	17,250	17,250	51,750	51,750
(+) Income tax expense (benefit) attributable to KKR & Co. Inc.	(45,975)	311,745	(313,679)	1,104,628
<b>Net income (loss) attributable to KKR &amp; Co. Inc. Common Stockholders and KKR Holdings</b>	<b>\$ (137,621)</b>	<b>\$ 2,113,938</b>	<b>\$ (1,620,048)</b>	<b>\$ 7,583,860</b>
<b>Net income (loss) attributable to Noncontrolling Interests held by KKR Holdings</b>	<b>\$ —</b>	<b>\$ 670,839</b>	<b>\$ (313,019)</b>	<b>\$ 2,425,961</b>

### 23. REDEEMABLE NONCONTROLLING INTERESTS

Global Atlantic has redeemable non-controlling interests related to renewable energy entities of approximately \$82.1 million and \$82.5 million as of September 30, 2022 and December 31, 2021, respectively, as determined by the hypothetical liquidation book value ("HLBV") method, respectively. The estimated redemption value of redeemable non-controlling interests is calculated as the discounted cash flows subsequent to the expected flip date of the respective renewable energy entity. The flip date represents the date at which the allocation of income and cash flows among the investors in the entity is adjusted, pursuant to the redeemable non-controlling interest investors having achieved an agreed-upon return. The flip date of renewable energy partnerships determines when the redeemable non-controlling interests are eligible to be redeemed. Eligible redemption dates range from January 1, 2028 to June 30, 2028. For the redeemable non-controlling interests outstanding as of both September 30, 2022 and December 31, 2021, the estimated redemption value that would be due at the respective redemption dates is \$5.3 million.

### 24. COMMITMENTS AND CONTINGENCIES

#### *Funding Commitments and Others*

As of September 30, 2022, KKR had unfunded commitments consisting of \$10.7 billion to its investment funds and vehicles. KKR has also agreed for certain of its investment vehicles to fund or otherwise be liable for a portion of their investment losses (up to a maximum of approximately \$116 million) and/or to provide them with liquidity upon certain termination events (the maximum amount of which is unknown until the scheduled termination date of the investment vehicle).

In addition to these uncalled commitments and funding obligations to KKR's investment funds and vehicles, KKR has entered into contractual commitments primarily with respect to underwriting transactions, debt financing, revolving credit facilities, and syndications in KKR's Capital Markets business line. As of September 30, 2022, these commitments amounted to \$655.4 million. Whether these amounts are actually funded, in whole or in part, depends on the contractual terms of such commitments, including the satisfaction or waiver of any conditions to closing or funding. KKR's capital markets business has arrangements with third parties, which reduce its risk when underwriting certain debt transactions, and thus our unfunded commitments as of September 30, 2022 have been reduced to reflect the amount to be funded by such third parties. In the case of purchases of investments or assets in our Principal Activities business line, the amount to be funded includes amounts that are intended to be syndicated to third parties, and the actual amounts to be funded may be less.

Global Atlantic has commitments to purchase or fund investments of \$2.5 billion and \$2.0 billion as of September 30, 2022 and December 31, 2021, respectively. These commitments include those related to commercial mortgage loans, other lending facilities and other investments. For those commitments that represent a contractual obligation to extend credit, Global Atlantic has recorded a liability of \$23.8 million for current expected credit losses as of September 30, 2022.

In addition, Global Atlantic has entered into certain forward flow agreements to purchase loans. Global Atlantic's obligations under these agreements are subject to change, curtailment, and cancellation based on various provisions including repricing mechanics, due diligence reviews, and performance or pool quality, among other factors.

#### ***Non-cancelable Operating Leases***

KKR's non-cancelable operating leases consist of leases of office space around the world. There are no material rent holidays, contingent rent, rent concessions or leasehold improvement incentives associated with any of these property leases. In addition to base rentals, certain lease agreements are subject to escalation provisions and rent expense is recognized on a straight-line basis over the term of the lease agreement.

Global Atlantic also enters into land leases for its consolidated investments in renewable energy.

#### ***Contingent Repayment Guarantees***

The partnership documents governing KKR's carry-paying investment funds and vehicles generally include a "clawback" provision that, if triggered, may give rise to a contingent obligation requiring the general partner to return amounts to the fund for distribution to the fund investors at the end of the life of the fund. Under a clawback obligation, upon the liquidation of a fund, the general partner is required to return, typically on an after-tax basis, previously distributed carry to the extent that, due to the diminished performance of later investments, the aggregate amount of carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, including the effects of any performance thresholds.

As of September 30, 2022, approximately \$507 million of carried interest was subject to this clawback obligation, assuming that all applicable carry-paying funds and their alternative investment vehicles were liquidated at their September 30, 2022 fair values. Although KKR would be required to remit the entire amount to fund investors that are entitled to receive the clawback payment, KKR would be entitled to seek reimbursement of approximately \$203 million of that amount from KKR Associates Holdings L.P., which is not a KKR subsidiary. As of September 30, 2022, KKR Associates Holdings L.P. had access to cash reserves sufficient to reimburse the full \$203 million that would be due to KKR. If the investments in all carry-paying funds were to be liquidated at zero value, the clawback obligation would have been approximately \$2.6 billion, and KKR would be entitled to seek reimbursement of approximately \$1.1 billion of that amount from KKR Associates Holdings L.P. KKR will acquire control of KKR Associates Holdings L.P. when a subsidiary of KKR becomes its general partner upon the closing of the transactions contemplated to occur on the Sunset Date (as defined in the Reorganization Agreement), which will occur not later than December 31, 2026.

Carried interest is recognized in the consolidated statements of operations based on the contractual conditions set forth in the agreements governing the fund as if the fund were terminated and liquidated at the reporting date and the fund's investments were realized at the then estimated fair values. Amounts earned pursuant to carried interest are earned by the general partner of those funds to the extent that cumulative investment returns are positive and where applicable, preferred return thresholds have been met. If these investment amounts earned decrease or turn negative in subsequent periods, recognized carried interest will be reversed and to the extent that the aggregate amount of carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, a clawback obligation would be recorded. For funds that are consolidated, this clawback obligation, if any, is reflected as an increase in noncontrolling interests in the consolidated statements of financial condition. For funds that are not consolidated, this clawback obligation, if any, is reflected as a reduction of KKR's investment balance as this is where carried interest is initially recorded.

#### ***Indemnifications and Other Guarantees***

KKR may incur contingent liabilities for claims that may be made against it in the future. KKR enters into contracts that contain a variety of representations, warranties and covenants, including indemnifications. For example, KKR (including KFN) and certain of KKR's investment funds have provided and provide certain indemnities relating to environmental and other matters and have provided and provide non-recourse carve-out guarantees for fraud, willful misconduct and other wrongful acts, each in connection with the financing of (i) certain real estate investments that we have made, including KKR's corporate real estate and (ii) certain investment vehicles that KKR manages or sponsors. KKR's maximum exposure under these arrangements is currently unknown and KKR's liabilities for these matters would require a claim to be made against KKR in the future.

KKR provides credit support to certain of its subsidiaries' obligations in connection with a limited number of investment vehicles that KKR manages. For example, KKR has guaranteed the obligations of a general partner to post collateral on behalf

of its investment vehicle in connection with such vehicle's derivative transactions. KKR has also entered into a contingent guarantee for a subsidiary's loan repayment obligations, which does not become effective unless and until its loan becomes accelerated due to certain specified events of default involving the investment vehicles managed by it. KKR also (i) provides credit support regarding repayment and funding obligations to third-party lenders on behalf of certain employees, excluding its executive officers, in connection with their personal investments in KKR investment funds and a levered multi-asset investment vehicle and (ii) provides credit support to a hedge fund partnership.

KKR may also become liable for certain fees payable to sellers of businesses or assets if a transaction does not close, subject to certain conditions, if any, specified in the acquisition agreements for such businesses or assets.

The Global Atlantic business was formerly owned by The Goldman Sachs Group, Inc. (together with its subsidiaries, "Goldman Sachs"). In connection with the separation of Global Atlantic from Goldman Sachs in 2013, Global Atlantic entered into a tax benefit payment agreement with Goldman Sachs. Under the tax benefit payment agreement, GA FinCo is obligated to make annual payments out of available cash, guaranteed by Global Atlantic Financial Group Limited ("GAFG"), to Goldman Sachs over an approximately 25-year period totaling \$214.0 million. As of September 30, 2022, the present value of the remaining amount to be paid is \$66.4 million. Although these payments are subordinated and deferrable, deferral of these payments would result in restrictions on distributions by GA FinCo and GAFG.

In lieu of funding certain investments in loan facilities to third party borrowers in cash, Global Atlantic has arranged or participated in letters of credit issued by third-party banks on behalf of the borrowers in the amount of \$32.9 million, as of September 30, 2022, with expiration dates between October 2022 to December 2024. Global Atlantic has available lines of credit that would allow for additional letters of credit to be issued on behalf of certain borrowers, up to \$232.1 million, as of September 30, 2022. For accounting purposes, these letters of credit are considered guarantees of certain obligations of the borrowers. If a letter of credit were to be drawn, Global Atlantic would be obligated to repay the issuing third-party bank, and Global Atlantic would recognize a loan receivable from the borrowers on the consolidated statements of financial condition. Global Atlantic monitors the likelihood of these letters of credit being drawn, and any related contingent obligation. As of both September 30, 2022 and December 31, 2021, the expected credit loss on the contingent liability associated with these letters of credit was not material.



## ***Litigation***

From time to time, KKR (including Global Atlantic) is involved in various legal proceedings, lawsuits, arbitration and claims incidental to the conduct of KKR's businesses. KKR's asset management and insurance businesses are also subject to extensive regulation, which may result in regulatory proceedings against them.

In December 2017, KKR & Co. L.P. (which is now KKR & Co. Inc.) and its then Co-Chief Executive Officers were named as defendants in a lawsuit filed in Kentucky state court alleging, among other things, the violation of fiduciary and other duties in connection with certain separately managed accounts that Prisma Capital Partners LP, a former subsidiary of KKR, manages for the Kentucky Retirement Systems. Also named as defendants in the lawsuit are certain current and former trustees and officers of the Kentucky Retirement Systems, Prisma Capital Partners LP, and various other service providers to the Kentucky Retirement Systems and their related persons. KKR and other defendants' motions to dismiss were denied by the trial court in November 2018, but in April 2019 the Kentucky Court of Appeals vacated the trial court's opinion and order denying the motions to dismiss the case for lack of standing. The decision of the Court of Appeals was appealed by plaintiffs to the Supreme Court of Kentucky. On July 9, 2020, the Supreme Court of Kentucky reversed the trial court's order and remanded the case to the trial court with direction to dismiss the complaint for lack of constitutional standing. On July 20, 2020, the Office of the Attorney General, on behalf of the Commonwealth of Kentucky, filed a motion to intervene as a plaintiff in the lawsuit and on July 21, 2020 filed a new lawsuit in the same Kentucky trial court making essentially the same allegations against the defendants, including KKR & Co. Inc. and Messrs. Kravis and Roberts. On July 29, 2020, certain private plaintiffs in the original lawsuit filed a motion to further amend their original complaint and to add new plaintiffs. On July 30, 2020, KKR and other defendants filed objections to the Attorney General's motion to intervene. On December 28, 2020, the trial court dismissed the complaint filed by the original plaintiffs and denied their motion to amend their original complaint and add new plaintiffs, but granted the Office of the Attorney General's motion to intervene. In January 2021, some of the attorneys for the private plaintiffs in the original lawsuit filed a new lawsuit, and a motion to intervene in the original lawsuit, on behalf of a new set of plaintiffs, who claim to be "Tier 3" members of Kentucky Retirement Systems, alleging substantially the same allegations as in the original lawsuit. The motion to intervene in the original lawsuit was denied. These "Tier 3" plaintiffs appealed the denial of their motion to intervene but then voluntarily dismissed their appeal on January 31, 2022. In addition, the Kentucky Retirement Systems had commissioned an investigation into certain matters alleged in the Attorney General's complaint. The trial court ordered that this investigation be completed by May 17, 2021, and the Attorney General was permitted to amend its complaint after reviewing the investigation's report within ten days of the Attorney General's receipt of it. On May 24, 2021, the Attorney General filed a First Amended Complaint on behalf of the Commonwealth of Kentucky. This complaint continues to name KKR & Co. L.P. and its then Co-Chief Executive Officers, as defendants, and makes similar allegations against them. KKR and the other defendants moved to dismiss the First Amended Complaint on July 30, 2021. The court held oral argument on these motions to dismiss on December 14, 2021. On July 9, 2021, the individual plaintiffs served an amended complaint, which purports to assert, on behalf of a class of beneficiaries of Kentucky Retirement Systems, direct claims for breach of fiduciary duty and civil violations under the Racketeer Influenced and Corrupt Organizations Act ("RICO"). This complaint was removed to the U.S. District Court for the Eastern District of Kentucky, which has entered an order staying this case until the completion of the Attorney General's lawsuit on behalf of the Commonwealth. On August 20, 2021, the same and other individual plaintiffs filed a second complaint in Kentucky state court, purportedly on behalf of Kentucky Retirement Systems' funds, alleging the same claims against KKR & Co. Inc. and Messrs. Kravis and Roberts as in the July 9<sup>th</sup> amended complaint but without the RICO or class action allegations. KKR and the other defendants have moved to dismiss the August 20<sup>th</sup> complaint. On March 24, 2022, in a separate declaratory judgment action brought by the Commonwealth of Kentucky regarding the enforceability of certain indemnification provisions available to KKR & Co. Inc. and Prisma Capital Partners LP, the Kentucky state court found that it has personal jurisdiction over KKR & Co. Inc., and this finding is currently being appealed by KKR. On May 27, 2022, following a motion by KKR, the judge then adjudicating the lawsuits recused himself from the original 2017 action and the second Tier 3 action, and a new judge was assigned.

KKR (including Global Atlantic) currently is and expects to continue to become, from time to time, subject to examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the SEC, U.S. Department of Justice, U.S. state attorney generals, Financial Industry Regulatory Authority ("FINRA"), the U.K. Financial Conduct Authority, Central Bank of Ireland, Monetary Authority of Singapore, U.S. state insurance regulatory authorities, and the Bermuda Monetary Authority. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings or fines against KKR or its personnel. KKR is presently subject to civil investigations and inquiries by the U.S. Department of Justice related to antitrust matters and by the SEC related to business-related electronic communications. KKR is cooperating with these civil investigations and inquiries, and while their outcomes and any related financial impact cannot yet be predicted or reasonably estimated, KKR does not presently believe that they will have a material adverse effect on KKR's financial condition or results of operations.

Moreover, in the ordinary course of business, KKR (including Global Atlantic) is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

KKR establishes an accrued liability for legal proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. In such cases, there may be an exposure to loss in excess of any amounts accrued. No loss contingency is recorded for matters where such losses are either not probable or reasonably estimable (or both) at the time of determination. Such matters may be subject to many uncertainties, including among others: (i) the proceedings may be in early stages; (ii) damages sought may be unspecified, unsupported, unexplained or uncertain; (iii) discovery may not have been started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved or (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties. Consequently, management is unable to estimate a range of potential loss, if any, related to these matters. In addition, loss contingencies may be, in part or in whole, subject to insurance or other payments such as contributions and/or indemnity, which may reduce any ultimate loss. KKR has included in its financial statements the reserve for regulatory, litigation and related matters that Global Atlantic includes in its financial statements, including with respect to matters arising from the conversion of life insurance policies from systems previously managed by Athene Holdings Limited to the platform of one of Global Atlantic's third party service providers, Alliance-One, a subsidiary of DXC Technology Company.

It is not possible to predict the ultimate outcome of all pending legal proceedings, and some of the matters discussed above seek or may seek potentially large and/or indeterminate amounts. Based on information known by management, management has not concluded that the final resolutions of the matters above will have a material effect upon the financial statements. However, given the potentially large and/or indeterminate amounts sought or may be sought in certain of these matters and the inherent unpredictability of investigations and litigations, it is possible that an adverse outcome in certain matters could, from time to time, have a material effect on KKR's financial results in any particular period.

#### ***Other Financing Arrangements***

Global Atlantic has financing arrangements with unaffiliated third parties to support the reserves of its affiliated special purpose reinsurers. Total fees expensed associated with these financing arrangements were \$5.2 million and \$3.5 million for the three months ended September 30, 2022 and 2021, respectively, and total fees expensed associated with these financing arrangements were \$15.2 million and \$11.9 million for the nine months ended September 30, 2022 and 2021, respectively, and are included in insurance expenses in the consolidated statements of operations. As of September 30, 2022 and December 31, 2021, the total capacity of the financing arrangements with third parties was \$2.1 billion and \$2.0 billion, respectively.

Other than the matters disclosed above, there were no outstanding or unpaid balances from the financing arrangements with unaffiliated third parties as of both September 30, 2022 and December 31, 2021.

## **25. SUBSEQUENT EVENTS**

#### ***Common Stock Dividend***

A dividend of \$0.155 per share of common stock of KKR & Co. Inc. has been declared and was announced on November 1, 2022. This dividend will be paid on November 29, 2022 to common stockholders of record as of the close of business on November 14, 2022. Holders of exchangeable securities will receive their pro rata share of the distribution from KKR Group Partnership.

#### ***Preferred Stock Dividends***

A dividend of \$0.75 per share of Series C Mandatory Convertible Preferred Stock has been declared and was announced on November 1, 2022 and set aside for payment. This dividend will be paid on December 15, 2022 to holders of record of Series C Mandatory Convertible Preferred Stock as of the close of business on December 1, 2022.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements of KKR & Co. Inc., together with its consolidated subsidiaries, and the related notes included elsewhere in this report and our Annual Report, including the audited consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein. In addition, this discussion and analysis contains forward-looking statements and involves numerous risks and uncertainties, including those described under "Cautionary Note Regarding Forward-looking Statements" and "Business Environment" in this report and our Annual Report and "Risk Factors" in our Annual Report, and our other filings with the SEC. Actual results may differ materially from those contained in any forward-looking statements.*

*The unaudited condensed consolidated financial statements and the related notes included elsewhere in this report are hereafter referred to as the "financial statements." Additionally, the condensed consolidated statements of financial condition are referred to herein as the "consolidated statements of financial condition"; the condensed consolidated statements of operations are referred to herein as the "consolidated statements of operations"; the condensed consolidated statements of comprehensive income (loss) are referred to herein as the "consolidated statements of comprehensive income (loss)"; the condensed consolidated statements of changes in equity are referred to herein as the "consolidated statements of changes in equity"; and the condensed consolidated statements of cash flows are referred to herein as the "consolidated statements of cash flows."*

### Overview

We are a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. We aim to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in our portfolio companies and communities. We sponsor investment funds that invest in private equity, credit and real assets and have strategic partners that manage hedge funds. Our insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic.

Our asset management business offers a broad range of investment management services to fund investors around the world. As of September 30, 2022, we manage \$496 billion of assets for our clients. Throughout our history, we have consistently been a leader in the private equity industry, having completed approximately 685 private equity investments in portfolio companies with a total transaction value in excess of \$690 billion as of September 30, 2022. Since the inception of our firm in 1976, we have expanded our investment strategies and product offerings from traditional private equity to areas such as leveraged credit, alternative credit, infrastructure, energy, real estate, growth equity, core and impact investments. We also provide capital markets services for our firm, our portfolio companies and third parties. Our balance sheet provides a significant source of capital in the growth and expansion of our business, and it has allowed us to further align our interests with those of our fund investors. Building on these efforts and leveraging our industry expertise and intellectual capital have allowed us to capitalize on a broader range of the opportunities we source.

Our insurance business is operated by Global Atlantic, in which we acquired a majority controlling interest on February 1, 2021. Global Atlantic is a leading U.S. retirement and life insurance company that provides a broad suite of protection, legacy and savings products and reinsurance solutions to clients across individual and institutional markets. Global Atlantic primarily offers individuals fixed-rate annuities, fixed-indexed annuities and targeted life products through a network of banks, broker-dealers and independent marketing organizations. Global Atlantic provides its institutional clients customized reinsurance solutions, including block, flow and pension risk transfer reinsurance, as well as funding agreements. Global Atlantic primarily generates income by earning a spread between its investment income and the cost of policyholder benefits. As of September 30, 2022, Global Atlantic served approximately three million policyholders.

## ***Asset Management***

In our asset management business, we have five business lines: (1) Private Equity, (2) Real Assets, (3) Credit and Liquid Strategies, (4) Capital Markets, and (5) Principal Activities.

As an asset management firm, we earn fees, including incentive fees, and carried interest for providing investment management and other services to our funds, vehicles, CLOs, managed accounts and portfolio companies, and we generate transaction-specific income from capital markets transactions. We earn additional investment income by investing our own capital alongside that of our fund investors and from other assets on our balance sheet. Carried interest we receive from our funds and certain other investment vehicles entitles us to a specified percentage of investment gains that are generated on third-party capital that is invested.

Our investment teams have deep industry knowledge and are supported by a substantial and diversified capital base; an integrated global investment platform; the expertise of operating professionals, senior advisors and other advisors; and a worldwide network of business relationships that provide a significant source of investment opportunities, specialized knowledge during due diligence and substantial resources for creating and realizing value for stakeholders. These teams invest capital, a substantial portion of which is of a long duration or not subject to predetermined redemption requirements, which provides us with significant flexibility to grow investments and select exit opportunities. As of September 30, 2022, approximately 91% of our AUM consists of capital that is not subject to redemption for at least 8 years from inception and what we refer to as perpetual capital. For more information about the limitations of perpetual capital, please see "Risks Related to Our Business—AUM referred to as perpetual capital is subject to material reduction, including through withdrawal, redemption, or dividends, and termination" in our Annual Report. We believe that these aspects of our business help us continue to grow our asset management business and deliver strong investment performance in a variety of economic and financial conditions.

### ***Asset Management - Private Equity***

Through our Private Equity business line, we manage and sponsor a group of what we call traditional private equity funds that invest capital for long-term appreciation, either through controlling ownership of a company or strategic minority positions. In addition to our traditional private equity funds that invest in large and mid-sized companies, we sponsor investment funds that invest in core equity and growth equity, which includes our impact investments. Our Private Equity business line includes separately managed accounts that invest in multiple strategies, which may include our credit and real asset strategies in addition to our private equity strategies. These funds and accounts are managed by Kohlberg Kravis Roberts & Co. L.P., an SEC-registered investment adviser, or one of its subsidiaries. As of September 30, 2022, our Private Equity business line had \$165.5 billion of AUM.

### ***Asset Management - Real Assets***

Through our Real Assets business line, we manage and sponsor a group of real assets funds that invest capital in infrastructure, real estate, or energy. These funds and accounts are managed by Kohlberg Kravis Roberts & Co. L.P., an SEC-registered investment adviser, or one of its subsidiaries. As of September 30, 2022, our Real Assets business line had \$117.8 billion of AUM.

The table below presents information as of September 30, 2022, relating to our current private equity and real asset funds for which we have the ability to earn carried interest. This data does not reflect acquisitions or disposals of investments, changes in investment values, or distributions occurring after September 30, 2022.

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	Investment Period <sup>(1)</sup>		Amount (\$ in millions)									
	Start Date	End Date	Commitment <sup>(2)</sup>	Uncalled Commitments	Percentage Committed by General Partner	Invested	Realized	Remaining Cost <sup>(3)</sup>	Remaining Fair Value	Gross Accrued Carried Interest		
<b>Private Equity Business Line</b>												
North America Fund XIII	6/2021	8/2027	\$ 18,400	\$ 14,337	3%	\$ 4,063	\$ —	\$ 4,063	\$ 4,049	\$ —		
Americas Fund XII	1/2017	6/2021	13,500	1,632	4%	12,366	4,948	11,293	18,804	1,454		
North America Fund XI	9/2012	1/2017	8,718	410	3%	9,769	22,579	2,556	3,450	236		
2006 Fund <sup>(4)</sup>	9/2006	9/2012	17,642	247	2%	17,309	36,207	973	1,189	97		
Millennium Fund <sup>(4)</sup>	12/2002	12/2008	6,000	—	3%	6,000	14,123	—	6	1		
European Fund VI	3/2022	6/2028	6,904	6,904	11%	—	—	—	—	—		
European Fund V	3/2019	2/2022	6,307	1,004	2%	5,372	912	5,213	5,711	211		
European Fund IV	12/2014	3/2019	3,510	62	6%	3,577	5,122	1,798	2,322	117		
European Fund III <sup>(4)</sup>	3/2008	3/2014	5,500	140	5%	5,360	10,604	669	91	(28)		
European Fund II <sup>(4)</sup>	11/2005	10/2008	5,751	—	2%	5,751	8,507	—	34	—		
Asian Fund IV	7/2020	7/2026	14,735	10,424	4%	4,351	41	4,295	4,889	4		
Asian Fund III	4/2017	7/2020	9,000	1,616	6%	7,813	5,031	6,548	10,880	810		
Asian Fund II	4/2013	4/2017	5,825	5	1%	7,120	6,246	4,074	2,386	(346)		
Asian Fund <sup>(4)</sup>	7/2007	4/2013	3,983	—	3%	3,974	8,728	110	16	3		
China Growth Fund <sup>(4)</sup>	11/2010	11/2016	1,010	—	1%	1,010	1,056	330	180	(17)		
Next Generation Technology Growth Fund II	12/2019	5/2022	2,088	360	7%	1,925	306	1,779	2,414	121		
Next Generation Technology Growth Fund	3/2016	12/2019	659	4	22%	666	863	359	1,108	88		
Health Care Strategic Growth Fund II	5/2021	5/2027	3,789	3,657	4%	132	—	132	150	—		
Health Care Strategic Growth Fund	12/2016	5/2021	1,331	339	11%	1,122	196	1,012	1,552	77		
Global Impact Fund II	6/2022	6/2028	1,854	1,854	8%	—	—	—	—	—		
Global Impact Fund	2/2019	3/2022	1,242	350	8%	1,042	174	935	1,462	99		
Co-Investment Vehicles and Other	Various	Various	18,843	6,791	Various	12,280	7,734	8,614	10,706	1,095		
Core Investment Vehicles	Various	Various	24,621	12,148	31%	13,289	828	12,931	20,274	138		
Unallocated Commitments <sup>(5)</sup>	N/A	N/A	4,383	4,383	Various	—	—	—	—	—		
<b>Total Private Equity</b>			<b>\$ 185,595</b>	<b>\$ 66,667</b>		<b>\$ 124,291</b>	<b>\$ 134,205</b>	<b>\$ 67,684</b>	<b>\$ 91,673</b>	<b>\$ 4,160</b>		
<b>Real Assets Business Line</b>												
Energy Income and Growth Fund II	6/2018	3/2022	\$ 994	\$ —	20%	\$ 1,187	\$ 193	\$ 1,024	\$ 1,702	\$ 43		
Energy Income and Growth Fund	9/2013	6/2018	1,974	—	13%	1,974	1,024	1,030	696	—		
Natural Resources Fund <sup>(4)</sup>	Various	Various	887	—	Various	887	131	173	44	—		
Global Energy Opportunities	Various	Various	915	62	Various	520	185	320	216	—		
Global Infrastructure Investors IV	8/2021	8/2027	16,487	12,163	2%	4,385	61	4,369	4,295	9		
Global Infrastructure Investors III	6/2018	6/2021	7,151	1,379	4%	6,037	1,521	5,253	5,596	73		
Global Infrastructure Investors II	10/2014	6/2018	3,039	127	4%	3,163	4,434	1,206	1,637	46		
Global Infrastructure Investors	9/2011	10/2014	1,040	—	5%	1,050	2,228	—	—	—		
Asia Pacific Infrastructure Investors II	9/2022	9/2028	5,492	5,492	7%	—	—	—	—	—		
Asia Pacific Infrastructure Investors	1/2020	9/2022	3,792	1,709	7%	2,367	396	2,117	2,287	43		
Diversified Core Infrastructure Fund	12/2020	(6)	8,059	3,550	6%	4,524	155	4,524	4,602	—		
Real Estate Partners Americas III	12/2020	1/2025	4,253	1,907	5%	2,401	164	2,327	2,576	—		
Real Estate Partners Americas II	5/2017	12/2020	1,921	255	8%	1,901	2,476	585	811	78		
Real Estate Partners Americas	5/2013	5/2017	1,229	138	16%	1,021	1,408	93	60	1		
Real Estate Partners Europe II	12/2019	3/2024	2,042	760	10%	1,373	254	1,260	1,344	36		
Real Estate Partners Europe	9/2015	12/2019	703	119	9%	663	613	292	336	12		
Asia Real Estate Partners	6/2019	7/2023	1,682	1,195	15%	490	9	471	659	14		
Real Estate Credit Opportunity Partners II	4/2019	6/2022	950	378	5%	595	114	595	599	12		
Real Estate Credit Opportunity Partners	2/2017	4/2019	1,130	122	4%	1,008	394	1,008	1,041	13		
Property Partners Americas	12/2019	(6)	2,569	347	19%	2,222	159	2,222	3,083	1		
Co-Investment Vehicles and Other	Various	Various	5,663	1,402	Various	4,322	1,740	3,684	3,803	18		
<b>Total Real Assets</b>			<b>\$ 71,972</b>	<b>\$ 31,105</b>		<b>\$ 42,090</b>	<b>\$ 17,659</b>	<b>\$ 32,553</b>	<b>\$ 35,387</b>	<b>\$ 399</b>		

- (1) The start date represents a date on or in between the date on which the general partner of the applicable fund commenced investment of the fund's capital and the date of the first closing. The end date represents the approximate date on which the general partner of the applicable fund was or will be required by the fund's governing agreement to cease making investments (other than reserved amounts) on behalf of the fund, unless extended by a vote of the fund investors.
- (2) The commitment represents the aggregate capital commitments to the fund, including capital commitments by third-party fund investors and the general partner. Foreign currency commitments have been converted into U.S. dollars based on (i) the foreign exchange rate at the date of purchase for each investment and (ii) the exchange rate that prevailed on September 30, 2022, in the case of uncalled commitments.
- (3) The remaining cost represents the initial investment of the general partner and limited partners, reduced for returns of capital.
- (4) The "Invested" and "Realized" columns do not include the amounts of any realized investments that restored the unused capital commitments of the fund investors, if any.
- (5) "Unallocated Commitments" represent unallocated commitments from our strategic investor partnerships.
- (6) No pre-determined date of termination.

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The table below presents information as of September 30, 2022, relating to the historical performance of certain of our Private Equity and Real Assets business lines investment vehicles since inception, which we believe illustrates the benefits of our investment approach. This data does not reflect additional capital raised since September 30, 2022, or acquisitions or disposals of investments, changes in investment values or distributions occurring after that date. However, the information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of future results.

Private Equity and Real Assets Business Lines Investment Funds	Amount		Fair Value of Investments		Total Value	Gross IRR <sup>(5)</sup>	Net IRR <sup>(5)</sup>	Gross Multiple of Invested Capital <sup>(5)</sup>
	Commitment <sup>(2)</sup>	Invested	Realized <sup>(4)</sup>	Unrealized				
(\$ in millions)								
<b>Legacy Funds <sup>(1)</sup></b>								
1976 Fund	\$ 31	\$ 31	\$ 537	\$ —	\$ 537	39.5 %	35.5 %	17.1
1980 Fund	357	357	1,828	—	1,828	29.0 %	25.8 %	5.1
1982 Fund	328	328	1,291	—	1,291	48.1 %	39.2 %	3.9
1984 Fund	1,000	1,000	5,964	—	5,964	34.5 %	28.9 %	6.0
1986 Fund	672	672	9,081	—	9,081	34.4 %	28.9 %	13.5
1987 Fund	6,130	6,130	14,949	—	14,949	12.1 %	8.9 %	2.4
1993 Fund	1,946	1,946	4,143	—	4,143	23.6 %	16.8 %	2.1
1996 Fund	6,012	6,012	12,477	—	12,477	18.0 %	13.3 %	2.1
Subtotal - Legacy Funds	16,475	16,475	50,269	—	50,269	26.1 %	19.9 %	3.1
<b>Included Funds</b>								
European Fund (1999)	3,085	3,085	8,758	—	8,758	26.9 %	20.2 %	2.8
Millennium Fund (2002)	6,000	6,000	14,123	6	14,129	22.0 %	16.1 %	2.4
European Fund II (2005)	5,751	5,751	8,507	34	8,541	6.1 %	4.5 %	1.5
2006 Fund (2006)	17,642	17,309	36,207	1,189	37,396	11.9 %	9.3 %	2.2
Asian Fund (2007)	3,983	3,974	8,728	16	8,744	18.9 %	13.7 %	2.2
European Fund III (2008)	5,500	5,360	10,604	91	10,695	16.4 %	11.3 %	2.0
E2 Investors (Annex Fund) (2009)	196	196	200	—	200	0.6 %	0.5 %	1.0
China Growth Fund (2010)	1,010	1,010	1,056	180	1,236	5.1 %	1.1 %	1.2
Natural Resources Fund (2010)	887	887	131	44	175	(24.5)%	(26.2)%	0.2
Global Infrastructure Investors (2011)	1,040	1,050	2,228	—	2,228	17.6 %	15.6 %	2.1
North America Fund XI (2012)	8,718	9,769	22,579	3,450	26,029	24.4 %	19.8 %	2.7
Asian Fund II (2013)	5,825	7,120	6,246	2,386	8,632	5.7 %	4.1 %	1.2
Real Estate Partners Americas (2013)	1,229	1,021	1,408	60	1,468	16.3 %	11.5 %	1.4
Energy Income and Growth Fund (2013)	1,974	1,974	1,024	696	1,720	(4.5)%	(7.0)%	0.9
Global Infrastructure Investors II (2014)	3,039	3,163	4,434	1,637	6,071	19.5 %	16.8 %	1.9
European Fund IV (2015)	3,510	3,577	5,122	2,322	7,444	23.3 %	17.9 %	2.1
Real Estate Partners Europe (2015)	703	663	613	336	949	13.5 %	9.5 %	1.4
Next Generation Technology Growth Fund (2016)	659	666	863	1,108	1,971	34.1 %	29.1 %	3.0
Health Care Strategic Growth Fund (2016)	1,331	1,122	196	1,552	1,748	25.5 %	16.5 %	1.6
Americas Fund XII (2017)	13,500	12,366	4,948	18,804	23,752	27.5 %	22.2 %	1.9
Real Estate Credit Opportunity Partners (2017)	1,130	1,008	394	1,041	1,435	9.9 %	8.6 %	1.4
Core Investment Vehicles (2017)	24,621	13,289	828	20,274	21,102	21.3 %	20.0 %	1.6
Asian Fund III (2017)	9,000	7,813	5,031	10,880	15,911	33.7 %	26.3 %	2.0
Real Estate Partners Americas II (2017)	1,921	1,901	2,476	811	3,287	31.4 %	26.4 %	1.7
Global Infrastructure Investors III (2018)	7,151	6,037	1,521	5,596	7,117	9.7 %	7.1 %	1.2
Global Impact Fund (2019)	1,242	1,042	174	1,462	1,636	33.4 %	24.4 %	1.6
European Fund V (2019)	6,307	5,372	912	5,711	6,623	15.1 %	10.6 %	1.2
Energy Income and Growth Fund II (2019)	994	1,187	193	1,702	1,895	32.3 %	29.3 %	1.6
Asia Real Estate Partners (2019)	1,682	490	9	659	668	33.4 %	16.1 %	1.4
Next Generation Technology Growth Fund II (2019)	2,088	1,925	306	2,414	2,720	28.1 %	21.6 %	1.4
Real Estate Credit Opportunity Partners II (2019)	950	595	114	599	713	12.7 %	11.5 %	1.2
Asia Pacific Infrastructure Investors (2020)	3,792	2,367	396	2,287	2,683	17.8 %	10.5 %	1.1
Asian Fund IV (2020)	14,735	4,351	41	4,889	4,930	16.4 %	6.7 %	1.1
Real Estate Partners Europe II (2020)	2,042	1,373	254	1,344	1,598	20.4 %	11.3 %	1.2
Real Estate Partners Americas III (2021) <sup>(3)</sup>	4,253	2,401	164	2,576	2,740	—	—	—
Health Care Strategic Growth Fund II (2021) <sup>(3)</sup>	3,789	132	—	150	150	—	—	—
Global Infrastructure Investors IV (2021) <sup>(3)</sup>	16,487	4,385	61	4,295	4,356	—	—	—
North America Fund XIII (2021) <sup>(3)</sup>	18,400	4,063	—	4,049	4,049	—	—	—
European Fund VI (2022) <sup>(3)</sup>	6,904	—	—	—	—	—	—	—
Global Impact Fund II (2022) <sup>(3)</sup>	1,854	—	—	—	—	—	—	—
Asia Pacific Infrastructure Investors II (2022) <sup>(3)</sup>	5,492	—	—	—	—	—	—	—
Subtotal - Included Funds	220,416	145,794	150,849	104,650	255,499	16.3 %	12.5 %	1.8
<b>All Funds</b>	<b>\$ 236,891</b>	<b>\$ 162,269</b>	<b>\$ 201,118</b>	<b>\$ 104,650</b>	<b>\$ 305,768</b>	<b>25.6 %</b>	<b>18.8 %</b>	<b>1.9</b>

- (1) These funds were not contributed to KKR as part of the acquisition of the assets and liabilities of KKR & Co. (Guernsey) L.P. (formerly known as KKR Private Equity Investors, L.P.) on October 1, 2009.
- (2) Where commitments are euro-denominated, such amounts have been converted into U.S. dollars based on (i) the foreign exchange rate at the date of purchase for each investment and (ii) the exchange rate prevailing on September 30, 2022, in the case of unfunded commitments.
- (3) The gross IRR, net IRR and gross multiple of invested capital are calculated for our investment funds that made their first investment at least 24 months prior to September 30, 2022. We therefore have not calculated gross IRRs, net IRRs and gross multiples of invested capital with respect to these funds.
- (4) An investment is considered realized when it has been disposed of or has otherwise generated disposition proceeds or current income that has been distributed by the relevant fund.
- (5) IRRs measure the aggregate annual compounded returns generated by a fund's investments over a holding period. Net IRRs are calculated after giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses. Gross IRRs are calculated before giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses.

The gross multiples of invested capital measure the aggregate value generated by a fund's investments in absolute terms. Each multiple of invested capital is calculated by adding together the total realized and unrealized values of a fund's investments and dividing by the total amount of capital invested by the fund. Such amounts do not give effect to the allocation of realized and unrealized carried interest or the payment of any applicable management fees or organizational expenses.

KKR's private equity and real assets funds may utilize third-party financing facilities to provide liquidity to such funds. The above net and gross IRRs are calculated from the time capital contributions are due from fund investors to the time fund investors receive a related distribution from the fund, and the use of such financing facilities generally decreases the amount of time that would otherwise be used to calculate IRRs, which tends to increase IRRs when fair value grows over time and decrease IRRs when fair value decreases over time. KKR's private equity and real assets funds also generally provide in certain circumstances, which vary depending on the relevant fund documents, for a portion of capital returned to investors to be restored to unused commitments as recycled capital. For KKR's private equity and real assets funds that have a preferred return, we take into account recycled capital in the calculation of IRRs and multiples of invested capital because the calculation of the preferred return includes the effect of recycled capital. For KKR's private equity and real assets funds that do not have a preferred return, we do not take recycled capital into account in the calculation of IRRs and multiples of invested capital. The inclusion of recycled capital generally causes invested and realized amounts to be higher and IRRs and multiples of invested capital to be lower than had recycled capital not been included. The inclusion of recycled capital would reduce the composite net IRR of all Included Funds by 0.1% and the composite net IRR of all Legacy Funds by 0.5% and would reduce the composite multiple of invested capital of Included Funds by less than 0.1 and the composite multiple of invested capital of Legacy Funds by 0.4.

### ***Asset Management - Credit and Liquid Strategies***

Through our Credit and Liquid Strategies business line, we report our credit and hedge funds platforms on a combined basis.

Our credit business invests capital in a broad range of corporate debt and collateral-backed investments across asset classes and capital structures. Our credit strategies are managed by KKR Credit Advisors (US) LLC, which is an SEC-registered investment adviser, KKR Credit Advisors (Ireland) Unlimited Company, which is regulated by the Central Bank of Ireland ("CBP"), KKR Credit Advisors (EMEA) LLP, which is regulated by the Financial Conduct Authority, and KKR Credit Advisors (Singapore) Pte. Ltd., which is regulated by the Monetary Authority of Singapore and also registered with the SEC. We also jointly own with a third party FS/KKR Advisor, LLC, which is the investment adviser for FS KKR Capital Corp. (NYSE: FSK) ("FSK"), a publicly listed business development company (a "BDC").

Our hedge funds platform consists of strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake. Our hedge fund partnerships offer a range of alternative investment strategies, including long/short equity, hedge fund-of-funds and energy credit investments.

#### ***Credit***

Our credit business pursues investments in two principal investment strategies: leveraged credit and alternative credit.

**Leveraged Credit.** Our leveraged credit strategy is principally directed at investing in leveraged loans, high-yield bonds, opportunistic credit, structured credit and revolving credit investments. Our opportunistic credit strategy seeks to deploy capital across investment themes that take advantage of credit market dislocations, spanning asset types and liquidity profiles. Our revolving credit strategy invests in senior secured revolving credit facilities.

**Alternative Credit.** Our alternative credit strategy consists of our private credit strategies and debt and equity investments sourced by our strategic investments group ("SIG").

- **Private Credit.** Our private credit strategies focus on privately or directly originated and negotiated transactions. These strategies include direct lending, mezzanine debt and asset-based finance. Through our direct lending strategy, we seek to make investments in primarily senior debt financings for middle-market companies. Through our mezzanine debt strategy, investments typically consist of subordinated debt, which generates a current yield, coupled with marginal equity exposure for additional upside potential. Our asset-based finance strategy focuses on portfolios of financial loans and loans backed by hard assets.
- **SIG.** Our SIG strategy seeks to pursue investments in corporate credit and asset or real estate-backed credit where market volatility or other investment themes have created the opportunity to generate outsized returns with downside-protected securities. These investments may include stressed or distressed investments (including post-restructuring equity), control-oriented opportunities, rescue financing (debt or equity investments made to address covenant, maturity or liquidity issues), debtor-in-possession or exit financing, and other event-driven investments in debt or equity.

*Performance*

The following table presents information regarding the larger leveraged credit strategies managed by KKR from inception to September 30, 2022. The information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of any future result.

*Leveraged Credit Strategies: Inception-to-Date Annualized Gross Performance vs. Benchmark by Strategy*

<b>Leveraged Credit Strategy</b>	<b>Inception Date</b>	<b>Gross Returns</b>	<b>Net Returns</b>	<b>Benchmark <sup>(1)</sup></b>	<b>Benchmark Gross Returns</b>
Bank Loans Plus High Yield	Jul 2008	6.41 %	5.81 %	65% S&P/LSTA Loan Index, 35% BoAML HY Master II Index <sup>(2)</sup>	5.04 %
Opportunistic Credit <sup>(3)</sup>	May 2008	9.94 %	8.29 %	50% S&P/LSTA Loan Index, 50% BoAML HY Master II Index <sup>(3)</sup>	5.19 %
Bank Loans	Apr 2011	4.74 %	4.16 %	S&P/LSTA Loan Index <sup>(4)</sup>	3.69 %
High-Yield	Apr 2011	5.10 %	4.52 %	BoAML HY Master II Index <sup>(5)</sup>	4.42 %
European Leveraged Loans <sup>(6)</sup>	Sep 2009	3.88 %	3.37 %	CS Inst West European Leveraged Loan Index <sup>(7)</sup>	2.98 %
European Credit Opportunities <sup>(6)</sup>	Sept 2007	4.56 %	3.74 %	S&P European Leveraged Loans (All Loans) <sup>(8)</sup>	3.49 %

- (1) The benchmarks referred to herein include the S&P/LSTA Leveraged Loan Index (the "S&P/LSTA Loan Index"), S&P/LSTA U.S. B/BB Ratings Loan Index (the "S&P/LSTA BB-B Loan Index"), the Bank of America Merrill Lynch High Yield Master II Index (the "BoAML HY Master II Index"), the BofA Merrill Lynch BB-B US High Yield Index (the "BoAML HY BB-B Constrained"), the Credit Suisse Institutional Western European Leveraged Loan Index (the "CS Inst West European Leveraged Loan Index"), and S&P European Leveraged Loans (All Loans). The S&P/LSTA Loan Index is a daily tradable index for the U.S. loan market that seeks to mirror the market-weighted performance of the largest institutional loans that meet certain criteria. The BoAML HY Master II Index is an index for high-yield corporate bonds. It is designed to measure the broad high-yield market, including lower-rated securities. The CS Inst West European Leveraged Loan Index contains only institutional loan facilities priced above 90, excluding TL and TLa facilities and loans rated CC, C or are in default. The S&P European Leveraged Loan Index reflects the market-weighted performance of institutional leveraged loan portfolios investing in European credits. While the returns of our leveraged credit strategies reflect the reinvestment of income and dividends, none of the indices presented in the chart above reflect such reinvestment, which has the effect of increasing the reported relative performance of these strategies as compared to the indices. Furthermore, these indices are not subject to management fees, incentive allocations, or expenses.
- (2) Performance is based on a blended composite of Bank Loans Plus High Yield strategy accounts. The benchmark used for purposes of comparison for the Bank Loans Plus High Yield strategy is based on 65% S&P/LSTA Loan Index and 35% BoAML HY Master II Index.
- (3) The Opportunistic Credit strategy invests in high-yield securities and corporate loans with no preset allocation. The benchmark used for purposes of comparison for the Opportunistic Credit strategy presented herein is based on 50% S&P/LSTA Loan Index and 50% BoAML HY Master II Index. Funds within this strategy may utilize third-party financing facilities to enhance investment returns. In cases where financing facilities are used, the amounts drawn on the facility are deducted from the assets of the fund in the calculation of net asset value, which tends to increase returns when net asset value grows over time and decrease returns when net asset value decreases over time.
- (4) Performance is based on a composite of portfolios that primarily invest in leveraged loans. The benchmark used for purposes of comparison for the Bank Loans strategy is based on the S&P/LSTA Loan Index.
- (5) Performance is based on a composite of portfolios that primarily invest in high-yield securities. The benchmark used for purposes of comparison for the High Yield strategy is based on the BoAML HY Master II Index.
- (6) The returns presented are calculated based on local currency.
- (7) Performance is based on a composite of portfolios that primarily invest in higher quality leveraged loans. The benchmark used for purposes of comparison for the European Leveraged Loans strategy is based on the CS Inst West European Leveraged Loan Index.
- (8) Performance is based on a composite of portfolios that primarily invest in European institutional leveraged loans. The benchmark used for purposes of comparison for the European Credit Opportunities strategy is based on the S&P European Leveraged Loans (All Loans) Index.



The following table presents information regarding our credit investment funds where investors are subject to capital commitments from inception to September 30, 2022. The information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of any future result.

*Alternative Credit Strategies: Fund Performance*

Credit and Liquid Strategies Investment Funds	Inception Date	Amount		Fair Value of Investments			Total Value	Gross IRR <sup>(2)</sup>	Net IRR <sup>(2)</sup>	Multiple of Invested Capital <sup>(3)</sup>	Gross Accrued Carried Interest
		Commitment	Invested <sup>(1)</sup>	Realized <sup>(1)</sup>	Unrealized						
				(\$ in Millions)							
Dislocation Opportunities Fund	May 2020	\$ 2,967	\$ 2,299	\$ 682	\$ 1,950	\$ 2,632	12.1 %	9.4 %	1.1	\$ 35	
Special Situations Fund II	Dec 2014	3,525	3,241	2,215	1,552	3,767	4.2 %	2.2 %	1.2	—	
Special Situations Fund	Dec 2012	2,274	2,273	1,701	388	2,089	(1.9)%	(3.8)%	0.9	—	
Mezzanine Partners	Mar 2010	1,023	990	1,165	116	1,281	8.7 %	5.5 %	1.3	(20)	
Asset-Based Finance Partners	Aug 2020	2,059	555	14	597	611	11.4 %	8.0 %	1.1	9	
Private Credit Opportunities Partners II	Dec 2015	2,245	1,754	696	1,291	1,987	4.5 %	2.8 %	1.1	—	
Lending Partners III	Apr 2017	1,498	805	460	775	1,235	15.5 %	12.7 %	1.5	32	
Lending Partners II	Jun 2014	1,336	1,179	1,149	127	1,276	2.9 %	1.5 %	1.1	—	
Lending Partners	Dec 2011	460	420	451	19	470	3.5 %	1.8 %	1.1	—	
Lending Partners Europe II	Jun 2019	837	637	66	570	636	14.7 %	10.6 %	1.0	2	
Lending Partners Europe	Mar 2015	848	662	379	248	627	(1.7)%	(4.2)%	0.9	—	
Asia Credit	Dec 2020	1,084	271	—	286	286	N/A	N/A	N/A	—	
Other Alternative Credit Vehicles	Various	14,011	7,308	5,648	3,716	9,364	N/A	N/A	N/A	24	
<b>All Funds</b>		<b>\$ 34,167</b>	<b>\$ 22,394</b>	<b>\$ 14,626</b>	<b>\$ 11,635</b>	<b>\$ 26,261</b>				<b>\$ 82</b>	

- (1) Recycled capital is excluded from the amounts invested and realized.
- (2) These credit funds utilize third-party financing facilities to provide liquidity to such funds, and in such event IRRs are calculated from the time capital contributions are due from fund investors to the time fund investors receive a related distribution from the fund. The use of such financing facilities generally decreases the amount of invested capital that would otherwise be used to calculate IRRs, which tends to increase IRRs when fair value grows over time and decrease IRRs when fair value decreases over time. IRRs measure the aggregate annual compounded returns generated by a fund's investments over a holding period and are calculated taking into account recycled capital. Net IRRs presented are calculated after giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees. Gross IRRs are calculated before giving effect to the allocation of carried interest and the payment of any applicable management fees.
- (3) The multiples of invested capital measure the aggregate value generated by a fund's investments in absolute terms. Each multiple of invested capital is calculated by adding together the total realized and unrealized values of a fund's investments and dividing by the total amount of capital invested by the investors. The use of financing facilities generally decreases the amount of invested capital that would otherwise be used to calculate multiples of invested capital, which tends to increase multiples when fair value grows over time and decrease multiples when fair value decreases over time. Such amounts do not give effect to the allocation of any realized and unrealized returns on a fund's investments to the fund's general partner pursuant to a carried interest or the payment of any applicable management fees and are calculated without taking into account recycled capital.

### **Hedge Funds**

Our hedge fund platform consists of strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake. This principally consists of a 39.6% interest in Marshall Wace LLP (together with its affiliates, "Marshall Wace"), a global alternative investment manager specializing in long/short equity products. We also own (i) a 39.9% interest in PAAMCO Prisma Holdings, LLC ("PAAMCO Prisma"), an investment manager focused on liquid alternative investment solutions, including hedge fund-of-fund portfolios, and (ii) a 24.9% interest in BlackGold Capital Management L.P. ("BlackGold"), a credit-oriented investment manager focused on energy and hard asset investments.

### Credit and Liquid Strategies AUM

As of September 30, 2022, our Credit and Liquid Strategies business line had \$213.0 billion of AUM, comprised of \$103.7 billion of assets managed in our leveraged credit strategies, \$73.3 billion of assets managed in our private credit strategy, and \$7.6 billion of assets managed in our SIG strategy, \$26.6 billion of assets managed through our hedge fund platform, and \$1.7 billion of assets managed in other credit and liquid strategies. We manage \$98.5 billion of credit investments for our Global Atlantic insurance companies, which are included in the amounts described in the preceding sentence. Our BDC has approximately \$16.8 billion in assets under management, which is reflected in the AUM of our leveraged credit and private credit strategies above. We report all of the assets under management of our BDC in our AUM, but we report only a pro rata portion of the assets under management of our hedge fund partnerships based on our percentage ownership in them.

(\$ in millions)	AUM	FPAUM	Typical Management Fee Rate	Incentive Fee / Carried Interest	Preferred Return	Duration of Capital
<b>Leveraged Credit:</b>						
Leveraged Credit SMAs/Funds	\$ 78,256	\$ 75,479	0.15% - 1.10%	Various <sup>(1)</sup>	Various <sup>(1)</sup>	Subject to redemptions
CLOs	23,951	23,951	0.40% - 0.50%	Various <sup>(1)</sup>	Various <sup>(1)</sup>	10-14 Years <sup>(2)</sup>
<b>Total Leveraged Credit</b>	<b>102,207</b>	<b>99,430</b>				
<b>Alternative Credit: <sup>(3)</sup></b>						
Private Credit	59,574	51,361	0.30% - 1.50% <sup>(4)</sup>	10.00 - 20.00%	5.00 - 8.00%	8-15 Years <sup>(2)</sup>
SIG	7,773	3,959	0.50% - 1.75%	10.00 - 20.00%	7.00 - 12.00%	7-15 Years <sup>(2)</sup>
<b>Total Alternative Credit</b>	<b>67,347</b>	<b>55,320</b>				
Hedge Funds <sup>(5)</sup>	26,624	26,624	0.50% - 2.00%	Various <sup>(1)</sup>	Various <sup>(1)</sup>	Subject to redemptions
BDCs <sup>(6)</sup>	16,800	16,800	0.60%	8.00%	7.00%	Indefinite
<b>Total</b>	<b>\$ 212,978</b>	<b>\$ 198,174</b>				

(1) Certain funds and CLOs are subject to a performance fee in which the manager or general partner of the funds share up to 20% of the net profits earned by investors in excess of performance hurdles (generally tied to a benchmark or index) and subject to a provision requiring the funds and vehicles to regain prior losses before any performance fee is earned.

(2) Duration of capital is measured from inception. Inception dates for CLOs were between 2013 and 2022 and for separately managed accounts and funds investing in alternative credit strategies from 2009 through 2022.

(3) Our alternative credit funds generally have investment periods of two to five years and our newer alternative credit funds generally earn management fees on invested capital throughout their lifecycle.

(4) Lower fees on uninvested capital in certain vehicles.

(5) Hedge Funds represent KKR's pro rata portion of AUM and FPAUM of our hedge fund partnerships.

(6) Consists of FSK. We report all of the assets under management of this BDC in our AUM and FPAUM.

### ***Asset Management - Capital Markets***

Our Capital Markets business line is comprised of our global capital markets business, which is integrated with KKR's other asset management business lines, and serves our firm, our funds, our portfolio companies and third-party clients by developing and implementing both traditional and non-traditional capital solutions for investments or companies seeking financing. These services include arranging debt and equity financing, placing and underwriting securities offerings, and providing other types of capital markets services that may result in the firm receiving fees, including underwriting, placement, transaction and syndication fees, commissions, underwriting discounts, interest payments and other compensation, which may be payable in cash or securities, in respect of the activities described above.

Our capital markets business underwrites credit facilities and arranges loan syndications and participations. When we are sole arrangers of a credit facility, we may advance amounts to the borrower on behalf of other lenders, subject to repayment. When we underwrite an offering of securities on a firm commitment basis, we commit to buy and sell an issue of securities and generate revenue by purchasing the securities at a discount or for a fee. When we act in an agency capacity or best efforts basis, we generate revenue for arranging financing or placing securities with capital markets investors. We may also provide issuers with capital markets advice on security selection, access to markets, marketing considerations, securities pricing, and other aspects of capital markets transactions in exchange for a fee. Our capital markets business also provides syndication services in respect of co-investments in transactions participated in by KKR funds or third-party clients, which may entitle the firm to receive syndication fees, management fees and/or a carried interest.

The capital markets business has a global footprint, with local presence and licenses to carry out certain broker-dealer activities in various countries in North America, Europe, Asia-Pacific and the Middle East. Our flagship capital markets subsidiary is KKR Capital Markets LLC, an SEC-registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA").

### ***Asset Management - Principal Activities***

Through our Principal Activities business line, we manage the firm's own assets on our firm's balance sheet and deploy capital to support and grow our Private Equity, Real Assets, Credit and Liquid Strategies, and Credit Markets business lines.

Typically, the funds that we manage in our Private Equity, Real Assets and Credit and Liquid Strategies business lines contractually require us, as general partner of the funds, to make sizable capital commitments. We believe making general partner commitments assists us in raising new funds from limited partners by demonstrating our conviction in a given fund's strategy. Our commitments to fund capital also occur where we are the holder of the subordinated notes or the equity tranche of investment vehicles that we sponsor, including structured transactions. We also use our balance sheet to bridge investment activity during fundraising, for example by funding investments for new funds and acquiring investments to establish a track record for new investment strategies. We also use our own capital to bridge capital selectively for our funds' investments or finance strategic transactions, although the financial results of an acquired business may be reported in our other business lines.

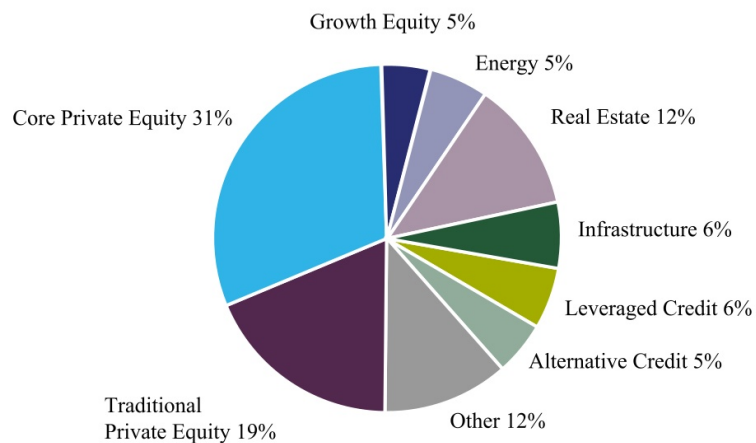
Our Principal Activities business line also provides the required capital to fund the various commitments of our Capital Markets business line when underwriting or syndicating securities, or when providing term loan commitments for transactions involving our portfolio companies and for third parties. Our Principal Activities business line also holds assets that are utilized to satisfy regulatory requirements for our Capital Markets business line and risk retention requirements for certain investment vehicles.

We also make opportunistic investments through our Principal Activities business line, which include co-investments alongside the funds we manage as well as Principal Activities investments that do not involve our funds.

We endeavor to use our balance sheet strategically and opportunistically to generate an attractive risk-adjusted return on equity in a manner that is consistent with our fiduciary duties, in compliance with applicable laws, and consistent with our one-firm approach.

The chart below presents the holdings of our Principal Activities business line by asset class as of September 30, 2022.

### Holdings by Asset Class <sup>(1)</sup>



(1) General partner commitments in our funds are included in the various asset classes shown above. Assets and revenues of other asset managers with which KKR has formed strategic partnerships where KKR does not hold more than 50% ownership interest are not included in our Principal Activities business line but are reported in the financial results of our other business lines. Private Equity includes our investments in private equity funds, co-investments alongside such KKR-sponsored private equity funds, certain core equity investments, and other opportunistic investments. Equity investments in other asset classes, such as real estate, special situations and energy appear in these other asset classes. Other Credit consists of certain leveraged credit and specialty finance strategies.

## Insurance

Our insurance business is operated by Global Atlantic, which we acquired on February 1, 2021. As of September 30, 2022, KKR owns a 61.5% economic interest in Global Atlantic with the balance of Global Atlantic owned by third-party investors and Global Atlantic employees. Following the Global Atlantic acquisition, Global Atlantic continues to operate as a separate business with its existing brands and management team. Since the first quarter of 2021, we have presented Global Atlantic's financial results as a separate reportable segment.

Global Atlantic is a leading U.S. retirement and life insurance company that provides a broad suite of protection, legacy and savings products to customers and reinsurance solutions to clients across individual and institutional markets. Global Atlantic focuses on target markets that it believes supports issuing products that have attractive risk and return characteristics. These markets allow Global Atlantic to leverage its strength in distribution and to deploy capital opportunistically across market conditions.

Global Atlantic primarily offers individual market customers fixed-rate annuities, fixed-indexed annuities, and targeted life products through a network of banks, broker-dealers, and insurance agencies. Global Atlantic provides its institutional market clients customized reinsurance solutions, including block, flow and pension risk transfer ("PRT") reinsurance, as well as funding agreements. Subject to changes in asset values, Global Atlantic's assets generally increase when individual market sales and reinsurance transactions exceed run-off of in-force policies. Global Atlantic primarily generates income by earning a spread between its investment income and the cost of policyholder benefits. As of September 30, 2022, Global Atlantic served approximately three million policyholders.

Global Atlantic inflows are derived from new business production in its individual and institutional markets channels. Global Atlantic expects new business production from its individual markets channel and certain institutional markets products to be largely consistent quarter over quarter while exhibiting growth over time, subject to market and business risks. In contrast, Global Atlantic expects block reinsurance transactions generated in the institutional markets channel to be episodic rather than steady quarter over quarter. Similarly, funding agreements issued in the funding agreement backed note ("FABN") program are subject to capital markets conditions and are not expected to be consistent quarter over quarter.

The following table represents Global Atlantic's new business volumes by business and product for the three and nine months ended September 30, 2022 and 2021:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021 <sup>(4)</sup>
<i>(\$ in millions)</i>				
<b>Individual market channel:</b>				
Fixed-rate annuities	\$ 1,206	\$ 854	\$ 3,726	\$ 3,437
Fixed-indexed annuities	1,261	809	3,282	2,305
Variable annuities	12	17	34	40
<b>Total retirement products<sup>(1)</sup></b>	<b>\$ 2,479</b>	<b>\$ 1,680</b>	<b>\$ 7,042</b>	<b>\$ 5,782</b>
Life insurance products	\$ 7	\$ 11	\$ 26	\$ 28
Preneed life	72	64	210	164
<b>Institutional market channel:</b>				
Block	—	16,010	2,782	17,099
Flow & pension risk transfer	2,571	1,050	6,413	3,443
Funding agreements <sup>(3)</sup>	—	1,500	2,000	2,200
<b>Total institutional channel<sup>(2)</sup></b>	<b>\$ 2,571</b>	<b>\$ 18,560</b>	<b>\$ 11,195</b>	<b>\$ 22,742</b>

(1) New business volumes in individual markets are referred to as sales. In Global Atlantic's individual market channel, sales of annuities include all money paid into new and existing contracts. Individual market channel sales of life insurance products are based on commissionable premium and individual

- market channel sales for preneed life are based on the face amount of insurance. Life insurance product sales do not include the recurring premiums that policyholders may pay over time.
- (2) New business volumes from Global Atlantic's institutional market channel are based on the assets assumed, net of any ceding commission, and is gross of any retrocessions to investment vehicles that participate in qualifying reinsurance transactions sourced by Global Atlantic and to other third party reinsurers.
  - (3) Funding agreement new business volumes represents funding agreements issued in connection with our FABN program only.
  - (4) For the nine month period ended September 30, 2021, the results of Global Atlantic's insurance operations included in our condensed consolidated results of operations are from February 1, 2021 through September 30, 2021.

The table below represents a breakdown of Global Atlantic's policy liabilities by business and product type as of September 30, 2022, separated by reserves originated through its individual and institutional markets.

Reserves as of September 30, 2022						
	Individual market	Institutional market <sup>(5)</sup>	Total	Ceded	Total, net	Percentage of total
	<i>(\$ in millions, except percentages, if applicable)</i>					
Fixed-rate annuity <sup>(1)</sup>	\$ 22,691	\$ 45,432	\$ 68,123	\$ (17,465)	\$ 50,658	48.7 %
Fixed-indexed annuity <sup>(1)</sup>	22,514	7,566	30,080	(3,088)	26,992	21.5 %
Variable annuity	2,538	3,272	5,810	(646)	5,164	4.2 %
Indexed universal life <sup>(1)</sup>	13,521	—	13,521	(167)	13,354	9.7 %
Preneed life	2,854	—	2,854	—	2,854	2.0 %
Other life insurance <sup>(2)</sup>	583	10,165	10,748	(3,672)	7,076	7.7 %
Funding agreements <sup>(3)</sup>	2,099	5,406	7,505	—	7,505	5.4 %
Closed block	—	1,098	1,098	(1,057)	41	0.8 %
Other corporate <sup>(4)</sup>	—	47	47	(47)	—	— %
<b>Total reserves</b>	<b>\$ 66,800</b>	<b>\$ 72,986</b>	<b>\$ 139,786</b>	<b>\$ (26,142)</b>	<b>\$ 113,644</b>	<b>100.0 %</b>
Total general account	\$ 64,491	\$ 71,243	\$ 135,734	\$ (26,142)	\$ 109,592	97.1 %
Total separate account	2,309	1,743	4,052	—	4,052	2.9 %
<b>Total reserves</b>	<b>\$ 66,800</b>	<b>\$ 72,986</b>	<b>\$ 139,786</b>	<b>\$ (26,142)</b>	<b>\$ 113,644</b>	<b>100.0 %</b>

- (1) As of September 30, 2021, 72% of the account value in its general account associated with its fixed-rate and fixed-annuity products, and 44% of account value in its general account associated with universal life products was protected by surrender charges.
- (2) "Other life insurance" includes universal life, term and whole life insurance products.
- (3) "Funding agreements" includes funding agreements associated with Federal Home Loan Bank advances and under our FABN program.
- (4) "Other corporate" primarily includes accident & health reserves that Global Atlantic assumed as part of a reinsurance transaction in 2009.
- (5) Institutional market reserves are sourced using customized reinsurance solutions such as block, flow and PRT. As of September 30, 2022, reserves sourced through for block, flow and PRT transactions were \$49.3 billion, \$10.7 billion, and \$4.6 billion, respectively.

A new accounting standard for targeted improvements to the accounting for long-duration contracts becomes effective on January 1, 2023 with a transition date of January 1, 2021. We do not expect the adoption of this standard to have a material effect on our retained earnings and accumulated other comprehensive income (loss) as of the transition date, due to the purchase accounting associated with the acquisition of Global Atlantic on February 1, 2021. However, we continue to evaluate the impact of this guidance on the acquisition date opening balance sheet and to periods thereafter. The new guidance is expected to increase volatility in our financial statements primarily due to the requirement to measure market risk benefits at fair value, which is recorded in net income, except for changes in value attributable to changes in an entity's non-performance risk, which is recognized in OCI. In addition, the new guidance is expected to have a significant impact on our systems, processes and controls. See "Risk Factors – Risks Related to Global Atlantic – Changes in accounting standards could adversely impact Global Atlantic's reported results of operations and reported financial condition" in our Annual Report and Note 2 "Summary of Significant Accounting Policies – Future application of accounting standards – Targeted improvements to the accounting for long-duration contracts" in this report.

## Business Environment

### *Economic and Market Conditions*

**Impact of COVID-19.** The outbreak of COVID-19 continues to impact various countries throughout the world. For a description of the impact that COVID-19 had and may in the future have on our business, see "Risk Factors—Risks Related to Our Business—COVID-19 continues to impact the United States and other countries throughout the world, and it has caused and may further cause disruptions to our business and adversely affect our financial results" and "Risk Factors—Risks Related to the Assets We Manage—Our investments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the investment income we realize and our results of operations and financial condition" in our Annual Report.

**Economic Conditions.** As a global investment firm, we are affected by financial and economic conditions globally. Global and regional economic conditions, including those caused by the COVID-19 pandemic, have substantial impact on our financial condition and results of operations, impacting the values of the investments we make, our ability to exit these investments profitably, our ability to raise capital from investors, and our ability to make new investments. Financial and economic conditions in the United States, European Union, China, Japan, and other major economies are significant contributors to the global economy.

During the quarter ended September 30, 2022, the United States continued to show signs of slowing economic activity, potentially indicating the early stages of a recession. Inflation continued to present a headwind for the U.S. economy. In keeping with its stated intention to bring down inflation, the U.S. Federal Reserve pursued a more restrictive monetary policy. The Federal Reserve raised interest rates by 75 basis points in July and 75 basis points in September, leading to increased market volatility. In the United States, real GDP is estimated to have expanded at a 2.6% seasonally-adjusted annualized rate in the quarter ended September 30, 2022, after contracting at a 0.6% seasonally-adjusted annualized rate in the quarter ended June 30, 2022; the U.S. unemployment rate was 3.5% as of September 30, 2022, down from 3.6% as of June 30, 2022; the U.S. consumer price index rose 8.2% year-over-year as of September 30, 2022, down from 9.1% year-over-year as of June 30, 2022; the U.S. core consumer price index rose 6.6% on a year-over-year basis as of September 30, 2022, up from 5.9% on a year-over-year basis as of June 30, 2022; and the effective federal funds rate set by the U.S. Federal Reserve was 3.1% as of September 30, 2022, up from 1.6% as of June 30, 2022.

During the quarter ended September 30, 2022, the Euro Area (also known as the Eurozone) economy also experienced slowing economic activity, and the potential for recession for countries in the Euro Area is generally high amid continued disruptions to European energy markets and Russia's ongoing invasion of Ukraine. The European Central Bank (ECB) raised interest rates by 50 basis points in July and 75 basis points in September, leading to increased market volatility. Euro Area real GDP is estimated to have been unchanged on a seasonally-adjusted quarter-over-quarter basis in the quarter ended September 30, 2022, compared to a 0.8% increase recorded in the quarter ended June 30, 2022. In addition, Euro Area unemployment was 6.6% as of September 30, 2022, down from 6.7% as of June 30, 2022; Euro Area core inflation was 4.8% as of September 30, 2022, up from 3.7% as of June 30, 2022; and the short-term benchmark interest rate set by the European Central Bank was 1.25% as of September 30, 2022, up from 0.0% as of June 30, 2022. As of September 30, 2022, we have no investments in any portfolio companies whose executive headquarters are located in Russia, Ukraine or Belarus, and we believe that the direct exposure of our investment portfolio to Russia, Ukraine and Belarus is insignificant.

During the quarter ended September 30, 2022, the Chinese economy experienced headwinds related to the ongoing slowdown in China's property sector and the effects of the government's zero-COVID policies. Real GDP in China is estimated to have increased 3.9% on a seasonally-adjusted quarter-over-quarter basis in the quarter ended September 30, 2022, compared to contraction of 2.7% reported for the quarter ended June 30, 2022. Core inflation in China was 0.6% on a year-over-year basis as of September 30, 2022, down from 1.0% on a year-over-year basis as of June 30, 2022. After the quarter ended September 30, 2022, President Xi Jinping was confirmed to a third term as the general secretary of the Communist Party and seven new members were appointed to the Politburo Standing Committee, following which, the MSCI China Index fell 8.2% on October 24, 2022.

In Japan, the economic recovery from COVID-19 has continued, despite higher energy costs and significant volatility in currency markets presenting headwinds to GDP growth. In Japan, real GDP growth for the quarter ended September 30, 2022 is estimated to have been 1.4% on a seasonally-adjusted annualized basis, up from 3.5% in the quarter ended June 30, 2022; core inflation rose to 2.8% on a year-over-year basis as of September 30, 2022, up from 2.2% as of June 30, 2022; and the short-term benchmark interest rate set by the Bank of Japan was -0.1% as of September 30, 2022, unchanged from June 30, 2022.

These and other key issues could have repercussions across regional and global financial markets, which could adversely affect the valuations of our investments. In particular, in response to persistent inflationary pressure and central bank policy designed to combat inflation, short- and medium-term interest rates may continue to rise, which may adversely impact equity and credit markets with tightening financial conditions and slowing growth. As noted above, the U.S. Federal Reserve has continued to raise interest rates and has indicated that it is prepared to take decisive action to manage inflation, including raising interest rates further and shrinking the size of its balance sheet. In addition, commodity prices are generally expected to rise in inflationary environments, and foreign exchange rates are often affected by countries' monetary and fiscal responses to inflationary trends. The Russia-Ukraine conflict, including the sanctions imposed in response to Russia's invasion of Ukraine, have exacerbated and may further exacerbate these issues and trends, including with respect to oil and gas prices. See "Commodities Markets" in this report below. Protectionist policies, such as restrictions on exports of food, have also increased globally as a result of Russia's invasion of Ukraine.

Other key issues include (i) further developments regarding infectious diseases, including COVID-19, which may prolong the adverse economic impact of the COVID-19 pandemic on the U.S. and global economies, including supply chain disruptions that promote cost inflation for critical goods and labor shortages, (ii) geopolitical uncertainty such as U.S.-China and U.S.-Russia relations, (iii) political uncertainty caused by, among other things, economic nationalist sentiments, tensions surrounding socioeconomic inequality issues, and partisan sentiments in the United States, all of which have potentially global ramifications with regards to policy, (iv) regulatory changes regarding, for example, taxation, international trade, cross-border investments, immigration, stimulus programs and rising levels of debt, (v) increased volatility and/or downturn in equity or credit markets, (vi) unexpected shifts in central banks' monetary policies, (vii) rising mortgage rates, which affect demand for housing and housing-related goods and services, (viii) technological advancements and innovations that may disrupt marketplaces and businesses, and (ix) insurance company regulatory changes regarding, for example, capital and investments held by insurance companies. For a further discussion of how market conditions may affect our businesses, see "Risk Factors—Risks Related to Our Business—Difficult market and economic conditions can adversely affect our business in many ways, including by reducing the value or performance of the investments that we manage or by reducing the ability of our funds to raise or deploy capital, each of which could negatively impact our net income and cash flow and adversely affect our financial condition" in our Annual Report.

In addition, governments have enacted and may further enact significant changes in tax law, including changes in the way U.S. corporations like KKR and many of our U.S. portfolio companies are taxed. The U.S. Federal government has recently signed into law the Inflation Reduction Act of 2022 which, among other things, imposes a corporate minimum "book" tax on certain large corporations, which may apply to KKR. It also creates a new non-deductible 1% excise tax on net stock repurchases made by publicly traded corporations like KKR after December 31, 2022 and allocates additional funds to enhance the frequency and breadth of audits and other enforcement actions. In addition, New York State may propose regulations that could significantly affect the determination of the tax base for New York State tax purposes for corporations that conduct an asset management business like us. These changes could materially increase the amount of taxes and tax-related regulatory and compliance costs we and our portfolio companies are required to pay. See "Risk Factors—Risks Related to Our Business—Changes in relevant tax laws, regulations or treaties or an adverse interpretation of these items by tax authorities could adversely impact our effective tax rate and tax liability" in our Annual Report and Note 18 "Income Taxes" in our financial statements.

**Equity and Credit Markets.** Global equity and credit markets have a substantial effect on our financial condition and results of operations. Tightening liquidity conditions in equity and credit capital markets affect the availability and cost of capital for KKR and our portfolio companies, and the increased cost of credit or degradation in debt financing terms may impact our ability to identify and execute investments on attractive terms. See "Business Conditions—Our ability to successfully deploy capital" in this report below. In general, a climate of reasonable interest rates and high levels of liquidity in the debt and equity capital markets provide a positive environment for us to generate attractive investment returns, which also impacts our ability to generate incentive fees and carried interest. Periods of volatility and dislocation in the capital markets, as have been observed recently, raise substantial risks, but also can present us with opportunities to invest at reduced valuations that position us for future growth and investment returns. Low interest rates related to monetary stimulus and economic stagnation may negatively impact expected returns on all types of investments. Higher interest rates in conjunction with slower growth or weaker currencies in some emerging market economies have caused, and may further cause, the default risk of these countries to increase, and this could impact the operations or value of our investments that operate in these regions. Areas that have central bank quantitative easing or tightening campaigns affecting their interest rates relative to the United States could potentially experience further currency volatility relative to the U.S. dollar.



In our asset management segment, many of our investments are in equities, so a change in global equity prices or in market volatility directly impacts the value of our investments and our profitability as well as our ability to realize investment gains and the receptiveness of fund investors to our investment products. Volatility across global equity and credit markets, alongside shifting liquidity conditions in new issue activity across equity and non-investment grade credit markets, have adversely impacted (and may continue to adversely impact) the volume of capital markets activity, and therefore, the level of transaction fees that our capital markets business line is able to earn. For the quarter ended September 30, 2022, global equity markets were negative, with the S&P 500 down 4.9% and the MSCI World Index down 6.1% on a total return basis including dividends. Equity market volatility as evidenced by the Chicago Board Options Exchange Market Volatility Index (VIX), a measure of volatility, ended at 31.6 as of September 30, 2022, increasing from 28.7 as of June 30, 2022. For a discussion of our valuation methods, see "Risk Factors—Risks Related to the Assets We Manage—Our investments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the investment income we realize and our results of operations and financial condition" and see also "—Critical Accounting Policies—Fair Value Measurements—Level III Valuation Methodologies" in our Annual Report. In our insurance business, a change in equity prices also impacts Global Atlantic's equity-sensitive annuity and life insurance products, including with respect to hedging costs related to and fee-income earned on those products.

In our asset management segment, many of our investments are in non-investment grade credit instruments and investment grade credit instruments. Our funds, our portfolio companies and Global Atlantic also rely on credit financing and the ability to refinance existing debt. Consequently, any decrease in the value of credit instruments that we have invested in or any increase in the cost of credit financing reduces our returns and decreases our net income.

In our insurance segment, periods of rising or higher interest rates as we are currently experiencing may result in differing impacts on Global Atlantic's business. See "Risk Factors—Risks Related to Global Atlantic— Interest rate fluctuations and sustained periods of low or high interest rates could adversely affect Global Atlantic's business, financial condition, liquidity, results of operations, cash flows and prospects" in our Annual Report.

Periods of rising or higher interest rates can benefit Global Atlantic's results of operations and financial condition. We generally expect the yield on new investment purchases and income from any floating rate investments held in Global Atlantic's investment portfolio to increase as interest rates rise. Higher interest rates also generally tend to increase the demand for certain of Global Atlantic's products, as the benefits and solutions Global Atlantic can offer to clients may become more attractive, potentially resulting in higher new business volumes. Rising rates are also expected to result in decreases to certain policy liabilities as a result of forthcoming accounting guidance for insurance and reinsurance companies that issue long-duration contracts such as life insurance and annuities. For a further discussion of this guidance, see "—Summary of Significant Accounting Policies—Future application of accounting standards."

On the other hand, higher interest rates can have a negative impact on Global Atlantic. For example, higher policyholder surrenders may occur in response to rising interest rates as more attractive products become available to policyholders in a higher rate environment. The majority of our investments at Global Atlantic are in investment grade credit instruments. Sales of those investments at a loss, for example to raise cash to meet policyholder obligations upon surrender earlier than expected maturity or as we rotate out of investments acquired with new reinsurance transactions to our desired asset mix during a period of rising or higher rates compared to when the investment was acquired, is expected to decrease our net income in that period and such decrease could be significant. We also expect that in a higher rate environment we will generally have a higher cost of insurance on new business, including higher hedging costs, as the benefits to policyholders on new business will be generally higher. If Global Atlantic fails to adequately cash flow match liabilities sold with higher benefits and interest rates fall while Global Atlantic holds that liability, Global Atlantic may not generate its expected earnings on those liabilities. In addition, rising interest rates will decrease the fair value of Global Atlantic's credit investments and the value of embedded derivatives associated with funds withheld reinsurance transactions. The decrease in the fair value of these credit investments resulted in unrealized losses reported in AOCI and negative carrying value in our insurance segment as of September 30, 2022. We do not expect to incur these unrealized losses as we intend to hold the investments to recovery as part of our asset liability cash flow matching strategy. However, if the market, industry and company-specific factors relating to these investments deteriorate meaningfully, Global Atlantic may be required to recognize an impairment to goodwill and may realize losses as a result of credit defaults or impairments on investments, either of which could have a material adverse effect on our results of operations and financial condition.

Due in part to holdings of credit instruments such as CLOs on our balance sheet, the performance of the credit markets has had an amplified impact on our financial results, as we directly bear the full extent of losses from credit instruments on our balance sheet. Credit markets can also impact valuations because a discounted cash flow analysis is generally used as one of the methodologies to ascertain the fair value of our investments that do not have readily observable market prices. In addition, with respect to our credit instruments, tightening credit spreads are generally expected to lead to an increase, and widening credit

spreads are generally expected to lead to a decrease, in the value of these credit investments, if not offset by hedging or other factors. In addition, the significant widening of credit spreads is also typically expected to negatively impact equity markets, which in turn would negatively impact our portfolio and us as noted above. Conversely, widening credit spreads may have a positive impact on our insurance business, as the margin Global Atlantic is able to earn between crediting rates offered on its insurance products and the investment income it earns from its credit investments could increase, and tightening credit spreads may negatively impact the pricing and therefore competitiveness of Global Atlantic's products, adversely impacting sales and growth, or may negatively impact the margins that Global Atlantic earns on sales and transactions.

During the quarter ended September 30, 2022, U.S. investment grade corporate bond spreads (BofA Merrill Lynch US Corporate Index) widened by 42 basis points and U.S. high-yield corporate bond spreads (BofAML HY Master II Index) widened by 244 basis points. The non-investment grade credit indices were mixed during the quarter ended September 30, 2022, with the S&P/LSTA Leveraged Loan Index up 1.4% and the BAML US High Yield Index down 0.7%. During the quarter ended September 30, 2022, 10-year government bond yields rose 82 basis points in the United States, rose 186 basis points in the United Kingdom, rose 77 basis points in Germany, fell 7 basis points in China, and rose 1 basis point in Japan. For a further discussion of how market conditions may affect our businesses, see "Risk Factors—Risks Related to Our Business—Difficult market and economic conditions can adversely affect our business in many ways, including by reducing the value or performance of the investments that we manage or by reducing the ability of our funds to raise or deploy capital, each of which could negatively impact our net income and cash flow and adversely affect our financial condition" and "Risk Factors—Risks Related to the Assets We Manage—Our investments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the investment income we realize and our results of operations and financial condition" in our Annual Report.

For further discussion of the impact of global credit markets on our financial condition and results of operations, see "Risk Factors—Risks Related to the Assets We Manage—Changes in the debt financing markets may negatively impact the ability of our investment funds, their portfolio companies and strategies pursued with our balance sheet assets to obtain attractive financing for their investments or to refinance existing debt and may increase the cost of such financing or refinancing if it is obtained, which could lead to lower-yielding investments and potentially decrease our net income," "Risk Factors—Risks Related to the Assets We Manage—Our investments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the investment income we realize and our results of operations and financial condition," "Risk Factors—Risks Related to the Assets We Manage—Our funds and our firm through our balance sheet may make a limited number of investments, or investments that are concentrated in certain issuers, geographic regions or asset types, which could negatively affect our performance or the performance of our funds to the extent those concentrated assets perform poorly" and "Risk Factors—Risks Related to Global Atlantic—Interest rate fluctuations and sustained periods of low or high interest rates could adversely affect Global Atlantic's business, financial condition, liquidity, results of operations, cash flows and prospects" in our Annual Report. For a further discussion of our valuation methods, see "—Critical Accounting Policies—Fair Value Measurements—Level III Valuation Methodologies."

**Foreign Exchange Rates.** Foreign exchange rates have a substantial impact on the valuations of our investments that are denominated in currencies other than the U.S. dollar. Currency volatility can also affect our businesses and investments that deal in cross-border trade. The appreciation or depreciation of the U.S. dollar is expected to contribute to a decrease or increase, respectively, in the U.S. dollar value of our non-U.S. investments to the extent unhedged. In addition, an appreciating U.S. dollar would be expected to make the exports of U.S. based companies less competitive, which may lead to a decline in their export revenues, if any, while a depreciating U.S. dollar would be expected to have the opposite effect. Moreover, when selecting investments for our investment funds that are denominated in U.S. dollars, an appreciating U.S. dollar may create opportunities to invest at more attractive U.S. dollar prices in certain countries outside of the United States, while a depreciating U.S. dollar would be expected to have the opposite effect. For our investments denominated in currencies other than the U.S. dollar, the depreciation in such currencies will generally contribute to the decrease in the valuation of such investments, to the extent unhedged, and adversely affect the U.S. dollar equivalent revenues of portfolio companies with substantial revenues denominated in such currencies, while the appreciation in such currencies would be expected to have the opposite effect. For the quarter ended September 30, 2022, the euro fell 6.5%, the British pound fell 8.3%, the Japanese yen fell 6.2%, and the Chinese renminbi fell 5.9%, respectively, relative to the U.S. dollar. For additional information regarding our foreign exchange rate risk, see "Quantitative and Qualitative Disclosure About Market Risk—Exchange Rate Risk" in our Annual Report.

**LIBOR Transition.** On March 15, 2022, the Consolidated Appropriations Act of 2022, which includes the Adjustable Interest Rate (LIBOR) Act of 2021, was signed into law in the United States. This legislation establishes a uniform benchmark replacement mechanic for financial contracts that mature after June 30, 2023 which do not contain either clearly defined or practicable fallback provisions or are contractually silent on a benchmark replacement rate. The legislation also creates a safe harbor that shields involved parties from liability if they choose to utilize a replacement rate recommended by the Board of

Governors of the Federal Reserve. For a discussion of the LIBOR transition that will impact certain debt obligations, see Note 2 "Summary of Significant Accounting Policies – Adoption of new accounting pronouncements—Reference rate reform" in our financial statements and Note 17 "Debt Obligations" in our financial statements. For a discussion of the risks related to the LIBOR transition, see "Risk Factors – Risks Related to Our Business – Transition away from LIBOR as a benchmark reference for interest rates may affect the cost of capital and requires amending or restructuring existing debt instruments and related hedging arrangements for us, our investment funds and our portfolio companies, and may impact the value of floating rate securities or loans based on LIBOR that we or our investment funds have held, all of which may result in additional costs or adversely affect our or our funds' liquidity, results of results of operations and financial condition" in our Annual Report.

**Commodity Markets.** Our Real Assets business line portfolio contains energy real asset investments, and certain of our other Private Equity, Real Assets and Credit and Liquid Strategies business line strategies have investments in or related to the energy sector. The value of these investments is heavily influenced by the price of natural gas and oil. As noted above, the actions taken by Russia in the Ukraine starting in February 2022 have also caused volatility in the commodities markets. During the quarter ended September 30, 2022, the 3-year forward price of WTI crude oil decreased approximately 12%, and the 3-year forward price of natural gas increased approximately 5%. The 3-year forward price of WTI crude oil decreased from approximately \$73.46 per barrel to \$64.37 per barrel, and the 3-year forward price of natural gas increased from approximately \$4.36 per mcf to \$4.58 per mcf as of June 30, 2022 and September 30, 2022, respectively.

When commodity prices decline or if a decline is not offset by other factors, we would expect the value of our energy real asset investments to be adversely impacted, to the extent unhedged. In general, we expect downward price movements to have a negative impact on the fair value of our energy portfolio, all other things being equal, given those commodity prices are an input in our valuation models. The reverse is true for upward price movements. However, because we typically use near-term commodity derivative transactions to hedge our exposures, we expect long-term oil and natural gas prices to be a more significant driver of the valuation of our energy investments in asset management than spot prices. In addition, to the extent energy real asset investments are directly held by our balance sheet, price movements can have an amplified impact on our financial results, as we would directly bear the full extent of such gains or losses, subject to hedging. However, as of September 30, 2022, energy investments in oil and gas assets made up only approximately 1% of our assets under management, 1% of our total GAAP assets and 1% of our total segment assets. For additional information regarding our energy real assets, see "Critical Accounting Policies—Fair Value Measurements—Level III Valuation Methodologies—Real Asset Investments" and see also "Risk Factors—Risks Related to the Assets We Manage—Our funds and our firm through our balance sheet may make a limited number of investments, or investments that are concentrated in certain issuers, geographic regions or asset types, which could negatively affect our performance or the performance of our funds to the extent those concentrated assets perform poorly" in our Annual Report.

#### *Business Conditions*

Our operating revenues consist of fees, performance income, investment income and other operating income.

Our ability to grow our revenues depends in part on our ability to attract new capital and investors, our successful deployment of capital including from our balance sheet and our ability to realize investments at a profit.

**Our ability to attract new capital and investors.** Our ability to attract new capital and investors in our funds is driven, in part, by the extent to which they continue to see the alternative asset management industry generally, and our investment products specifically, as attractive means for capital appreciation or income. In addition, our ability to attract new capital and investors in our insurance business is driven, in part, by the extent to which they continue to see the life and annuity insurance and reinsurance industry generally, and in certain cases our reinsurance vehicles, as attractive retirement, accumulation, income or business solutions. Since 2010, we have expanded into strategies such as real assets, credit, core, growth, insurance and, through hedge fund partnerships, hedge funds. We have also reached out to new fund investors, including retail and high net worth investors. However, fundraising continues to be competitive. While our Asian Fund IV, European Fund V, North America Fund XIII, Real Estate Partners Americas III, Real Estate Partners Europe II, Global Infrastructure Investors IV, Next Generation Technology Growth Fund II and Health Care Strategic Growth Fund II exceeded the size of their respective predecessor funds, there is no assurance that fundraises for our other flagship investment funds or vehicles or for our newer strategies and their successor funds will experience similar success. If we are unable to successfully raise comparably sized or larger funds, our AUM, FPAUM, and associated fees attributable to new capital raised in future periods may be lower than in prior years. See "Risk Factors—Risks Related to Our Business—Our inability to raise additional or successor funds (or raise successor funds of a comparable size as our predecessor funds) could have a material adverse impact on our business" in our Annual Report.

**Our ability to successfully deploy capital.** Our ability to maintain and grow our revenue base is dependent upon our ability to successfully deploy the capital available to us as well as our participation in capital markets transactions. Greater competition, high valuations, increased overall cost of credit and other general market conditions may impact our ability to identify and execute attractive investments. Additionally, because we seek to make investments that have an ability to achieve our targeted returns while taking on a reasonable level of risk, we may experience periods of reduced investment activity. We have a long-term investment horizon and the capital deployed in any one quarter may vary significantly from the capital deployed in any other quarter or the quarterly average of capital deployed in any given year. Reduced levels of transaction activity also tends to result in reduced potential future investment gains, lower transaction fees and lower fees for our capital markets business line, which may earn fees in the syndication of equity or debt. In our insurance business, we deploy capital by investing in assets that are anticipated to generate net investment income in excess of the net cost of insurance. If we are unable to originate or source attractive investments, the success and growth in revenues of our insurance business will be adversely impacted. See also “Risk Factors—Risks Related to the Assets We Manage—Changes in the debt financing markets may negatively impact the ability of our investment funds, their portfolio companies and strategies pursued with our balance sheet assets to obtain attractive financing for their investments or to refinance existing debt and may increase the cost of such financing or refinancing if it is obtained, which could lead to lower-yielding investments and potentially decrease our net income” in our Annual Report.

**Our ability to realize investments.** Challenging market and economic conditions may adversely affect our ability to exit and realize value from our investments and result in lower-than-expected returns. Although the equity markets are not the only means by which we exit investments from our funds, the strength and liquidity of the U.S. and relevant global equity markets generally, and the initial public offering market specifically, affect the valuation of, and our ability to successfully exit, our equity positions in the portfolio companies of our funds in a timely manner. We may also realize investments through strategic sales. When financing is not available or becomes too costly, it may be more difficult to find a buyer that can successfully raise sufficient capital to purchase our investments. In addition, volatile debt and equity markets may also make the exit of our investments more difficult to execute. In our insurance business, we depend on the ability of our investments to generate their anticipated returns, through the payment of interest and dividends and interest as well as return of principal, in the amounts and at the times that we expect them to be made in order to manage our obligations to make payments to our policyholders. If policyholder behavior differs from our expectations, we may be forced to sell our investments earlier than we anticipated and during market conditions where we may realize losses on the investment. We also may realize losses on investments to rotate portfolios acquired in reinsurance transactions into our preferred investment mix. In addition, material delays in payments or impairments to our anticipated investment returns could have material adverse effects to our results of operations. For additional information about how business environment and market conditions affect Global Atlantic, see “—Global Atlantic’s Investment Portfolio.”

#### **Basis of Accounting**

We consolidate the financial results of KKR Group Partnership and its consolidated entities, which include the accounts of our investment advisers, broker-dealers, Global Atlantic’s insurance companies, the general partners of certain unconsolidated investment funds, general partners of consolidated investment funds and their respective consolidated investment funds and certain other entities including collateralized financing entities (“CFEs”).

When an entity is consolidated, we reflect the accounts of the consolidated entity, including its assets, liabilities, revenues, expenses, investment income, cash flows and other amounts, on a gross basis. While the consolidation of an investment fund or entity does not have an effect on the amounts of Net Income Attributable to KKR or KKR’s stockholders’ equity that KKR reports, the consolidation does significantly impact the financial statement presentation under GAAP. This is due to the fact that the accounts of the consolidated entities are reflected on a gross basis while the allocable share of those amounts that are attributable to third parties are reflected as single line items. The single line items in which the accounts attributable to third parties are recorded are presented as noncontrolling interests on the consolidated statements of financial condition and net income (loss) attributable to noncontrolling interests on the consolidated statements of operations.

The presentation in the financial statements reflect the significant industry diversification of KKR by its acquisition of Global Atlantic. Global Atlantic operates an insurance business, and KKR operates an asset management business, each of which possess distinct characteristics. As a result, KKR developed a two-tiered presentation approach for the financial statements in this Management’s Discussion and Analysis. KKR believes that these separate presentations provide a more informative view of the consolidated financial position and results of operations than traditional aggregated presentations. KKR believes that reporting Global Atlantic’s insurance operations separately is appropriate given, among other factors, the relative significance of Global Atlantic’s policy liabilities, which are not obligations of KKR (other than the insurance companies that issued them). If a traditional aggregated presentation were to be used, KKR would expect to eliminate or combine several identical or similar captions, which would condense the presentations but would reduce transparency. KKR also believes that

using a traditional aggregated presentation would result in no new line items compared to the two-tier presentation included in the financial statements in this report. We acquired Global Atlantic on February 1, 2021; accordingly, the results of Global Atlantic's insurance operations included in our consolidated results of operations for the nine months ended September 30, 2021 are from February 1, 2021 (the closing date of the acquisition) through September 30, 2021.

All the intercompany transactions have been eliminated.

The summary of the significant accounting policies has been organized considering the two-tiered approach described above and includes a section for common accounting policies and an accounting policy section for each of the two tiers when a policy is specific to one of the tiers.

For a further discussion about our critical accounting policies, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies" in the 2021 Form 10-K and Note 2 "Summary of Significant Accounting Policies" in our financial statements.

### **Key Financial Measures Under GAAP - Asset Management**

The following discussion of key financial measures under GAAP is based on KKR's asset management business as of September 30, 2022.

#### ***Revenues***

##### *Fees and Other*

Fees and other consist primarily of (i) management and incentive fees from providing investment management services to unconsolidated funds, CLOs, other vehicles, and separately managed accounts; (ii) transaction fees earned in connection with successful investment transactions and from capital markets activities; (iii) monitoring fees from providing services to portfolio companies; (iv) expense reimbursements from certain investment funds and portfolio companies; and (v) consulting fees. These fees are based on the contractual terms of the governing agreements and are recognized when earned, which coincides with the period during which the related services are performed and in the case of transaction fees, upon closing of the transaction. Monitoring fees may provide for a termination payment following an initial public offering or change of control. These termination payments are recognized in the period when the related transaction closes.

##### *Capital Allocation-Based Income (Loss)*

Capital allocation-based income (loss) is earned from those arrangements whereby KKR serves as general partner and includes income or loss from KKR's capital interest as well as "carried interest" which entitles KKR to a disproportionate allocation of investment income or loss from an investment fund's limited partners.

#### ***Expenses***

##### *Compensation and Benefits*

Compensation and Benefits expense includes (i) base cash compensation consisting of salaries and wages, (ii) benefits, (iii) carry pool allocations, (iv) equity-based compensation, and (v) discretionary cash bonuses.

To supplement base cash compensation, benefits, carry pool allocations, and equity-based compensation, we typically pay discretionary cash bonuses, which are included in Compensation and Benefits expense in the consolidated statements of operations, based principally on the level of (i) management fees and other fee revenues (including incentive fees), (ii) realized carried interest and (iii) realized investment income earned during the year. The amounts paid as discretionary cash bonuses, if any, are at our sole discretion and vary from individual to individual and from period to period, including having no cash bonus. We accrue discretionary cash bonuses when payment becomes probable and reasonably estimable which is generally in the period when we make the decision to pay discretionary cash bonuses and is based upon a number of factors, including the recognition of fee revenues, realized carried interest, realized investment income and other factors determined during the year.

Beginning in 2021, we expect to pay our employees by assigning a percentage range to each component of asset management segment revenues. Based on the current components and blend of our asset management segment revenues on an annual basis, we expect to use approximately: (i) 20-25% of fee related revenues, (ii) 60-70% of realized carried interest and incentive fees not included in fee related performance revenues or earned from our hedge fund partnerships, and (iii) 10-20% of realized investment income and hedge fund partnership incentive fees to pay our asset management employees. Because these

ranges are applied to applicable distributable revenue components independently, and on an annual basis, the amount paid as a percentage of total distributable revenues will vary and will, for example, likely be higher in a period with relatively higher realized carried interest and lower in a period with relatively lower realized carried interest. We decide whether to pay a discretionary cash bonus and determine the percentage of applicable revenue components to pay compensation only upon the occurrence of the realization event. There is no contractual or other binding obligation that requires us to pay a discretionary cash bonus to the asset management employees, except in limited circumstances.

Assuming that we had accrued compensation of (i) 65% of the unrealized carried interest earned by the funds that allocate 40% and 43% to the carry pool and (ii) 15% of the unrealized net gains in our Principal Activities business line (in each case at the mid-point of the ranges above), KKR & Co. Inc. Stockholders' Equity – Series I Preferred, Common Stock as of September 30, 2022 would have been reduced by approximately \$1.52 per share, compared to our reported \$19.00 per share on such date, and our book value as of September 30, 2022 would have been reduced by approximately \$1.48 per adjusted share, compared to our reported book value of \$26.56 per adjusted share on such date.

#### *Carry Pool Allocation*

With respect to our funds that provide for carried interest, we allocate a portion of the realized and unrealized carried interest that we earn to a carry pool established at KKR Associates Holdings L.P., which is not a KKR subsidiary, from which our asset management employees and certain other carry pool participants are eligible to receive a carried interest allocation. The allocation is determined based upon a fixed arrangement between KKR Associates Holdings and us, and we do not exercise discretion on whether to make an allocation to the carry pool upon a realization event. These amounts are accounted for as compensatory profit sharing arrangements in Accrued Expenses and Other Liabilities within the accompanying consolidated statements of financial condition in conjunction with the related carried interest income and are recorded as compensation expense. Upon a reversal of carried interest income, the related carry pool allocation, if any, is also reversed. Accordingly, such compensation expense is subject to both positive and negative adjustments.

In February 2021, with the approval of a majority of our independent directors, KKR amended the percentage of carried interest that is allocable to the carry pool to 65% for (i) current investment funds for which no or de minimis amounts of carried interest was accrued as of December 31, 2020 and (ii) all future funds. For all other funds, the percentage of carried interest remains 40% or 43%, as applicable. The percentage of carried interest allocable to the carry pool may be increased above 65% only with the approval of a majority of our independent directors. To account for the difference in the carry pool allocation percentages, we expect to use a portion of realized carried interest from the older funds equal to the difference between 65% and 40% or 43%, as applicable, to supplement the carry pool and to pay amounts as discretionary cash bonus compensation as described above to our asset management employees. The amounts paid as discretionary cash bonuses, if any, are at our discretion and vary from individual to individual and from period to period, including having no cash bonus at all for certain employees. See "—Critical Accounting Policies - Asset Management—Recognition of Carried Interest in the Statement of Operations" and "—Key Financial Measures Under GAAP - Asset Management—Expenses—Compensation and Benefits."

On the Sunset Date (as defined in the Reorganization Agreement), KKR will acquire control of KKR Associates Holdings and will commence making decisions regarding the allocation of carry proceeds pursuant to the limited partnership agreement of KKR Associates Holdings. Until the Sunset Date, our Co-Founders will continue to make decisions regarding the allocation of carry proceeds to themselves and others, pursuant to the limited partnership agreement of KKR Associates Holdings, provided that any allocation of carry proceeds to the Co-Founders will be on a percentage basis consistent with past practice.

#### *Equity-based Compensation*

In addition to the cash-based compensation and carry pool allocations as described above, employees receive equity awards under our Equity Incentive Plans, most of which are subject to service-based vesting typically over a three to five-year period from the date of grant, and some of which are also subject to the achievement of market-based conditions. Certain of these awards are subject to post-vesting transfer restrictions and minimum retained ownership requirements.

#### *General, Administrative and Other*

General, administrative and other expense consists primarily of professional fees paid to legal advisors, accountants, advisors and consultants, insurance costs, travel and related expenses, communications and information services, depreciation and amortization charges, CLOs and investment funds that were consolidated, costs incurred in connection with pursuing potential investments that do not result in completed transactions ("broken-deal expenses"), expense reimbursements, placement fees and other general operating expenses. A portion of these general administrative and other expenses, in particular broken-deal expenses, are borne by fund investors.

## ***Investment Income (Loss)***

### *Net Gains (Losses) from Investment Activities*

Net gains (losses) from investment activities consist of realized and unrealized gains and losses arising from our investment activities as well as income earned from certain equity method investments. Fluctuations in net gains (losses) from investment activities between reporting periods is driven primarily by changes in the fair value of our investment portfolio as well as the realization of investments. The fair value of, as well as the ability to recognize gains from, our investments is significantly impacted by the global financial markets, which, in turn, affects the net gains (losses) from investment activities recognized in any given period. Upon the disposition of an investment, previously recognized unrealized gains and losses are reversed and an offsetting realized gain or loss is recognized in the current period. Since our investments are carried at fair value, fluctuations between periods could be significant due to changes to the inputs to our valuation process over time. For a further discussion of our fair value measurements and fair value of investments, see "—Critical Accounting Policies - Combined—Fair Value Measurements."

### *Dividend Income*

Dividend income consists primarily of distributions that we and our consolidated investment funds receive from portfolio companies or real assets investments in which we and our consolidated investment funds invest. Dividend income is recognized primarily in connection with (i) dispositions of operations by portfolio companies, (ii) distributions of cash generated from operations from portfolio investments or real assets investments, and (iii) other significant refinancings undertaken by portfolio investments.

### *Interest Income*

Interest income consists primarily of interest that is received on our credit instruments in which we and our consolidated investment funds, CLOs and other entities invest as well as interest on our cash and other investments.

### *Interest Expense*

Interest expense is incurred from (i) debt issued by KKR, including debt issued by KFN, (ii) credit facilities entered into by KKR, (iii) debt securities issued by consolidated CFEs, (iv) financing arrangements at our majority owned investment vehicles that have been funded with borrowings that are collateralized by the investments and assets they own and (v) financing arrangements at our consolidated funds entered into primarily with the objective of managing cash flow. KFN's debt obligations are non-recourse to KKR beyond the assets of KFN. Debt securities issued by consolidated CFEs are supported solely by the investments held at the CFE and are not collateralized by assets of any other KKR entity. Our obligations under financing arrangements at our consolidated investment funds are generally limited to our pro rata equity interest in such funds. However, in some circumstances, we may provide limited guarantees of the obligations of our general partners in an amount equal to its pro rata equity interest in such funds. Our management companies bear no obligations with respect to financing arrangements at our consolidated funds. We also may provide other kinds of guarantees. See "—Liquidity."

## Key Financial Measures Under GAAP - Insurance

The following discussion of key financial measures under GAAP is based on KKR's insurance business as conducted by Global Atlantic as of September 30, 2022.

### Revenues

#### *Premiums*

Premiums primarily relate to payout annuities with life contingencies and whole life and term life insurance policies, recognized when due from the policyholders. Premiums are reported net of premiums ceded under reinsurance agreements.

#### *Policy fees*

Policy fees include charges assessed against policyholder account balances for mortality, administration, separate account, benefit rider and surrender fees.

#### *Net investment income*

Net investment income reflects the income earned on our investments, net of any associated investment expenses (including management fees charged by the asset management segment) and net of ceded amounts under reinsurance agreements. Net investment income includes, amongst other things (i) interest earned on our fixed income available-for-sale and fixed-income trading investments, (ii) interest income and other related fees from our mortgage and other loan receivables, (iii) interest on funds withheld at interest receivables, (iv) proportional share of income from equity-method investments and (v) income from physical assets, such as renewable energy plants, real estate, railcars, and airplanes (net of depreciation and operating expenses).

#### *Net investment-related gains*

Net investment-related gains primarily consists of (i) realized gains and losses from the disposal of investments, including realized gains and losses on the disposal of investments not related to asset/liability matching strategies ("variable investment income"), (ii) unrealized gains and losses from investments held for trading, real estate investments accounted under investment company accounting, and investments with fair value re-measurements recognized in earnings as a result of the election of a fair-value option, (iii) unrealized gains and losses on funds withheld at interest receivable and payable, (iv) unrealized gains and losses from derivatives not designated in an hedging relationship and (v) allowances for credit losses, and other impairments of investments.

#### *Other income*

Other income is primarily comprised of expense allowances on ceded reinsurance, administration, management fees and distribution fees.

### Expenses

#### *Policy benefits and claims*

Policy benefits and claims represent the current period expense associated with providing insurance benefits to policyholders, including claims and benefits paid, interest credited to policyholders, changes in policy liability reserves (including fair value reserves), amortization of cost of reinsurance liabilities, and amortization of deferred sales inducements.

#### *Amortization of policy acquisition costs*

Amortization of policy acquisition costs primarily consist of amortization of value of business acquired and deferred policy acquisition costs.

#### *Insurance expense*

Insurance expenses are primarily comprised of commissions expense, net of amounts capitalized, reinsurance ceding allowances, premium taxes, amortization of acquired intangibles and captive financing charges.



### *Interest expense*

Interest expense is incurred from insurance segment debt issued, including related interest rate swaps, credit facilities and other financing agreements.

### *General, administrative and other*

General, administrative and other expenses are primarily comprised of employee compensation and benefit expenses, third-party administrator ("TPA") policy servicing fees, administrative and professional services, and other operating expenses.

## **Other Key Financial Measures Under GAAP**

### *Income Taxes*

KKR & Co. Inc. is a domestic corporation for U.S. federal income tax purposes and is subject to U.S. federal, state and local income taxes at the entity level on its share of taxable income. In addition, KKR Group Partnership and certain of its subsidiaries operate as partnerships for U.S. federal tax purposes but as taxable entities for certain state, local or non-U.S. tax purposes. Moreover, certain corporate subsidiaries of KKR, including certain Global Atlantic subsidiaries, are domestic corporations for U.S. federal income tax purposes and are subject to U.S. federal, state, and local income taxes.

Tax laws are complex and subject to different interpretations by the taxpayer and respective governmental taxing authorities. Significant judgment is required in determining tax expense and in evaluating tax positions including evaluating uncertainties. We review our tax positions quarterly and adjust our tax balances as new information becomes available.

For a further discussion of our income tax policies, see Note 18 "Income Taxes" in our financial statements.

### *Net Income (Loss) Attributable to Noncontrolling Interests*

Net income (loss) attributable to noncontrolling interests primarily represents the ownership interests that certain third parties hold in entities that were consolidated in the financial statements as well as the ownership interests in KKR Group Partnership represented by exchangeable securities. The allocable share of income and expense attributable to these interests is accounted for as net income (loss) attributable to noncontrolling interests. Given the consolidation of certain of our investment funds and the significant ownership interests in KKR Group Partnership held by KKR Holdings, we expect a portion of net income (loss) will continue to be attributed to noncontrolling interests in our business.

For a further discussion of our noncontrolling interests policies, see Note 22 "Equity" in the financial statements.

## **Key Segment and Non-GAAP Performance Measures**

The following key segment and non-GAAP performance measures are used by management in making operational and resource deployment decisions as well as assessing the performance of KKR's businesses. They include certain financial measures that are calculated and presented using methodologies other than in accordance with GAAP. These performance measures as described below are presented prior to giving effect to the allocation of income (loss) between KKR & Co. Inc. and holders of exchangeable securities and as such represent the entire KKR business in total. In addition, these performance measures are presented without giving effect to the consolidation of the investment funds and CFEs that KKR manages.

We believe that providing these segment and non-GAAP performance measures on a supplemental basis to our GAAP results is helpful to stockholders in assessing the overall performance of KKR's business. These non-GAAP measures should not be considered as a substitute for financial measures calculated in accordance with GAAP. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, where applicable are included under "—Reconciliations to GAAP Measures."

### *After-tax Distributable Earnings*

After-tax distributable earnings is a non-GAAP performance measure of KKR's earnings, which is derived from KKR's reported segment results. After-tax distributable earnings is used to assess the performance of KKR's business operations and measures the earnings potentially available for distribution to its equity holders or reinvestment into its business. After-tax distributable earnings is equal to Distributable Operating Earnings less Interest Expense, Net Income Attributable to Noncontrolling Interests and Income Taxes Paid. Series C Mandatory Convertible Preferred Stock dividends have been

excluded from After-tax Distributable Earnings, because the definition of Adjusted Shares used to calculate After-tax Distributable Earnings per Adjusted Share assumes that all shares of Series C Mandatory Convertible Preferred Stock have been converted to shares of common stock of KKR & Co. Inc. Income Taxes Paid represents the amount of income taxes that would be paid assuming that all pre-tax distributable earnings were allocated to KKR & Co. Inc. and taxed at the same effective rate, which assumes that all exchangeable securities were exchanged for shares of common stock of KKR & Co. Inc. Income Taxes Paid includes the benefit of tax deductions arising from equity-based compensation, which reduces income taxes paid or payable during the period. Equity based compensation expense is excluded from After-tax Distributable Earnings, because (i) KKR believes that the cost of equity awards granted to employees does not contribute to the earnings potentially available for distributions to its equity holders or reinvestment into its business and (ii) excluding this expense makes KKR's reporting metric more comparable to the corresponding metric presented by other publicly traded companies in KKR's industry, which KKR believes enhances an investor's ability to compare KKR's performance to these other companies. If tax deductions from equity-based compensation were to be excluded from Income Taxes Paid, KKR's After-tax Distributable Earnings would be lower and KKR's effective tax rate would appear to be higher, even though a lower amount of income taxes would have actually been paid or payable during the period. KKR separately discloses the amount of tax deduction from equity-based compensation for the period reported and the effect of its inclusion in After-tax Distributable Earnings for the period. KKR makes these adjustments when calculating After-tax Distributable Earnings in order to more accurately reflect the net realized earnings that are expected to be or become available for distribution to KKR's equity holders or reinvestment into KKR's business. However, After-tax Distributable Earnings does not represent and is not used to calculate actual dividends under KKR's dividend policy, which is a fixed amount per period, and After-tax Distributable Earnings should not be viewed as a measure of KKR's liquidity.

#### *Book Value*

Book Value is a non-GAAP performance measure of the net assets of KKR and is used by management primarily in assessing the unrealized value of KKR's net assets presented on a basis that (i) deconsolidates KKR's investment funds and CFEs that KKR manages, (ii) includes the net assets that are attributable to certain securities exchangeable into shares of common stock of KKR & Co. Inc., and (iii) includes KKR's ownership of the net assets of Global Atlantic. We believe this measure is useful to stockholders as it provides additional insight into the net assets of KKR excluding those net assets that are allocated to investors in KKR's investment funds and other noncontrolling interest holders. KKR's book value includes the net impact of KKR's tax assets and liabilities as calculated under GAAP. Series C Mandatory Convertible Preferred Stock has been included in book value, because the definition of adjusted shares used to calculate book value per adjusted share assumes that all shares of Series C Mandatory Convertible Preferred Stock have been converted to shares of common stock of KKR & Co. Inc. To calculate Global Atlantic book value and to make it more comparable with the corresponding metric presented by other publicly traded companies in Global Atlantic's industry, Global Atlantic book value excludes (i) accumulated other comprehensive income and (ii) accumulated change in fair value of reinsurance balances and related assets, net of deferred acquisition costs and income tax.

#### *Distributable Operating Earnings*

Distributable operating earnings is a non-GAAP performance measure that KKR believes is useful to stockholders as it provides a supplemental measure of our operating performance without taking into account items that KKR does not believe arise from or relate directly to KKR's operations. Distributable Operating Earnings excludes: (i) equity-based compensation charges, (ii) amortization of acquired intangibles, (iii) strategic corporate transaction-related charges and (iv) non-recurring items, if any. Strategic corporate transaction-related items arise from corporate actions and consist primarily of (i) impairments, (ii) non-monetary gains or losses on divestitures, (iii) transaction costs from strategic acquisitions, and (iv) depreciation on real estate that KKR owns and occupies. Inter-segment transactions are not eliminated from segment results when management considers those transactions in assessing the results of the respective segments. These transactions include (i) management fees earned by KKR as the investment adviser for Global Atlantic insurance companies and (ii) interest income and expense based on lending arrangements where one or more KKR subsidiaries borrow from a Global Atlantic insurance subsidiary. Inter-segment transactions are recorded by each segment based on the definitive documents that contain arms' length terms and comply with applicable regulatory requirements. Distributable Operating Earnings represents operating earnings of KKR's asset management and insurance segments, which are comprised of the following:

- Asset Management Segment Operating Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the asset management segment and is comprised of: (i) Fee Related Earnings, (ii) Realized Performance Income, (iii) Realized Performance Income Compensation, (iv) Realized Investment Income, and (v) Realized Investment Income Compensation. Asset Management Segment Operating Earnings excludes (i) unrealized carried interest, (ii) net unrealized gains (losses) on investments, and (iii) related unrealized carried interest. Management fees earned by KKR as the adviser, manager or sponsor for its investment funds, vehicles and accounts,

including its Global Atlantic insurance companies and co-investment vehicles that participate in qualifying reinsurance transactions sourced by Global Atlantic (Ivy Re Limited and Ivy Re II Limited), which are included in Asset Management Segment Operating Earnings.

- Insurance Segment Operating Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the insurance segment and is comprised of: (i) Net Investment Income, (ii) Net Cost of Insurance, (iii) General, Administrative, and Other Expenses, (iv) Income Taxes, and (v) Net Income Attributable to Noncontrolling Interests. The non-operating adjustments made to derive Insurance Segment Operating Earnings eliminate the impact of: (i) realized (gains) losses related to asset/liability matching investments strategies, (ii) unrealized investment (gains) losses, (iii) changes in the fair value of derivatives, embedded derivatives, and fair value liabilities for fixed-indexed annuities, indexed universal life contracts and variable annuities, and (iv) the associated income tax effects of all exclusions from Insurance Segment Operating Earnings except for equity-based compensation expense. Insurance Segment Operating Earnings includes (i) realized gains and losses not related to asset/liability matching investments strategies and (ii) the investment management fee expenses that are earned by KKR as the investment adviser of the Global Atlantic insurance companies.

#### *Fee Related Earnings ("FRE")*

Fee related earnings is a performance measure used to assess the asset management segment's generation of profits from revenues that are measured and received on a recurring basis and are not dependent on future realization events. KKR believes this measure is useful to stockholders as it provides additional insight into the profitability of KKR's fee generating asset management and capital markets businesses and other recurring revenue streams. FRE equals (i) Management Fees, including fees paid by the insurance segment to the asset management segment and fees paid by certain insurance co-investment vehicles, (ii) Transaction and Monitoring Fees, Net and (iii) Fee Related Performance Revenues, less (x) Fee Related Compensation, and (y) Other Operating Expenses.

- Fee Related Performance Revenues refers to the realized portion of Incentive Fees from certain AUM that has an indefinite term and for which there is no immediate requirement to return invested capital to investors upon the realization of investments. Fee-related performance revenues consists of performance fees (i) to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) that are not dependent on a realization event involving investments held by the investment fund, vehicle or account.
- Fee Related Compensation refers to the compensation expense, excluding equity-based compensation, paid from (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, and (iii) Fee Related Performance Revenues.
- Other Operating Expenses represents the sum of (i) occupancy and related charges and (ii) other operating expenses.

#### *Total Asset Management Segment Revenues*

Total Asset Management Segment Revenues is a performance measure that represents the realized revenues of the asset management segment (which excludes unrealized carried interest and unrealized net gains (losses) on investments) and is the sum of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, and (v) Realized Investment Income. KKR believes that this performance measure is useful to stockholders as it provides additional insight into the realized revenues generated by KKR's asset management segment.

#### **Other Terms and Capital Metrics**

##### *Adjusted Shares*

Adjusted shares represents shares of common stock of KKR & Co. Inc. outstanding under GAAP adjusted to include (i) the number of shares of common stock of KKR & Co. Inc. assumed to be issuable upon conversion of the Series C Mandatory Convertible Preferred Stock and (ii) shares of common stock of KKR & Co. Inc. issuable upon exchange of all exchangeable securities. Weighted average adjusted shares is used in the calculation of After-tax Distributable Earnings per Adjusted Share, and Adjusted Shares is used in the calculation of Book Value per Adjusted Share.

### *Assets Under Management ("AUM")*

Assets under management represent the assets managed, advised or sponsored by KKR from which KKR is entitled to receive management fees or performance income (currently or upon a future event), general partner capital, and assets managed, advised or sponsored by our strategic BDC partnership and the hedge fund and other managers in which KKR holds an ownership interest. We believe this measure is useful to stockholders as it provides additional insight into the capital raising activities of KKR and its hedge fund and other managers and the overall activity in their investment funds and other managed or sponsored capital. KKR calculates the amount of AUM as of any date as the sum of: (i) the fair value of the investments of KKR's investment funds and certain co-investment vehicles; (ii) uncalled capital commitments from these funds, including uncalled capital commitments from which KKR is currently not earning management fees or performance income; (iii) the asset value of the Global Atlantic insurance companies; (iv) the par value of outstanding CLOs; (v) KKR's pro rata portion of the AUM of hedge fund and other managers in which KKR holds an ownership interest; (vi) all of the AUM of KKR's strategic BDC partnership; (vii) the acquisition cost of invested assets of certain non-US real estate investment trusts and (viii) the value of other assets managed or sponsored by KKR. The pro rata portion of the AUM of hedge fund and other managers is calculated based on KKR's percentage ownership interest in such entities multiplied by such entity's respective AUM. KKR's definition of AUM (i) is not based on any definition of AUM that may be set forth in the governing documents of the investment funds, vehicles, accounts or other entities whose capital is included in this definition, (ii) includes assets for which KKR does not act as an investment adviser, and (iii) is not calculated pursuant to any regulatory definitions.

### *Capital Invested*

Capital invested is the aggregate amount of capital invested by (i) KKR's investment funds and Global Atlantic insurance companies, (ii) KKR's Principal Activities business line as a co-investment, if any, alongside KKR's investment funds, and (iii) KKR's Principal Activities business line in connection with a syndication transaction conducted by KKR's Capital Markets business line, if any. Capital invested is used as a measure of investment activity at KKR during a given period. We believe this measure is useful to stockholders as it provides a measure of capital deployment across KKR's business lines. Capital invested includes investments made using investment financing arrangements like credit facilities, as applicable. Capital invested excludes (i) investments in certain leveraged credit strategies, (ii) capital invested by KKR's Principal Activities business line that is not a co-investment alongside KKR's investment funds, and (iii) capital invested by KKR's Principal Activities business line that is not invested in connection with a syndication transaction by KKR's Capital Markets business line. Capital syndicated by KKR's Capital Markets business line to third parties other than KKR's investment funds or Principal Activities business line is not included in capital invested.

### *Fee Paying AUM ("FPAUM")*

Fee paying AUM represents only the AUM from which KKR is entitled to receive management fees. We believe this measure is useful to stockholders as it provides additional insight into the capital base upon which KKR earns management fees. FPAUM is the sum of all of the individual fee bases that are used to calculate KKR's and its hedge fund and BDC partnership management fees and differs from AUM in the following respects: (i) assets and commitments from which KKR is not entitled to receive a management fee are excluded (e.g., assets and commitments with respect to which it is entitled to receive only performance income or is otherwise not currently entitled to receive a management fee) and (ii) certain assets, primarily in its private equity funds, are reflected based on capital commitments and invested capital as opposed to fair value because fees are not impacted by changes in the fair value of underlying investments.

### *Uncalled Commitments*

Uncalled commitments is the aggregate amount of unfunded capital commitments that KKR's investment funds and carry-paying co-investment vehicles have received from partners to contribute capital to fund future investments. The amount of uncalled commitments is not reduced by capital invested using borrowings under an investment fund's subscription facility until capital is called from our fund investors. We believe this measure is useful to stockholders as it provides additional insight into the amount of capital that is available to KKR's investment funds and carry paying co-investment vehicles to make future investments. Uncalled commitments are not reduced for investments completed using fund-level investment financing arrangements or investments we have committed to make but remain unfunded at the reporting date.

**Condensed Consolidated Results of Operations (GAAP Basis - Unaudited)**

The following is a discussion of our consolidated results of operations on a GAAP basis for the three months ended September 30, 2022 and 2021. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report. For a more detailed discussion of the factors that affected our segment results in these periods, see "—Analysis of Segment Operating Results." See "Business Environment" for more information about factors that may impact our business, financial performance, operating results and valuations.

The presentation of our consolidated results of operations that follows reflects the significant industry diversification of KKR by its acquisition of Global Atlantic. Global Atlantic operates an insurance business, and KKR operates an asset management business, each of which possess distinct characteristics. As a result, KKR developed a two-tiered presentation approach, where Global Atlantic's insurance business is presented separately from KKR's asset management business. Additionally, for the nine months ended September 30, 2021, the results of Global Atlantic's insurance operations included in our consolidated results of operations are from February 1, 2021 (closing date of the acquisition) through September 30, 2021.

	<b>Three Months Ended</b>		
	<b>September 30, 2022</b>	<b>September 30, 2021</b>	<b>Change</b>
	(\$ in thousands)		
<b>Revenues</b>			
<i>Asset Management</i>			
Fees and Other	\$ 673,929	\$ 718,968	\$ (45,039)
Capital Allocation-Based Income (Loss)	(572,863)	1,526,667	(2,099,530)
	<u>101,066</u>	<u>2,245,635</u>	<u>(2,144,569)</u>
<i>Insurance</i>			
Net Premiums	480,462	974,903	(494,441)
Policy Fees	320,206	310,381	9,825
Net Investment Income	1,094,877	758,381	336,496
Net Investment-Related Gains (Losses)	(173,830)	162,127	(335,957)
Other Income	35,632	31,938	3,694
	<u>1,757,347</u>	<u>2,237,730</u>	<u>(480,383)</u>
<b>Total Revenues</b>	<b>1,858,413</b>	<b>4,483,365</b>	<b>(2,624,952)</b>
<b>Expenses</b>			
<i>Asset Management</i>			
Compensation and Benefits	244,502	1,012,837	(768,335)
Occupancy and Related Charges	18,683	17,438	1,245
General, Administrative and Other	212,513	203,977	8,536
	<u>475,698</u>	<u>1,234,252</u>	<u>(758,554)</u>
<i>Insurance</i>			
Net Policy Benefits and Claims	1,087,731	1,697,046	(609,315)
Amortization of Policy Acquisition Costs	8,222	(16,900)	25,122
Interest Expense	26,141	22,437	3,704
Insurance Expenses	158,280	89,534	68,746
General, Administrative and Other	178,443	158,873	19,570
	<u>1,458,817</u>	<u>1,950,990</u>	<u>(492,173)</u>
<b>Total Expenses</b>	<b>1,934,515</b>	<b>3,185,242</b>	<b>(1,250,727)</b>
<b>Investment Income (Loss) - Asset Management</b>			
Net Gains (Losses) from Investment Activities	(379,180)	2,116,647	(2,495,827)
Dividend Income	294,415	121,484	172,931
Interest Income	500,234	402,839	97,395
Interest Expense	(391,520)	(278,166)	(113,354)
<b>Total Investment Income (Loss)</b>	<b>23,949</b>	<b>2,362,804</b>	<b>(2,338,855)</b>
<b>Income (Loss) Before Taxes</b>	<b>(52,153)</b>	<b>3,660,927</b>	<b>(3,713,080)</b>
<b>Income Tax Expense (Benefit)</b>	<b>27,434</b>	<b>379,282</b>	<b>(351,848)</b>

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Net Income (Loss)</b>	(79,587)	3,281,645	(3,361,232)
Net Income (Loss) Attributable to Redeemable Noncontrolling Interests	1,601	1,519	82
Net Income (Loss) Attributable to Noncontrolling Interests	(6,792)	2,123,569	(2,130,361)
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>	(74,396)	1,156,557	(1,230,953)
Series A Preferred Stock Dividends	—	—	—
Series B Preferred Stock Dividends	—	7,953	(7,953)
Series C Mandatory Convertible Preferred Stock Dividends	17,250	17,250	—
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Common Stockholders</b>	<b>\$ (91,646)</b>	<b>\$ 1,131,354</b>	<b>\$ (1,223,000)</b>

**Condensed Consolidated Results of Operations (GAAP Basis - Unaudited) - Asset Management**
*Revenues*

For the three months ended September 30, 2022 and 2021, revenues consisted of the following:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Management Fees	\$ 419,876	\$ 349,249	\$ 70,627
Fee Credits	(136,996)	(164,720)	27,724
Transaction Fees	328,483	437,619	(109,136)
Monitoring Fees	29,683	29,823	(140)
Incentive Fees	1,402	6,962	(5,560)
Expense Reimbursements	10,733	34,857	(24,124)
Consulting Fees	20,748	25,178	(4,430)
<b>Total Fees and Other</b>	<b>673,929</b>	<b>718,968</b>	<b>(45,039)</b>
Carried Interest	(477,681)	1,216,433	(1,694,114)
General Partner Capital Interest	(95,182)	310,234	(405,416)
<b>Total Capital Allocation-Based Income (Loss)</b>	<b>(572,863)</b>	<b>1,526,667</b>	<b>(2,099,530)</b>
<b>Total Revenues - Asset Management</b>	<b>\$ 101,066</b>	<b>\$ 2,245,635</b>	<b>\$ (2,144,569)</b>

*Fees and Other*

Total Fees and Other for the three months ended September 30, 2022 decreased compared to the three months ended September 30, 2021 primarily as a result of the decrease in transaction fees, partially offset by the increase in management fees.

For a more detailed discussion of the factors that affected our transaction fees during the period, see "—Analysis of Asset Management Segment Operating Earnings."

The increase in management fees was primarily attributable to (i) management fees earned from European Fund VI and Global Impact II Fund and (ii) management fees earned on assets managed by KJRM, which we acquired in 2022. The increase was partially offset by a decrease in management fees earned from Asian Fund III as a result of a decrease in its invested capital following the end of its investment period, which resulted in the calculation of lower fees.

Management fees due from consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are funded by, and earned from, noncontrolling interests, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is increased by the amount of fees that are eliminated. Accordingly, the elimination of these fees does not impact the net income (loss) attributable to KKR or KKR stockholders' equity. For a more detailed discussion on the factors that affect our management fees during the period including the fees earned from unconsolidated investment funds and other vehicles see "—Analysis of Asset Management Segment Operating Earnings."

Fee credits decreased compared to the prior period as a result of a lower level of transaction fees in our Private Equity and Credit and Liquid Strategies business lines in the current period. Fee credits owed to consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are owed to noncontrolling interests, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is decreased by the amount of fee credits that are eliminated. Accordingly, the elimination of these fee credits does not impact the net income (loss) attributable to KKR or KKR stockholders' equity.

Transaction and monitoring fees are earned from KKR portfolio companies and are not eliminated upon consolidation because these fees are earned from companies which are not consolidated. Furthermore, transaction fees earned in our Capital Markets business line are not shared with fund investors. Accordingly, certain transaction fees are reflected in revenues without a corresponding fee credit.

*Capital Allocation-Based Income (Loss)*

Capital Allocation-Based Income (Loss) for the three months ended September 30, 2022 was negative primarily due to the net depreciation of the underlying investments at many of our carry earning investment funds, most notably Americas Fund XII, Asian Fund III, and North America Fund XI. Capital Allocation-Based Income (Loss) for the three months ended September 30, 2021 was positive primarily due to the net appreciation of the underlying investments at our carry earning investment funds, most notably Asian Fund III, North America Fund XI, and Americas Fund XII.

KKR generally calculates the carried interest that would be due to KKR for each investment fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as carried interest to reflect either (a) positive performance resulting in an increase in the carried interest allocated to the general partner or (b) negative performance that would cause the amount due to KKR to be less than the amount previously recognized, resulting in a negative adjustment to carried interest allocated to the general partner. In each case, it is necessary to calculate the carried interest on cumulative results compared to the carried interest recorded to date and to make the required positive or negative adjustments.

*Investment Income (Loss) - Asset Management*

For additional information about net gains (losses) from investment activities, see Note 5 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements.

*Net Gains (Losses) from Investment Activities for the three months ended September 30, 2022*

The net losses from investment activities for the three months ended September 30, 2022 were comprised of net realized gains of \$329.0 million and net unrealized losses of \$(708.2) million.

Investment gains and losses relating to our general partner capital interest in our unconsolidated funds are not reflected in our discussion and analysis of Net Gains (Losses) from Investment Activities. Our economics associated with these gains and losses are reflected in Capital Allocation-Based Income (Loss) as described above.

*Realized Gains and Losses from Investment Activities*

For the three months ended September 30, 2022, net realized gains related primarily to the sale of our investment in Fiserv, Inc. (NASDAQ: FISV) and the sale of real estate equity investments held in certain consolidated real estate opportunistic funds. Partially offsetting these realized gains were realized losses primarily relating to certain investments held in our consolidated alternative credit funds and energy funds.

*Unrealized Gains and Losses from Investment Activities*

For the three months ended September 30, 2022, net unrealized losses were driven primarily by mark-to-market losses from (i) investments held by certain consolidated energy funds, (ii) PetVet Care Centers, LLC (healthcare sector), and (iii) investments held in certain consolidated alternative credit funds. These unrealized losses were partially offset by mark-to-market gains related to (i) USI, Inc. (financial services sector), (ii) foreign exchanged derivative contracts, and (iii) 1-800 Contacts Inc. (healthcare sector).

For a discussion of other factors that affected KKR's realized investment income for the three months ended September 30, 2022, see "—Analysis of Asset Management Segment Operating Results."

*Net Gains (Losses) from Investment Activities for the three months ended September 30, 2021*

The net gains from investment activities for the three months ended September 30, 2021 were comprised of net realized gains of \$609.6 million and net unrealized gains of \$1,507.0 million.

*Realized Gains and Losses from Investment Activities*

For the three months ended September 30, 2021, net realized gains related primarily to the sales of our investments in Mr. Cooper Group Inc. (NASDAQ: COOP), FanDuel Inc. (technology sector), and Darktrace Limited (LON: DARK.L). Partially



offsetting these realized gains were realized losses primarily relating to certain investments held in our consolidated credit funds.

#### *Unrealized Gains and Losses from Investment Activities*

For the three months ended September 30, 2021, net unrealized gains were driven primarily by (i) mark-to-market gains from private equity, growth equity and core investments held by KKR and certain consolidated funds, the most significant of which were PetVet Care Centers, LLC and Heartland Dental, LLC (healthcare sector), and Axel Springer (media sector) and (ii) mark-to-market gains from certain investments held in our consolidated real estate funds. These unrealized gains were partially offset by (i) the reversal of previously recognized unrealized gains relating to the realization activity described above, (ii) mark-to-market losses related to certain investments held in our consolidated credit funds, and (iii) an unrealized loss on BridgeBio Pharma, Inc. (NASDAQ: BBIO).

For a discussion of other factors that affected KKR's realized investment income for the three months ended September 30, 2022, see "—Analysis of Asset Management Segment Operating Results."

#### *Dividend Income*

During the three months ended September 30, 2022, the most significant dividends received included (i) \$54.2 million from investments held in our infrastructure core funds, (ii) \$47.5 million from Koki Holdings Co. Ltd. (industrial sector), held in a consolidated multi-strategy fund, and dividends received from certain alternative credit funds. During the three months ended September 30, 2021, the most significant dividends received included \$51.3 million from our consolidated real estate and infrastructure funds and \$23.5 million from our consolidated energy funds.

Significant dividends from portfolio companies and consolidated funds are generally not recurring quarterly dividends, and while they may occur in the future, their size and frequency are variable. For a discussion of other factors that affected KKR's dividend income, see "—Analysis of Asset Management Segment Operating Results."

#### *Interest Income*

The increase in interest income during the three months ended September 30, 2022 compared to the three months ended September 30, 2021 was primarily due to (i) the impact of closing CLOs that were consolidated subsequent to September 30, 2021 and higher interest rates on assets held in consolidated CLOs, and (ii) a higher level of interest income from investments held in certain of our consolidated alternative credit funds, primarily related to an increase in the amount of capital deployed and higher interest rates. Partially offsetting these increases was the deconsolidation of KKR Real Estate Finance Trust Inc. (NYSE: KREF) ("KREF") in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest income, see "—Analysis of Asset Management Segment Operating Results."

#### *Interest Expense*

The increase in interest expense during the three months ended September 30, 2022 compared to the three months ended September 30, 2021 was primarily due to (i) the increase in the amount of borrowings outstanding from consolidated funds and other vehicles, (ii) impact of closing CLOs that were consolidated after September 30 2021 and higher interest rates on debt obligations held in consolidated CLOs, and (iii) the impact of issuances of our senior notes after September 30, 2021. Partially offsetting these increases was the deconsolidation of KREF in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest expense, see "—Analysis of Non-GAAP Performance Measures."

#### *Expenses - Asset Management*

##### *Compensation and Benefits Expense*

The decrease in compensation and benefits expense during the three months ended September 30, 2022 compared to the three months ended September 30, 2021 was primarily due to the reversal of previously recognized accrued carried interest compensation, partially offset by (i) higher equity-based compensation charges and (ii) a higher level of discretionary cash compensation accrued resulting from a higher level of fee revenue and realized performance income in the current period.

### General, Administrative and Other

The increase in general, administrative and other expenses during the three months ended September 30, 2022 compared to the three months ended September 30, 2021 was primarily due to a higher level of (i) professional fees, information technology and other administrative costs in connection with the overall growth of the firm and (ii) travel related expenses as a result of COVID-19 pandemic travel restrictions being reduced.

In periods of significant fundraising and to the extent that we use third parties to assist in our capital raising efforts, our General, Administrative and Other are expected to increase accordingly. Similarly, our General, Administrative and Other expenses are expected to increase as a result of increased levels of professional and other fees incurred as part of due diligence related to strategic acquisitions and new product development.

### Condensed Consolidated Results of Operations (GAAP Basis - Unaudited) - Insurance

As discussed above, our insurance segment consists solely of the operations of Global Atlantic, which was acquired on February 1, 2021. Accordingly, prior periods have been excluded for insurance segment results. For the nine month period ended September 30, 2021, the results of Global Atlantic's insurance operations included in our condensed consolidated results of operations are from February 1, 2021 through September 30, 2021.

#### Assumption review

The assumptions on which reserves, deferred revenue and expenses are based are intended to represent an estimation of the benefits that are expected to be payable to, and fees or premiums that are expected to be collectible from, policyholders in future periods. Global Atlantic reviews the adequacy of its reserves, deferred revenue and expenses and the assumptions underlying those items at least annually, usually in the third quarter. As Global Atlantic analyzes its assumptions, to the extent Global Atlantic chooses to update one or more of those assumptions, there may be an “unlocking” impact. Generally, favorable unlocking means the change in assumptions required a reduction in reserves, or in deferred revenue liabilities or an increase in deferred expenses, and unfavorable unlocking means the change in assumptions required an increase in reserves or in deferred revenue liabilities, or a reduction in deferred expenses.

The following table reflects the impact on net income by financial statement line item and to insurance segment adjusted operating earnings from Global Atlantic's assumption review:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Impacts of assumption review, by statement of income line item:</b>			
Policy fees	\$ (14)	\$ 182	\$ (196)
Policy benefits and claims	(23,079)	20,904	(43,983)
Amortization of policy acquisition costs	7,686	(2,119)	9,805
Income tax impact	3,236	(3,983)	7,219
<b>Total assumption review impact on net income</b>	<b>\$ (12,171)</b>	<b>\$ 14,984</b>	<b>\$ (27,155)</b>
Assumption review impact on adjustments to derive insurance segment adjusted operating earnings	(157)	(97)	(60)
Non-controlling interests' share of assumption review impact	4,749	(5,734)	10,483
<b>Total assumption review impact on insurance segment adjusted operating earnings</b>	<b>\$ (7,579)</b>	<b>\$ 9,153</b>	<b>\$ (16,732)</b>

For the three months ended September 30, 2022, the net unfavorable unlocking impact on net income and insurance segment adjusted operating earnings was primarily due to an increase in expected future surrender experience of annuity policies partially as a result of higher interest rates, and a decrease in expected future surrender experience of life insurance policies. For the three months ended September 30, 2021, the net favorable unlocking impact on net income and insurance segment adjusted operating earnings was primarily due to lower expected future mortality rates.

## Revenues

For the three months ended September 30, 2022 and 2021, revenues consisted of the following:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Net Premiums	\$ 480,462	\$ 974,903	\$ (494,441)
Policy Fees	320,206	310,381	9,825
Net Investment Income	1,094,877	758,381	336,496
Net Investment-Related Losses	(173,830)	162,127	(335,957)
Other Income	35,632	31,938	3,694
<b>Total Insurance Revenues</b>	<b>\$ 1,757,347</b>	<b>\$ 2,237,730</b>	<b>\$ (480,383)</b>

### Net Premiums

Net premiums decreased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to lower initial reserves related to fewer new reinsurance transactions with life contingencies assumed during the three months ended September 30, 2022 as compared to the three months ended September 30, 2021. These lower net premiums are offset by a comparable decrease in policy reserves reported within net policy benefits and claims (as discussed below).

### Policy fees

Policy fees increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to higher administrative and rider fees due to growth in the individual market channel.

### Net investment income

Net investment income increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to (i) increased average assets under management due to growth in assets in our institutional market channel as a result of new reinsurance transactions and individual market channel sales from new business growth, (ii) growth in portfolio yields due to higher market interest rates on floating rate investments, and (iii) rotation into higher yielding assets.

### Net investment-related losses

The components of net investment-related losses were as follows:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Funds withheld payable at interest embedded derivatives	\$ 836,395	\$ 103,971	\$ 732,424
Equity futures contracts	37,247	1,783	35,464
Foreign currency forwards	42,136	(4,776)	46,912
Credit risk contracts	370	(196)	566
Equity index options	(156,561)	(25,854)	(130,707)
Interest rate contracts	(107,494)	(24,135)	(83,359)
Funds withheld receivable embedded derivatives	3,211	(10,001)	13,212
<b>Net gains on derivative instruments</b>	<b>655,304</b>	<b>40,792</b>	<b>614,512</b>
Net other investment gains (losses)	(829,134)	121,335	(950,469)
<b>Net investment-related gains (losses)</b>	<b>\$ (173,830)</b>	<b>\$ 162,127</b>	<b>\$ (335,957)</b>

### Net gains on derivative instruments

The increase in the fair value of embedded derivatives on funds withheld at interest payable was driven primarily by the change in fair value of the underlying investments in the funds withheld payable at interest portfolio, which is primarily comprised of fixed maturity securities (designated as trading for accounting purposes), mortgage and other loan receivables and other investments. The underlying investments in the funds withheld payable at interest portfolio declined in value in the current period primarily due to an increase in market interest rates and wider credit spreads. The underlying investments in the funds withheld payable at interest portfolio declined in value in the prior period primarily due to a smaller increase in market interest rates, as compared to the current period.

The increase in realized gains on foreign currency forward contracts relative to the spot exchange rates was primarily due to strengthening of the U.S. dollar relative to hedged foreign currencies during the three months ended September 30, 2022, as compared to the three months ended September 30, 2021.

The increase in the fair value of equity futures contracts was driven primarily by the performance of equity markets. Global Atlantic purchases equity futures primarily to hedge the market risk in our variable annuity products which are accounted for in net policy benefits and claims. The majority of Global Atlantic's equity futures are based on the S&P 500 Index, which decreased during the three months ended September 30, 2022, as compared to the increase during the three months ended September 30, 2021, resulting in a gain on equity futures contracts in both periods.

The decrease in the fair value of equity index options was primarily driven by the performance of the indexes upon which call options are based. Global Atlantic purchases equity index options to hedge the market risk of embedded derivatives in indexed universal life and fixed-indexed annuity products (the change in which is accounted for in net policy benefits and claims). The majority of Global Atlantic's equity index call options are based on the S&P 500 index, which decreased during the three months ended September 30, 2022, as compared to the increase during the three months ended September 30, 2021.

The decrease in the fair value of interest rate contracts was primarily driven by an increase in market interest rates during the three months ended September 30, 2022 as compared to a significantly smaller increase in market interest rates during the three months ended September 30, 2021.

### Net other investment losses

The components of net other investment losses were as follows:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
Realized gains (losses) on investments not supporting asset-liability matching strategies	\$ 27,634	\$ 51,492	\$ (23,858)
Realized gains (losses) on equity investments	—	51,520	(51,520)
Realized gains (losses) on available-for-sale fixed maturity debt securities	(8,277)	(15,026)	6,749
Credit loss allowances	(25,885)	(76,872)	50,987
Unrealized gains (losses) on fixed maturity securities classified as trading	(720,418)	(133,118)	(587,300)
Unrealized gains (losses) on investments classified as trading or accounted under a fair-value option	(22,995)	303,021	(326,016)
Unrealized gains (losses) on real estate investments recognized at fair value under investment company accounting	(34,479)	9,997	(44,476)
Realized gains (losses) on funds withheld at interest payable portfolio	3,652	(12,272)	15,924
Realized gains (losses) on funds withheld at interest receivable portfolio	3,858	2,633	1,225
Other	(52,224)	(60,040)	7,816
<b>Net other investment gains (losses)</b>	<b>\$ (829,134)</b>	<b>\$ 121,335</b>	<b>\$ (950,469)</b>

The decrease in net other investment (losses) gains was primarily due to an increase in unrealized losses on fixed maturity securities classified as trading, and investments classified as trading or accounted under a fair-value option, primarily driven by an increase in interest rates and widening credit spreads in the current period compared to a significantly smaller increase in interest rates in the prior period, and the non-recurrence of an unrealized gain on the valuation of equity interest in our solar facility developers reported in the prior period.

## **Expenses**

### *Net Policy benefits and claims*

Net policy benefits and claims decreased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to (i) lower initial reserves related to fewer new reinsurance transactions with life contingencies in the three months ended September 30, 2022 as compared to the three months ended September 30, 2021, (ii) a decrease in the value of embedded derivatives in our indexed universal life and fixed indexed annuity products, as a result of lower equity market returns (as discussed above under “—Net investment-related losses—Gains on derivatives,” Global Atlantic purchases equity index options in order to hedge this risk, the fair value changes of which are accounted for in gains on derivative instruments, and generally offsetting the change in embedded derivative fair value reported in net policy benefits and claims). These decreases were offset by (i) an increase in net policy benefits and claims due to new business originated from both individual and institutional market channel sales (net of retrocessions), (ii) higher funding costs on new business, and (iii) unfavorable unlocking related to the assumption review described above under “—Notable Items—Assumption Review.”

### *Amortization of policy acquisition costs*

Amortization of policy acquisition costs increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to growth in our individual market channel, which was offset by favorable unlocking related to the assumption review described above under “—Notable Items—Assumption Review.”

### *Insurance expenses*

Insurance expenses increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to (i) increased commission expense related to increased sales in our individual market and (ii) increased reinsurance ceding expense allowances paid for policy administration services as a result of an increase in reinsurance transactions.

### *General, administrative and other*

General, administrative and other expenses increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to (i) increased employee compensation and benefits-related expenses, (ii) increased professional service fees, and (iii) increased third-party administrator (“TPA”) policy servicing fees, all due to growth of the business.

**Other Condensed Consolidated Results of Operations (GAAP Basis - Unaudited)**

*Income Tax Expense (Benefit)*

For the three months ended September 30, 2022, income tax was an expense of \$27.4 million compared to an income tax expense of \$379.3 million in the prior period. In the current period, a current tax expense was generated on earnings from the Global Atlantic offset by a deferred tax benefit generated primarily due to pre-tax unrealized losses driven by net capital allocation-based losses and investment losses that are not currently deductible for tax purposes. Our effective tax rate under GAAP for the three months ended September 30, 2022 was (52.6)%. For a discussion of factors that impacted KKR's tax provision, see Note 18 "Income Taxes" to the financial statements included elsewhere in this report. The amount of U.S. federal or state corporate income taxes we pay in future periods may be materially increased if adverse tax laws become enacted. See "—Business Environment— Economic and Market Conditions" in this report.

*Net Income (Loss) Attributable to Noncontrolling Interests*

Net Income (Loss) attributable to noncontrolling interests for the three months ended September 30, 2022 relates primarily to net income (loss) attributable to (i) exchangeable securities representing ownership interests in KKR Group Partnership, (ii) third-party limited partner interests in consolidated investment funds and (iii) interests that co-investors and rollover investors hold in Global Atlantic. Net loss attributable to noncontrolling interests for the three months ended September 30, 2022 was primarily due to net losses from investment activities at our consolidated investment funds, partially offset by positive income allocable to interests that co-investors and rollover investors hold in Global Atlantic.

*Net Income (Loss) Attributable to KKR & Co. Inc.*

The net loss attributable to KKR & Co. Inc. for the three months ended September 30, 2022 was primarily due to (i) net capital allocation-based losses and (ii) net losses from investment activities, partially offset by (i) a higher level of management fees and (ii) a reversal of previously recognized accrued carried interest compensation, as described above.

**Consolidated Results of Operations (GAAP Basis)**

The following is a discussion of our consolidated results of operations on a GAAP basis for the nine months ended September 30, 2022 and 2021. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report. See "Business Environment" for more information about factors that may affect our business, financial performance, operating results and valuations.

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Revenues</b>			
<i>Asset Management</i>			
Fees and Other	\$ 2,069,704	\$ 1,887,805	\$ 181,899
Capital Allocation-Based Income (Loss)	(2,442,080)	5,736,707	(8,178,787)
	<u>(372,376)</u>	<u>7,624,512</u>	<u>(7,996,888)</u>
<i>Insurance</i>			
Net Premiums	627,104	1,698,912	(1,071,808)
Policy Fees	964,349	824,326	140,023
Net Investment Income	2,839,371	1,919,659	919,712
Net Investment-Related Gains (Losses)	(968,836)	32,983	(1,001,819)
Other Income	102,888	82,160	20,728
	<u>3,564,876</u>	<u>4,558,040</u>	<u>(993,164)</u>
<b>Total Revenues</b>	<b><u>3,192,500</u></b>	<b><u>12,182,552</u></b>	<b><u>(8,990,052)</u></b>
<b>Expenses</b>			
<i>Asset Management</i>			
Compensation and Benefits	779,050	3,419,057	(2,640,007)
Occupancy and Related Charges	55,693	51,289	4,404
General, Administrative and Other	701,010	608,270	92,740
	<u>1,535,753</u>	<u>4,078,616</u>	<u>(2,542,863)</u>
<i>Insurance</i>			
Net Policy Benefits and Claims	1,768,384	3,593,563	(1,825,179)
Amortization of Policy Acquisition Costs	13,693	(57,409)	71,102
Interest Expense	58,330	44,482	13,848
Insurance Expenses	406,088	242,591	163,497
General, Administrative and Other	516,549	371,656	144,893
	<u>2,763,044</u>	<u>4,194,883</u>	<u>(1,431,839)</u>
<b>Total Expenses</b>	<b><u>4,298,797</u></b>	<b><u>8,273,499</u></b>	<b><u>(3,974,702)</u></b>
<b>Investment Income (Loss) - Asset Management</b>			
Net Gains (Losses) from Investment Activities	(1,350,388)	8,032,900	(9,383,288)
Dividend Income	1,104,120	323,051	781,069
Interest Income	1,244,339	1,151,548	92,791
Interest Expense	(1,002,005)	(794,978)	(207,027)
<b>Total Investment Income (Loss)</b>	<b><u>(3,934)</u></b>	<b><u>8,712,521</u></b>	<b><u>(8,716,455)</u></b>
<b>Income (Loss) Before Taxes</b>	<b>(1,110,231)</b>	<b>12,621,574</b>	<b>(13,731,805)</b>
<b>Income Tax Expense (Benefit)</b>	<b>(128,836)</b>	<b>1,161,688</b>	<b>(1,290,524)</b>

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Net Income (Loss)</b>	(981,395)	11,459,886	(12,441,281)
Net Income (Loss) Attributable to Redeemable Noncontrolling Interests	1,546	2,856	(1,310)
Net Income (Loss) Attributable to Noncontrolling Interests	(41,341)	7,315,362	(7,356,703)
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc.</b>	(941,600)	4,141,668	(5,083,268)
Series A Preferred Stock Dividends	—	23,656	(23,656)
Series B Preferred Stock Dividends	—	12,991	(12,991)
Series C Mandatory Convertible Preferred Stock Dividends	51,750	51,750	—
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Common Stockholders</b>	<b>\$ (993,350)</b>	<b>\$ 4,053,271</b>	<b>\$ (5,046,621)</b>



**Consolidated Results of Operations (GAAP Basis) - Asset Management***Revenues*

For the nine months ended September 30, 2022 and 2021, revenues consisted of the following:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
Management Fees	\$ 1,236,151	\$ 931,624	\$ 304,527
Fee Credits	(388,315)	(322,402)	(65,913)
Transaction Fees	973,310	978,399	(5,089)
Monitoring Fees	99,605	98,164	1,441
Incentive Fees	15,600	13,092	2,508
Expense Reimbursements	77,612	122,642	(45,030)
Consulting Fees	55,741	66,286	(10,545)
<b>Total Fees and Other</b>	<b>2,069,704</b>	<b>1,887,805</b>	<b>181,899</b>
Carried Interest	(1,999,678)	4,553,527	(6,553,205)
General Partner Capital Interest	(442,402)	1,183,180	(1,625,582)
<b>Total Capital Allocation-Based Income (Loss)</b>	<b>(2,442,080)</b>	<b>5,736,707</b>	<b>(8,178,787)</b>
<b>Total Revenues - Asset Management</b>	<b>\$ (372,376)</b>	<b>\$ 7,624,512</b>	<b>\$ (7,996,888)</b>

*Fees and Other*

Total Fees and Other for the nine months ended September 30, 2022 increased compared to the nine months ended September 30, 2021 primarily as a result of the increase in management fees.

For a more detailed discussion of the factors that affected our transaction fees during the period, see "—Analysis of Asset Management Segment Operating Earnings."

The increase in management fees was primarily attributable to management fees earned from North America Fund XIII, Global Infrastructure Investors IV, and European Fund VI. The increase was partially offset by a decrease in management fees earned from Americas Fund XII and Global Infrastructure Investors III as a result of entering their post-investment period and now earning fees based on capital invested rather than capital committed.

Management fees due from consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are funded by, and earned from, noncontrolling interests, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is increased by the amount of fees that are eliminated. Accordingly, the elimination of these fees does not impact the net income (loss) attributable to KKR or KKR stockholders' equity. For a more detailed discussion on the factors that affect our management fees during the period, see "—Analysis of Asset Management Segment Operating Earnings."

Fee credits increased compared to the prior period as a result of a higher level of transaction fees in our private equity and real asset business lines. Fee credits owed to consolidated investment funds are eliminated upon consolidation under GAAP. However, because these amounts are owed to noncontrolling interests, KKR's allocated share of the net income from the consolidated investment funds is decreased by the amount of fee credits that are eliminated. Accordingly, the elimination of these fee credits does not impact the net income (loss) attributable to KKR or KKR stockholders' equity. Transaction and monitoring fees earned from KKR portfolio companies are not eliminated upon consolidation because those fees are earned from companies which are not consolidated. Furthermore, transaction fees earned in our capital markets business are not shared with fund investors. Accordingly, certain transaction fees are reflected in revenues without a corresponding fee credit.

*Capital Allocation-Based Income (Loss)*

Capital Allocation-Based Income (Loss) for the nine months ended September 30, 2022 was negative primarily due to the net depreciation of the underlying investments at many of our carry earning investment funds, most notably Americas Fund XII, Asian Fund II, and Asian Fund III. Capital Allocation-Based Income (Loss) for the nine months ended September 30, 2021 was positive primarily due to the net appreciation of the underlying investments at our carry earning investment funds, most notably Americas Fund XII, Asian Fund III, and North America Fund XI.

KKR generally calculates the carried interest that would be due to KKR for each investment fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of the reporting date, irrespective of whether such amounts have been realized. Since the fair value of the underlying investments varies between reporting periods, it is necessary to make adjustments to the amounts recorded as carried interest to reflect either (a) positive performance resulting in an increase in the carried interest allocated to the general partner or (b) negative performance that would cause the amount due to KKR to be less than the amount previously recognized, resulting in a negative adjustment to carried interest allocated to the general partner. In each case, it is necessary to calculate the carried interest on cumulative results compared to the carried interest recorded to date and to make the required positive or negative adjustments.

*Investment Income (Loss) - Asset Management*

For additional information about net gains (losses) from investment activities, see Note 5 "Net Gains (Losses) from Investment Activities - Asset Management" in our financial statements.

*Net Gains (Losses) from Investment Activities for the nine months ended September 30, 2022*

The net losses from investment activities for the nine months ended September 30, 2022 were comprised of net realized gains of \$1,158.6 million and net unrealized losses of \$(2,509.0) million.

Investment gains and losses relating to our general partner capital interest in our unconsolidated funds are not reflected in our discussion and analysis of Net Gains (Losses) from Investment Activities. Our economics associated with these gains and losses are reflected in Capital Allocation-Based Income (Loss) as described above.

*Realized Gains and Losses from Investment Activities*

For the nine months ended September 30, 2022, net realized gains related primarily to (i) the sale of our investment in Fiserv, Inc., (ii) the sale of Internet Brands, Inc. (technology sector) held in one of our consolidated funds, and (iii) the sale of real estate equity investments held in certain consolidated real estate opportunistic funds. Partially offsetting these realized gains were realized losses primarily relating to certain investments held in our consolidated alternative credit funds.

*Unrealized Gains and Losses from Investment Activities*

For the nine months ended September 30, 2022, net unrealized losses were driven primarily by mark-to-market losses from (i) investments held in certain consolidated alternative credit funds, (ii) OutSystems Holdings S.A. (technology sector), and (iii) the reversal of previously recognized unrealized gains relating to the realization activity described above. These unrealized losses were partially offset by mark-to-market gains related to (i) investments held in certain consolidated energy funds, (ii) USI, Inc., (iii) Clarify Health Solutions Inc. (healthcare sector), and (iv) foreign exchanged derivative contracts.

For a discussion of other factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results".

*Net Gains (Losses) from Investment Activities for the nine months ended September 30, 2021*

The net gains from investment activities for the nine months ended September 30, 2021 were comprised of net realized gains of \$1,533.0 million and net unrealized gains of \$6,499.9 million.

*Realized Gains and Losses from Investment Activities*

For the nine months ended September 30, 2021, net realized gains related primarily to the sales of our investments in FanDuel Inc., Mr. Cooper Group Inc., and BridgeBio Pharma, Inc. Partially offsetting these realized gains were realized losses

primarily relating to certain investments held in our consolidated credit funds and realized losses related to certain hedging instruments.

#### *Unrealized Gains and Losses from Investment Activities*

For the nine months ended September 30, 2021, net unrealized gains were driven primarily by (i) mark-to-market gains from private equity, growth equity and core investments held by KKR and certain consolidated funds, the most significant of which were PetVet Care Centers, LLC, Heartland Dental, LLC, and OutSystems Holdings S.A. and (ii) mark-to-market gains from certain investments held in our real estate funds. These unrealized gains were partially offset by (i) the reversal of previously recognized unrealized gains relating to the realization activity described above and (ii) an unrealized loss on BridgeBio Pharma, Inc.

For a discussion of other factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results".

#### *Dividend Income*

During the nine months ended September 30, 2022, the most significant dividends received included (i) \$406.7 million from investments held in our consolidated real estate core plus and real estate opportunistic equity funds and (ii) \$86.6 million from our investment in Exact Group B.V. (technology sector) held in our consolidated core vehicles. During the nine months ended September 30, 2021, the most significant dividends received included (i) \$138.0 million from our consolidated real estate and infrastructure funds, (ii) \$33.9 million from our consolidated energy funds, and (iii) \$26.9 million from our investment in Viridor Limited (infrastructure).

Significant dividends from portfolio companies and consolidated funds are generally not recurring quarterly dividends, and while they may occur in the future, their size and frequency are variable. For a discussion of other factors that affected KKR's dividend income, see "—Analysis of Asset Management Segment Operating Results."

#### *Interest Income*

The increase in interest income during the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 was primarily due to (i) the impact of closing additional CLOs that were consolidated subsequent to September 30, 2021 and higher interest rates on assets held in consolidated CLOs and (ii) a higher level of interest income from investments held in certain of our consolidated alternative credit funds, primarily related to an increase in the amount of capital deployed and higher interest rates. Partially offsetting these increases was the deconsolidation of KREF in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest income, see "—Analysis of Asset Management Segment Operating Results."

#### *Interest Expense*

The increase in interest expense during the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 was primarily due to the (i) increase in the amount of borrowings outstanding from consolidated funds and other vehicles, (ii) impact of closing additional CLOs that were consolidated subsequent to September 30, 2021 and higher interest rates on debt obligations held in consolidated CLOs, and (iii) the impact of issuances of our senior notes after September 30, 2021. Partially offsetting these increases was the deconsolidation of KREF in the fourth quarter of 2021. For a discussion of other factors that affected KKR's interest expense, see "—Analysis of Non-GAAP Performance Measures."

#### *Expenses - Asset Management*

##### *Compensation and Benefits Expenses*

The decrease in compensation and benefits expense during the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 was primarily due to the reversal of previously recognized accrued carried interest, partially offset by (i) higher equity-based compensation charges and (ii) a higher level of discretionary cash compensation accrued resulting from a higher level of fee revenue and realized performance income in the current period.

*General, Administrative and Other*

The increase in general, administrative and other expenses during the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 was primarily due to a higher level of (i) expenses at our consolidated funds and investment vehicles, (ii) strategic corporate transaction-related charges, (iii) broken-deal expenses, (iv) professional fees, information technology and other administrative costs, and (v) travel related expenses as a result of COVID-19 pandemic travel restrictions being reduced.

The level of broken-deal expenses can vary significantly period to period based upon a number of factors, the most significant of which are the number of potential investments being pursued for our investment funds, the size and complexity of investments being pursued and the number of investment funds currently in their investment period. Also, in periods of significant fundraising and to the extent that we use third parties to assist in our capital raising efforts, our General, Administrative and Other are expected to increase accordingly. Similarly, our General, Administrative and Other expenses are expected to increase as a result of increased levels of professional and other fees incurred as part of due diligence related to strategic acquisitions and new product development.

## Consolidated Results of Operations (GAAP Basis) - Insurance

For the nine months ended September 30, 2021, the results of Global Atlantic's insurance operations included in our consolidated results of operations are from the acquisition date, February 1, 2021, through September 30, 2021.

### Assumption review

The following table reflects the impact on net income by financial statement line item and to insurance segment adjusted operating earnings from Global Atlantic's annual assumption review completed in the third quarter (which as a result, is identical to the table presented above for the three months ended September 30, 2022 and 2021) :

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Impacts of assumption review, by statement of income line item:</b>			
Policy fees	\$ (14)	\$ 182	\$ (196)
Policy benefits and claims	(23,079)	20,904	(43,983)
Amortization of policy acquisition costs	7,686	(2,119)	9,805
Income tax impact	3,236	(3,983)	7,219
<b>Total assumption review impact on net income</b>	<b>\$ (12,171)</b>	<b>\$ 14,984</b>	<b>\$ (27,155)</b>
Assumption review impact on adjustments to derive insurance segment adjusted operating earnings	(157)	(97)	(60)
Non-controlling interests' share of assumption review impact	4,749	(5,734)	10,483
<b>Total assumption review impact on insurance segment adjusted operating earnings</b>	<b>\$ (7,579)</b>	<b>\$ 9,153</b>	<b>\$ (16,732)</b>

For the nine months ended September 30, 2022, the net unfavorable unlocking impact on net income and insurance segment adjusted operating earnings was primarily due to an increase in expected future surrender experience of annuity policies partially as a result of higher interest rates, and a decrease in expected future surrender experience of life insurance policies. For the nine months ended September 30, 2021, the net favorable unlocking impact on net income and insurance segment adjusted operating earnings was primarily due to lower expected future mortality rates.

### Revenues

For the nine months ended September 30, 2022 and 2021, revenues consisted of the following:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
Net Premiums	\$ 627,104	\$ 1,698,912	\$ (1,071,808)
Policy Fees	964,349	824,326	140,023
Net Investment Income	2,839,371	1,919,659	919,712
Net Investment-Related Gains	(968,836)	32,983	(1,001,819)
Other Income	102,888	82,160	20,728
<b>Total Insurance Revenues</b>	<b>\$ 3,564,876</b>	<b>\$ 4,558,040</b>	<b>\$ (993,164)</b>

### Net Premiums

Net premiums decreased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to lower initial premiums related to fewer reinsurance transactions with life contingencies assumed during the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021. The decrease was partially offset by lower retrocessions to third party reinsurers during the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021. The initial premiums on assumed reinsurance are offset by a comparable increase in policy reserves reported within net policy benefits and claims (as discussed below).

### Policy fees

Policy fees increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to one less month of activity reported in the prior period as a result of the GA Acquisition on February 1, 2021.

### Net investment income

Net investment income increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) increased average assets under management due to growth in assets in our institutional market channel as a result of new reinsurance transactions and individual market channel sales, (iii) higher yields on floating-rate investments due to higher market interest rates and (iv) rotation into higher yielding assets.

### Net investment-related losses

The components of net investment-related losses were as follows:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Funds withheld payable embedded derivatives	\$ 3,380,530	\$ 48,799	\$ 3,331,731
Equity futures contracts	199,432	(171,982)	371,414
Foreign currency forwards	70,048	(675)	70,723
Credit risk contracts	705	(254)	959
Equity index options	(884,786)	275,035	(1,159,821)
Interest rate contracts	(331,395)	(149,274)	(182,121)
Funds withheld receivable embedded derivatives	(64,130)	68,449	(132,579)
<b>Net gains on derivative instruments</b>	<b>2,370,404</b>	<b>70,098</b>	<b>2,300,306</b>
Net other investment losses	(3,339,240)	(37,115)	(3,302,125)
<b>Net investment-related gains</b>	<b>\$ (968,836)</b>	<b>\$ 32,983</b>	<b>\$ (1,001,819)</b>

### Net gains on derivative instruments

The increase in the fair value of embedded derivatives on funds withheld at interest payable was primarily driven by the change in fair value of the underlying investments in the funds withheld payable at interest portfolio, which is primarily comprised of fixed maturity securities (designated as trading for accounting purposes), mortgage and other loan receivables, and other investments. The underlying investments in the funds withheld payable at interest portfolio declined in value in the current period primarily due to an increase in market interest rates and wider credit spreads.

The increase in the fair value of equity futures was driven primarily by the performance of equity markets. Global Atlantic purchases equity futures primarily to hedge the market risk in our variable annuity products which are accounted for in net policy benefits and claims. The majority of Global Atlantic's equity futures are based on the S&P 500 Index, which decreased during the nine months ended September 30, 2022, as compared to an increase during the nine months ended September 30, 2021, resulting in respectively, a gain, and a loss, on equity futures contracts in the respective periods.

The increase in realized gains on foreign currency forward contracts relative to the spot exchange rates were primarily due to strengthening of the U.S. dollar relative to hedged foreign currencies during the nine months ended September 30, 2022, as compared to the prior period.

The decrease in the fair value of equity index options was primarily driven by the performance of the indexes upon which call options are based. Global Atlantic purchases equity index options to hedge the market risk of embedded derivatives in indexed universal life and fixed-indexed annuity products (the change in which is accounted for in net policy benefits and claims). The majority of Global Atlantic's equity index call options are based on the S&P 500 index, which decreased during the nine months ended September 30, 2022, as compared to the increase during the nine months ended September 30, 2021.

The decrease in the fair value of interest rate contracts was driven by an increase in market interest rates during both the nine months ended September 30, 2022 and the prior period, resulting in a loss on interest rate contracts.

The decrease in the fair value of embedded derivatives on funds withheld at interest receivable was primarily due to widening of credit spreads during the nine months ended September 30, 2022, as compared to the tightening of credit spreads in the nine months ended September 30, 2021.

#### *Net other investment losses*

The components of net other investment losses were as follows:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Realized gains (losses) on investments not supporting asset-liability matching strategies	\$ 87,198	\$ 98,933	\$ (11,735)
Realized gains (losses) on equity investments	—	76,645	(76,645)
Realized gains (losses) on available-for-sale fixed maturity debt securities	(539,000)	(88,300)	(450,700)
Credit loss allowances	(84,690)	(244,775)	160,085
Unrealized gains (losses) on fixed maturity securities classified as trading	(2,748,542)	(130,228)	(2,618,314)
Unrealized gains (losses) on investments classified as trading or fair-value option	(63,923)	350,442	(414,365)
Unrealized gains (losses) on real estate investments recognized at fair value under investment company accounting	88,609	20,264	68,345
Realized gains (losses) on funds withheld at interest, payable	5,992	(31,384)	37,376
Realized gains (losses) on funds withheld at interest, receivable	7,296	10,250	(2,954)
Other	(92,180)	(98,962)	6,782
<b>Net investment-related gains</b>	<b>\$ (3,339,240)</b>	<b>\$ (37,115)</b>	<b>\$ (3,302,125)</b>

The increase in net other investment losses were primarily due to (i) increase in unrealized losses on fixed maturity securities classified as trading primarily due to an increase in interest rates and widening credit spreads in the current period, (ii) the increase in realized losses on available-for-sale fixed maturity debt securities primarily due to portfolio rotation in a higher interest rate environment, and (iii) the non-recurrence of unrealized gains on the valuation of our equity interests in solar facility developers reported in the prior period.

Offsetting these losses were (i) a higher credit loss allowance on mortgage and other loan receivables in the prior period primarily due to the recognition of an initial credit loan loss allowance upon the adoption of the current expected credit loss accounting standard concurrent with the GA Acquisition, and (ii) unrealized gains on real estate investments recognized at fair value under investment company accounting.

#### *Other income*

Other income increased for the nine months ended September 30, 2022 as compared to the prior period primarily due to one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021.

#### *Expenses*

##### *Net policy benefits and claims*

Net policy benefits and claims decreased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) lower initial reserves related to fewer new reinsurance transactions with life contingencies in the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021, and (ii) a decrease in the value of embedded derivatives in Global Atlantic's indexed universal life and fixed indexed annuity products, as a result of lower equity market returns (as discussed above under "—Net investment related losses—Gains on derivatives," Global Atlantic purchases equity index options in order to hedge this risk, the fair value changes of which are accounted for in gains on derivative instruments, and generally offsetting the change in embedded derivative fair value reported in net policy benefits and claims). This decrease was offset by (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) an increase in net flows from both individual and institutional market channel sales, (iii) an increase in variable annuity reserves primarily due to lower equity market returns, (iv) higher funding costs on new business, and (v) unfavorable unlocking related to the assumption review described above under "—Notable Items—Assumption Review."

*Amortization of policy acquisition costs*

Amortization of policy acquisition costs increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) a decrease in the net benefit (that is, a reduction to expense) from the amortization of the net negative insurance intangibles recognized as part of purchase accounting of the GA Acquisition, as the underlying business runs off, and (ii) growth in our individual market channel. Offsetting these increases in expense was a decrease in amortization due to realized investment losses, and (ii) favorable unlocking related to the assumption review described above under “—Notable Items—Assumption Review.”

*Interest expense*

Interest expense increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) a net increase in debt outstanding, including a draw on the revolving credit facility in the quarter ended March 31, 2022, and (ii) the impact of one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021.

*Insurance expenses*

Insurance expenses increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) increased commission expense related to increased sales in our individual market and increased reinsurance transactions, and (iii) increased reinsurance ceding expense allowances paid for policy administration services as a result of an increase in reinsurance transactions.

*General, administrative and other*

General, administrative and other expenses increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) increased employee compensation and benefits related expenses, (iii) increased professional service fees, and (iv) increased TPA policy servicing fees, all due to growth of the business.

**Other Consolidated Results of Operations (GAAP Basis)**

*Income Tax Expense (Benefit)*

For the nine months ended September 30, 2022, income tax was a benefit of \$128.8 million compared to an income tax expense of \$1,161.7 million in the prior period. In the current period, a deferred tax benefit was generated primarily due to pre-tax unrealized losses driven by net capital allocation-based losses and investment losses that are not currently deductible for tax purposes. Our effective tax rate under GAAP for the nine months ended September 30, 2022 was 11.6%. For a discussion of factors that impacted KKR's tax provision, see Note 18 "Income Taxes" to the financial statements included elsewhere in this report. The amount of U.S. federal and state corporate income taxes we pay in future periods may be materially increased if adverse tax laws become enacted. See “—Business Environment — Economic and Market Conditions” in this report.

*Net Income (Loss) Attributable to Noncontrolling Interests*

Net Income (Loss) attributable to noncontrolling interests for the nine months ended September 30, 2022 relates primarily to net income (loss) attributable to (i) exchangeable securities representing ownership interests in KKR Group Partnership, (ii) third-party limited partner interests in consolidated investment funds, and (iii) interests that co-investors and rollover investors hold in Global Atlantic. The net loss attributable to noncontrolling interests for the nine months ended September 30, 2022 was primarily due to (i) net losses from investment activities at our consolidated investment funds and (ii) a net loss attributable to exchangeable securities in the current period.

*Net Income (Loss) Attributable to KKR & Co. Inc.*

The net loss attributable to KKR & Co. Inc. for the nine months ended September 30, 2022 was primarily due to (i) net capital allocation-based losses and (ii) net losses from investment activities, partially offset by (i) a higher level of management fees and (ii) a reversal of previously recognized accrued carried interest compensation, as described above.



**Condensed Consolidated Statements of Financial Condition (GAAP Basis - Unaudited)**

The following table provides our condensed consolidated statements of financial condition on a GAAP basis as of September 30, 2022 and December 31, 2021.

(Amounts in thousands, except per share amounts)

	As of September 30, 2022	As of December 31, 2021
<b>Assets</b>		
<i>Asset Management</i>		
Cash and Cash Equivalents	\$ 6,911,691	\$ 6,699,668
Investments	89,720,859	88,775,514
Other Assets	6,748,929	4,244,894
	<u>103,381,479</u>	<u>99,720,076</u>
<i>Insurance</i>		
Cash and Cash Equivalents	4,147,146	3,391,934
Investments	118,772,273	123,763,675
Other Assets	39,947,742	37,409,755
	<u>162,867,161</u>	<u>164,565,364</u>
<b>Total Assets</b>	<b>\$ 266,248,640</b>	<b>\$ 264,285,440</b>
<b>Liabilities and Equity</b>		
<i>Asset Management</i>		
Debt Obligations	\$ 38,257,833	\$ 36,669,755
Other Liabilities	7,579,996	8,359,619
	<u>45,837,829</u>	<u>45,029,374</u>
<i>Insurance</i>		
Debt Obligations	1,920,906	1,908,006
Other Liabilities	166,507,110	159,208,840
	<u>168,428,016</u>	<u>161,116,846</u>
<b>Total Liabilities</b>	<b>\$ 214,265,845</b>	<b>\$ 206,146,220</b>
<b>Redeemable Noncontrolling Interests</b>	<b>82,133</b>	<b>82,491</b>
<b>Stockholders' Equity</b>		
Stockholders' Equity - Series C Mandatory Convertible Preferred Stock	1,115,792	1,115,792
Stockholders' Equity - Common Stock	16,335,253	16,466,372
Noncontrolling Interests	34,449,617	40,474,565
<b>Total Equity</b>	<b>51,900,662</b>	<b>58,056,729</b>
<b>Total Liabilities and Equity</b>	<b>\$ 266,248,640</b>	<b>\$ 264,285,440</b>
<b>KKR &amp; Co. Inc. Stockholders' Equity - Common Stock Per Outstanding Share of Common Stock</b>	<b>\$ 19.00</b>	<b>\$ 27.64</b>

KKR & Co. Inc. Stockholders' Equity - Common Stock per Outstanding Share of Common Stock was \$19.00 as of September 30, 2022, down from \$27.64 as of December 31, 2021. The decrease was primarily due to the (i) unrealized losses on available-for-sale-securities from Global Atlantic that are recorded in other comprehensive income, (ii) repurchases of common stock, (iii) dividends to common stockholders, and (iv) a net loss attributable to KKR & Co. Inc. common stockholders during the nine months ended September 30, 2022.

## Condensed Consolidated Statements of Cash Flows (GAAP Basis - Unaudited)

The following is a discussion of our consolidated cash flows for the nine months ended September 30, 2022 and 2021. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report.

The consolidated statements of cash flows include the cash flows of our consolidated entities, which include certain consolidated investment funds, CLOs and certain variable interest entities formed by Global Atlantic notwithstanding the fact that we may hold only a minority economic interest in those investment funds and CFEs. The assets of our consolidated investment funds and CFEs, on a gross basis, can be substantially larger than the assets of our business and, accordingly, could have a substantial effect on the cash flows reflected in our consolidated statements of cash flows. The primary cash flow activities of our consolidated funds and CFEs involve: (i) capital contributions from fund investors; (ii) using the capital of fund investors to make investments; (iii) financing certain investments with indebtedness; (iv) generating cash flows through the realization of investments; and (v) distributing cash flows from the realization of investments to fund investors. Because our consolidated funds are treated as investment companies for accounting purposes, certain of these cash flow amounts are included in our cash flows from operations.

### *Net Cash Provided (Used) by Operating Activities*

Our net cash provided (used) by operating activities was \$(4.6) billion and \$(3.6) billion during the nine months ended September 30, 2022 and 2021, respectively. These amounts primarily included: (i) investments purchased (asset management), net of proceeds from investments (asset management) of \$(8.9) billion and \$(7.1) billion during the nine months ended September 30, 2022 and 2021, respectively, (ii) net realized gains (losses) on asset management investments of \$1.2 billion and \$1.5 billion during the nine months ended September 30, 2022 and 2021, respectively, (iii) change in unrealized gains (losses) on investments (asset management) of \$(2.5) billion and \$6.5 billion during the nine months ended September 30, 2022 and 2021, respectively, (iv) capital allocation-based income (loss) of \$(2.4) billion and \$5.7 billion during the nine months ended September 30, 2022 and 2021, respectively, and (v) net realized gains (losses) on insurance operations of \$(235.9) million and \$(642.6) million during the nine months ended September 30, 2022 and 2021, respectively. Investment funds are investment companies under GAAP and reflect their investments and other financial instruments at fair value.

### *Net Cash Provided (Used) by Investing Activities*

Our net cash provided (used) by investing activities was \$(10.7) billion and \$(7.0) billion during the nine months ended September 30, 2022 and 2021, respectively. Our investing activities included: (i) investments purchased (insurance), net of proceeds from investments (insurance) of \$(8.9) billion and \$(5.8) billion during the nine months ended September 30, 2022 and 2021, respectively, (ii) acquisitions, net of cash acquired of \$(1.7) billion and \$(473.8) million during the nine months ended September 30, 2022 and 2021, respectively, and (iii) the purchase of fixed assets of \$(58.6) million and \$(82.5) million during the nine months ended September 30, 2022 and 2021, respectively.

### *Net Cash Provided (Used) by Financing Activities*

Our net cash provided (used) by financing activities was \$16.7 billion and \$16.1 billion during the nine months ended September 30, 2022 and 2021, respectively. Our financing activities primarily included: (i) contributions by, net of distributions to, our noncontrolling and redeemable noncontrolling interests of \$5.3 billion and \$4.9 billion during the nine months ended September 30, 2022 and 2021, respectively, (ii) proceeds received net of repayment of debt obligations of \$4.9 billion and \$6.7 billion during the nine months ended September 30, 2022 and 2021, respectively, (iii) additions to, net of withdrawals from contractholder deposit funds of \$6.8 billion and \$5.1 billion during nine months ended September 30, 2022 and 2021, respectively, (iv) common stock dividends of \$(310.9) million and \$(246.7) million during the nine months ended September 30, 2022 and 2021, respectively, (v) net delivery of common stock of \$(34.9) million and \$(106.9) million during the nine months ended September 30, 2022 and 2021, respectively, (vi) repurchases of common stock of \$(346.7) million and \$(135.9) million during the nine months ended September 30, 2022 and 2021, respectively, (vii) Series A and B Preferred Stock dividends of \$(19.2) million during the nine months ended September 30, 2021, (viii) Series C Mandatory Convertible Preferred Stock dividends of \$(51.8) million during the nine months ended September 30, 2022 and 2021, respectively, and (ix) private placement share issuance of \$38.5 million during nine months ended September 30, 2021.

### Analysis of Segment Operating Results

The following is a discussion of the results of our business on a segment basis for the three months ended September 30, 2022 and 2021. You should read this discussion in conjunction with the information included under "—Key Segment and Non-GAAP Performance Measures and Other Terms and Operating Metrics" and the financial statements and related notes included elsewhere in this report. See "Business Environment" for more information about factors that may impact our business, financial performance, operating results and valuations.

For the nine months ended September 30, 2021, the results of our insurance segment are from February 1, 2021 (closing date of the acquisition) through September 30, 2021.

### Analysis of Asset Management Segment Operating Results

The following tables set forth information regarding KKR's asset management segment operating results and certain key capital metrics for the three months ended September 30, 2022 and 2021:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
Management Fees	\$ 670,534	\$ 559,016	\$ 111,518
Transaction and Monitoring Fees, Net	167,455	249,670	(82,215)
Fee Related Performance Revenues	49,924	9,897	40,027
Fee Related Compensation	(199,780)	(184,224)	(15,556)
Other Operating Expenses	(146,370)	(104,772)	(41,598)
Fee Related Earnings	541,763	529,587	12,176
Realized Performance Income	497,860	432,784	65,076
Realized Performance Income Compensation	(322,927)	(274,955)	(47,972)
Realized Investment Income	284,979	447,565	(162,586)
Realized Investment Income Compensation	(42,747)	(67,142)	24,395
<b>Asset Management Segment Operating Earnings</b>	<b>\$ 958,928</b>	<b>\$ 1,067,839</b>	<b>\$ (108,911)</b>

### Management Fees

The following table presents management fees by business line:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Management Fees</b>			
Private Equity	\$ 295,234	\$ 261,906	\$ 33,328
Real Assets	178,652	123,786	54,866
Credit and Liquid Strategies	196,648	173,324	23,324
<b>Total Management Fees</b>	<b>\$ 670,534</b>	<b>\$ 559,016</b>	<b>\$ 111,518</b>

The increase in Private Equity management fees was primarily attributable to management fees earned from European Fund VI and Global Impact Fund II. The increase was partially offset by a decrease in management fees earned from European Fund V as a result of entering its post-investment period in the first quarter of 2022 and, consequently, we now earn fees based on capital invested rather than capital committed and at a lower fee rate.

The increase in Real Asset management fees was primarily due to (i) an increase in management fees earned from Global Atlantic, (ii) management fees earned on assets managed by KJRM, which we acquired in 2022, and (iii) management fees earned from Global Infrastructure Investors IV.

The increase in Credit and Liquid Strategies management fees was primarily attributable to (i) an increase in management fees earned from Global Atlantic, (ii) new CLO issuances, and (iii) a higher level of invested capital within our alternative credit strategy.

#### **Transaction and Monitoring Fees, Net**

The following table presents transaction and monitoring fees, net by business line:

	<b>Three Months Ended</b>		
	<b>September 30, 2022</b>	<b>September 30, 2021</b>	<b>Change</b>
	(\$ in thousands)		
<b>Transaction and Monitoring Fees, Net</b>			
Private Equity	\$ 41,436	\$ 43,368	\$ (1,932)
Real Assets	6,730	5,843	887
Credit and Liquid Strategies	3,224	4,397	(1,173)
Capital Markets	116,065	196,062	(79,997)
<b>Total Transaction and Monitoring Fees, Net</b>	<b>\$ 167,455</b>	<b>\$ 249,670</b>	<b>\$ (82,215)</b>

Our Capital Markets business line earns transaction fees, which are not shared with fund investors. The decrease in capital markets transaction fees was primarily due to a decrease in the number of capital markets transactions for the three months ended September 30, 2022, compared to the three months ended September 30, 2021. Overall, we completed 47 capital markets transactions for the three months ended September 30, 2022, of which 6 represented equity offerings and 41 represented debt offerings, as compared to 87 transactions for the three months ended September 30, 2021, of which 15 represented equity offerings and 72 represented debt offerings. We earned fees in connection with underwriting, syndication and other capital markets services. While each of the capital markets transactions that we undertake in this business line is separately negotiated, our fee rates are generally higher with respect to underwriting or syndicating equity offerings than with respect to debt offerings, and the amount of fees that we earn for similar transactions generally correlates with overall transaction sizes.

Our Capital Markets business line fees are generated in connection with our Private Equity, Real Assets and Credit and Liquid Strategies business lines as well as from third-party companies. For the three months ended September 30, 2022, approximately 3% of our transaction fees in our Capital Markets business line were earned from unaffiliated third parties as compared to approximately 23% for the three months ended September 30, 2021. Our transaction fees are comprised of fees earned in North America, Europe, and the Asia-Pacific region. For the three months ended September 30, 2022, approximately 38% of our transaction fees were generated outside of North America as compared to approximately 23% for the three months ended September 30, 2021. Our Capital Markets business line is dependent on the overall capital markets environment, which is influenced by equity prices, credit spreads, and market volatility. Our Capital Markets business line does not generate monitoring fees.

Our Private Equity, Real Assets and Credit and Liquid Strategies business lines separately earn transaction and monitoring fees from portfolio companies, and under the terms of the management agreements with certain of our investment funds, we are required to share all or a portion of such fees with our fund investors. Additionally, transaction fees are generally not earned with respect to energy and real estate investments.

The decrease in Private Equity business line transaction and monitoring fees, net, was primarily attributable to a lower level of transaction fees. During the three months ended September 30, 2022, there were 16 transaction fee-generating investments that paid an average fee of \$7.1 million compared to 16 transaction fee-generating investments that paid an average fee of \$8.2 million during the three months ended September 30, 2021. For the three months ended September 30, 2022, approximately 93% were paid from companies in North America, 5% were paid from companies in the Asia-Pacific region, and 2% were paid by companies in Europe. Transaction fees vary by investment based upon a number of factors, the most significant of which are transaction size, the particular agreements as to the amount of the fees, the complexity of the transaction, and KKR's role in the transaction.

### Fee Related Performance Revenues

The following table presents fee related performance revenues by business line:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Fee Related Performance Revenues</b>			
Private Equity	\$ —	\$ —	\$ —
Real Assets	39,284	1,568	37,716
Credit and Liquid Strategies	10,640	8,329	2,311
<b>Total Fee Related Performance Revenues</b>	<b>\$ 49,924</b>	<b>\$ 9,897</b>	<b>\$ 40,027</b>

Fee related performance revenues represent performance fees that are (i) to be received from our investment funds, vehicles, and accounts on a recurring basis and (ii) not dependent on a realization event involving investments held by the investment fund, vehicle or account. These performance fees are primarily earned from (i) our business development company, FSK in our Credit and Liquid Strategies business line, and (ii) our open-ended core real estate fund, KKR Property Partners Americas ("KPPA"), our registered closed-end real estate equity fund, KKR Real Estate Select Trust Inc. ("KREST"), and our real estate credit investment trust, KKR Real Estate Finance Trust Inc. ("KREF"), all of which are in our Real Assets business line. Fee related performance revenues were higher for the three months ended September 30, 2022 compared to the prior period primarily due to performance revenues earned from KPPA in the current period.

### Fee Related Compensation

The increase in fee related compensation for the three months ended September 30, 2022 compared to the prior period was primarily due to a higher level of compensation recorded in connection with the higher level of revenues included within fee related earnings.

### Other Operating Expenses

The increase in other operating expenses for the three months ended September 30, 2022 compared to the prior period was primarily due to (i) a higher level of professional fees, information technology and other administrative costs and (ii) an increase in travel related expenses as a result of COVID-19 pandemic travel restrictions being reduced.

### Fee Related Earnings

The increase in fee related earnings for the three months ended September 30, 2022 compared to the prior period was primarily due to a higher level of management fees and performance revenues, partially offset by a lower level of transaction fees and a higher level of other operating expenses, as described above.

### Realized Performance Income

The following table presents realized performance income by business line:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Realized Performance Income</b>			
Private Equity	\$ 484,560	\$ 401,902	\$ 82,658
Real Assets	11,934	11,212	722
Credit and Liquid Strategies	1,366	19,670	(18,304)
<b>Total Realized Performance Income</b>	<b>\$ 497,860</b>	<b>\$ 432,784</b>	<b>\$ 65,076</b>

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Private Equity</b>			
North America Fund XI	\$ 363,384	\$ 72,313	\$ 291,071
2006 Fund	64,189	81,356	(17,167)
Asian Fund III	53,204	—	53,204
Co-Investment Vehicles and Other	3,783	22,514	(18,731)
Americas Fund XII	—	207,559	(207,559)
Next Generation Technology Growth Fund	—	18,160	(18,160)
<b>Total Realized Carried Interest <sup>(1)</sup></b>	<b>484,560</b>	<b>401,902</b>	<b>82,658</b>
Incentive Fees	—	—	—
<b>Total Realized Performance Income</b>	<b>\$ 484,560</b>	<b>\$ 401,902</b>	<b>\$ 82,658</b>

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Real Assets</b>			
Global Infrastructure Investors II	\$ 8,502	\$ —	\$ 8,502
Real Estate Partners Americas II	3,432	—	3,432
Real Estate Partners Europe	—	11,212	(11,212)
<b>Total Realized Carried Interest <sup>(1)</sup></b>	<b>11,934</b>	<b>11,212</b>	<b>722</b>
Incentive Fees	—	—	—
<b>Total Realized Performance Income</b>	<b>\$ 11,934</b>	<b>\$ 11,212</b>	<b>\$ 722</b>

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Credit and Liquid Strategies</b>			
Alternative Credit Vehicles	\$ —	\$ —	\$ —
<b>Total Realized Carried Interest <sup>(1)</sup></b>	<b>—</b>	<b>—</b>	<b>—</b>
Incentive Fees	1,366	19,670	(18,304)
<b>Total Realized Performance Income</b>	<b>\$ 1,366</b>	<b>\$ 19,670</b>	<b>\$ (18,304)</b>

(1) The above tables exclude any funds for which there was no realized carried interest during both of the periods presented.

Realized performance income includes (i) realized carried interest from our carry earning funds and (ii) incentive fees not included in Fee Related Performance Revenues.

Realized carried interest in our Private Equity business line for the three months ended September 30, 2022 consisted primarily of realized proceeds from the sales of our investments in CHI Overhead Doors, Inc. (manufacturing sector) held by North America Fund XI, Fiserv, Inc. held by 2006 Fund, and Max Healthcare Institute Limited (NSE:MAXHEALTH) held by Asian Fund III.

Realized carried interest in our Private Equity business line for the three months ended September 30, 2021 consisted primarily of realized proceeds from the sales of our investments in The Bountiful Company (consumer products sector), Ingersoll Rand Inc. (NASDAQ: IR), and Academy Sports & Outdoors Inc. (NASDAQ: ASO).

Realized carried interest in our Real Assets business line for the three months ended September 30, 2022 consisted primarily of realized proceeds from (i) the sale of our investment in Telxius Telecom, S.A. (infrastructure) held by Global Infrastructure Investors II and (ii) dividends received and sales of various investments held by Real Estate Partners Americas II.

Realized carried interest in our Real Assets business line for the three months ended September 30, 2021 consisted primarily of realized proceeds from dividends received by Real Estate Partners Europe.

During the three months ended September 30, 2022 and September 30, 2021, there was no realized carried interest earned in our Credit and Liquid Strategies business line.

Incentive fees consist of performance fees earned from (i) our hedge fund partnerships, (ii) investment management agreements with KKR's credit vehicles, and (iii) investment management agreements to provide KKR's investment strategies to funds managed by a third party asset management firm. Incentive fees in our Credit and Liquid Strategies business line decreased for the three months ended September 30, 2022 compared to the prior period as a result of a lower level of performance fees earned from our hedge fund partnerships.

#### **Realized Performance Income Compensation**

The increase in realized performance income compensation for the three months ended September 30, 2022 compared to the prior period was primarily due to a higher level of compensation recorded in connection with the higher level of realized performance income.

#### **Realized Investment Income**

The following table presents realized investment income in our Principal Activities business line:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Realized Investment Income</b>			
Net Realized Gains (Losses)	\$ 162,716	\$ 389,837	\$ (227,121)
Interest Income and Dividends	122,263	57,728	64,535
<b>Total Realized Investment Income</b>	<b>\$ 284,979</b>	<b>\$ 447,565</b>	<b>\$ (162,586)</b>

The decrease in realized investment income is primarily due to a lower level of net realized gains, partially offset by a higher level of interest income and dividends. The amount of realized investment income depends on the transaction activity of our funds and balance sheet, which can vary from period to period.

For the three months ended September 30, 2022, net realized gains were comprised of realized gains primarily from the sale of our investments in Fiserv, Inc., CHI Overhead Doors, Inc., and Viridor Limited. Partially offsetting these realized gains were realized losses, the most significant of which were realized losses from the sale of revolving credit facilities and a realized loss on an underwritten debt offering transaction.

For the three months ended September 30, 2021, net realized gains were comprised of realized gains primarily from the sale of our Private Equity business line investments in Mr. Cooper Group Inc., FanDuel Inc., and The Bountiful Company. Partially offsetting these realized gains were realized losses related to certain alternative credit investments.

For the three months ended September 30, 2022, interest income and dividends were comprised of (i) \$65.0 million of interest income, primarily from our investments in CLOs, and (ii) \$57.3 million of dividend distributions primarily from our real estate investments, as well as a dividend distribution received from our infrastructure investment in Veresen Midstream (infrastructure).

For the three months ended September 30, 2021, interest income and dividends were comprised of (i) \$29.3 million of dividend income primarily from our real asset investments including our investment in KREF and (ii) \$28.4 million of interest income from our investments in CLOs. See "—Analysis of Non-GAAP Performance Measures—Non-GAAP Balance Sheet Measures."

We expect realized performance income and realized investment income to be greater than \$350 million in the fourth quarter of 2022 relating to (i) realized incentive fees from Marshall Wace and (ii) realized carried interest and realized investment income from completed, or signed and expected to be completed sales, partial sales or secondary sales subsequent to September 30, 2022 with respect to certain private equity portfolio companies and other investments. Some of these

transactions are not complete, and are subject to the satisfaction of closing conditions, including but not limited to regulatory approvals; there can be no assurance if or when any of these transactions will be completed.

Prior to the acquisition of KKR Capstone on January 1, 2020, (i) KKR Capstone's financial results were consolidated with KKR's financial results in accordance with GAAP, and as such the fees and expenses attributable to KKR Capstone were included in KKR's consolidated revenues and expenses, and (ii) KKR Capstone's financial results were excluded from KKR's non-GAAP financial measures, because KKR presented its non-GAAP financial measures prior to the effect to the consolidation of certain entities that were not subsidiaries of KKR. Following the acquisition of KKR Capstone on January 1, 2020, after-tax distributable earnings includes the net income (loss) from KKR Capstone within realized investment income (loss).

For the quarter ended September 30, 2022, total fees attributable to KKR Capstone were \$20.7 million and total expenses attributable to KKR Capstone were \$20.2 million. For KKR Capstone-related adjustments in reconciling asset management segment revenues to GAAP revenues see "—Analysis of Non-GAAP Performance Measures—Reconciliations to GAAP Measures".

#### **Realized Investment Income Compensation**

The decrease in realized investment income compensation for the three months ended September 30, 2022 compared to the prior period is primarily due to a lower level of compensation recorded in connection with the lower level of realized investment income.

#### **Other Operating and Capital Measures**

The following table presents certain key operating and capital metrics as of September 30, 2022 and June 30, 2022:

	As of		
	September 30, 2022	June 30, 2022	Change
	(\$ in millions)		
<b>Assets Under Management</b>	\$ 496,219	\$ 490,692	\$ 5,527
<b>Fee Paying Assets Under Management</b>	\$ 397,627	\$ 384,470	\$ 13,157
<b>Uncalled Commitments</b>	\$ 112,589	\$ 115,300	\$ (2,711)

The following table presents one of our key capital metrics for the three months ended September 30, 2022 and 2021:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in millions)		
<b>Capital Invested</b>	\$ 15,683	\$ 24,415	\$ (8,732)

#### **Assets Under Management**

##### *Private Equity*

The following table reflects the changes in our Private Equity business line AUM from June 30, 2022 to September 30, 2022:

	(\$ in millions)
June 30, 2022	\$ 171,541
New Capital Raised	1,006
Distributions and Other	(4,507)
Change in Value	(2,570)
September 30, 2022	<u>\$ 165,470</u>

AUM for the Private Equity business line was \$165.5 billion at September 30, 2022, a decrease of \$6.0 billion, compared to \$171.5 billion at June 30, 2022.



The decrease was primarily attributable to distributions to fund investors, primarily as a result of realized proceeds, most notably from North America Fund XI, Asian Fund III, and 2006 Fund, and to a lesser extent, a decrease in investment value at Americas Fund XII, Asian Fund III, and Asian Fund II. Partially offsetting these decreases was new capital raised for Global Impact Fund II and Next Generation Technology Growth Fund III.

For the three months ended September 30, 2022, the value of our traditional private equity investment portfolio decreased 4%. This was comprised of a 19% decrease in share prices of various publicly held investments and a 2% decrease in value of our privately held investments, as discussed further below. For the three months ended September 30, 2022, the value of our growth equity portfolio increased 2% and our core private equity investment portfolio remained flat. See "Business Environment" for more information about certain factors that impact our business, financial performance, operating results and valuations.

The most significant decreases in share prices of our publicly held private equity investments were decreases in Applovin Corporation (NASDAQ: APP), GoTo Group (IDX: GOTO), and Brightview Holdings, Inc. (NYSE: BV). These decreases were partially offset by increases in share prices of various publicly held investments. The most significant of these were increases in J.B. Chemicals and Pharmaceuticals Ltd. (NYSE: JBCP) and Fiserv, Inc. The prices of publicly held companies may experience volatile changes following the reporting period.

The most significant decreases in the value of our privately held investments related to Kokusai Electric Corporation (manufacturing sector), PetVet Care Centers, LLC, and Global Medical Response, Inc. (health care sector). These decreases in value were partially offset by increases in value relating primarily to OneStream Software, LLC (technology sector), USI, Inc., and Minnesota Rubber and Plastics (industrial sector). The decreased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) a decrease in the value of market comparables and (ii) an unfavorable business outlook, both influenced by economic outlook and market environment. The increased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance and (ii) with respect to Minnesota Rubber and Plastics, an increase in valuation reflecting an agreement to exit the investment.

For the three months ended September 30, 2021, the value of our traditional private equity investment portfolio increased 9%. This was comprised of a 11% increase in the value of our privately held investments and a 2% increase in share prices of various publicly held investments. For the three months ended September 30, 2021, the value of our growth equity and core equity investment portfolios increased 8% and 7%, respectively.

The most significant increase in the value of our privately held investments related to Kokusai Electric Corporation, PetVet Care Centers, LLC, and Internet Brands, Inc. These increases in value were partially offset by decreases in value relating primarily to Magneti Marelli (industrial sector), Upfield (consumer products), and Monterra Energy (energy sector). The increased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance, (ii) an increase in the value of market comparables, (iii) transactional activity related to new rounds of funding, and (iv) with respect to Kokusai Electric Corporation, an increase in valuation reflecting an agreement to sell a minority stake in the company. The decreased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) an unfavorable business outlook and (ii) a decrease in the value of market comparables, which were influenced by the impact of COVID-19 on the economic outlook and overall market environment.

The most significant increases in share prices of various publicly held investments were increases in Max Healthcare Institute Limited, Darktrace Limited, and ForgeRock, Inc. (NYSE: FORG). These increases were partially offset by decreases in share prices of various publicly held investments. The most significant of these were decreases in AppLovin Corporation, KnowBe4, Inc. (NASDAQ: KNBE), and BridgeBio Pharma, Inc. The prices of publicly held companies may experience volatile changes following the reporting period. See "Business Environment—Equity and Credit Markets" for more information about factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

Certain investments included in our AUM are denominated in currencies other than the U.S. dollar. Those investments expose our AUM to the risk that the value of the investments will be affected by changes in exchange rates between the currency in which the investments are denominated and the currency in which the investments are made. We generally seek to reduce these risks by employing hedging transactions in connection with certain investments, including using foreign currency options and foreign exchange forward contracts to reduce exposure to changes in exchange rates when a meaningful amount of capital has been invested in currencies other than the currencies in which the investments are denominated. We do not, however, hedge our currency exposure in all currencies or for all investments. See "Quantitative and Qualitative Disclosures about Market Risk—Exchange Rate Risk" and "Risk Factors—Risks Related to the Assets We Manage—We make investments in companies that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States" in our Annual Report.

*Real Assets*

The following table reflects the changes in our Real Assets business line AUM from June 30, 2022 to September 30, 2022:

	(\$ in millions)
June 30, 2022	\$ 113,789
New Capital Raised	5,721
Acquisitions and Other <sup>(1)</sup>	1,049
Distributions and Other	(1,812)
Change in Value	(976)
September 30, 2022	\$ 117,771

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

AUM for the Real Assets business line was \$117.8 billion at September 30, 2022, an increase of \$4.0 billion, compared to \$113.8 billion at June 30, 2022.

The increase was primarily attributable to (i) new capital raised from Global Atlantic, Asia Pacific Infrastructure Investors II, and Diversified Core Infrastructure Fund, and to a lesser extent (ii) changing the fee base for Global Atlantic's management fees from fair market value to book value. Partially offsetting these increases were payments to Global Atlantic policyholders and distributions to fund investors for Global Infrastructure Investors III, and to a lesser extent, the decrease in value primarily due to the impact of the decline in the value of the Japanese yen associated with assets managed by KJRM.

For the three months ended September 30, 2022, the value of our real estate portfolio decreased 1%, and the value of our infrastructure and energy investment portfolios remained flat. See "Business Environment" for more information about certain factors that impact our business, financial performance, operating results and valuations.

The most significant increase in the value of our privately held investments related to University Partners (real estate), FiberCop S.p.A. (infrastructure), and ADNOC Oil Pipelines (infrastructure). These increases in value were partially offset by decreases in value relating primarily to Telefonica Chile S.A. (infrastructure) and Hyperoptic Ltd. (infrastructure). The increased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to individual company or asset performance. The decreased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to (i) a decrease in the value of market comparables, (ii) an unfavorable business outlook, both influenced by the economic outlook and market environment, and (iii) changes in foreign exchange rates.

For the three months ended September 30, 2021, the value of our real estate, infrastructure and energy investment portfolios increased 11%, 4%, and 3%, respectively.

The most significant increase in the value of our privately held investments related to KRE AIP LLC (real estate), Rocky Mountain Midstream LLC (infrastructure), and Viridor Limited. These increases in value were partially offset by decreases in value relating primarily to Telefonica Chile S.A. The increased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to individual company or asset performance. The decreased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to (i) a decrease in the value of market comparables and (ii) an unfavorable business outlook, both influenced by the economic outlook and market environment.

*Credit and Liquid Strategies*

The following table reflects the changes in our Credit and Liquid Strategies business line AUM from June 30, 2022 to September 30, 2022:

	<b>(\$ in millions)</b>
June 30, 2022	\$ 205,362
New Capital Raised	6,709
Acquisitions and Other <sup>(1)</sup>	7,997
Distributions and Other	(3,791)
Redemptions	(1,420)
Change in Value	(1,879)
September 30, 2022	<u>\$ 212,978</u>

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

AUM in our Credit and Liquid Strategies business line totaled \$213.0 billion at September 30, 2022, an increase of \$7.6 billion compared to \$205.4 billion at June 30, 2022.

The increase was primarily attributable to (i) changing the fee base for Global Atlantic's management fees from fair market value to book value and (ii) new capital raised from various alternative credit funds and Global Atlantic. Partially offsetting these increases were (i) distributions to fund investors at certain leveraged and alternative credit funds, (ii) payments to Global Atlantic policyholders, (iii) redemptions at our hedge fund partnerships, and (iv) a decline in investment value on the assets managed across our alternative credit portfolio.

***Fee Paying Assets Under Management****Private Equity*

The following table reflects the changes in our Private Equity business line FPAUM from June 30, 2022 to September 30, 2022:

	<b>(\$ in millions)</b>
June 30, 2022	\$ 98,316
New Capital Raised	2,135
Distributions and Other	(936)
Change in Value	(416)
September 30, 2022	<u>\$ 99,099</u>

FPAUM in our Private Equity business line was \$99.1 billion at September 30, 2022, an increase of \$0.8 billion, compared to \$98.3 billion at June 30, 2022.

The increase was primarily attributable to new capital raised from Global Impact Fund II, our core private equity strategy, and certain multi-strategy investment funds. Partially offsetting this increase were decreases from distributions to fund investors, primarily as a result of realized proceeds, most notably from North America Fund XI and Asian Fund III.

Uncalled capital commitments from private equity and multi-strategy investment funds from which KKR is currently not earning management fees amounted to approximately \$19.7 billion at September 30, 2022, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.0%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

*Real Assets*

The following table reflects the changes in our Real Assets business line FPAUM from June 30, 2022 to September 30, 2022:

	<b>(\$ in millions)</b>
June 30, 2022	\$ 93,258
New Capital Raised	9,764
Acquisitions and Other <sup>(1)</sup>	1,049
Distributions and Other	(1,353)
Net Changes in Fee Base of Certain Funds	(1,125)
Change in Value	(1,239)
September 30, 2022	<u>\$ 100,354</u>

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

FPAUM in our Real Assets business line was \$100.4 billion at September 30, 2022, an increase of \$7.1 billion, compared to \$93.3 billion at June 30, 2022.

The increase was primarily attributable to (i) new capital raised in Asia Pacific Infrastructure Investors II and by Global Atlantic and (ii) changing the fee base for Global Atlantic's management fees from fair market value to book value. Partially offsetting these increases were (i) the decrease in value primarily due to the impact of the decline in the value of the Japanese yen associated with the assets managed by KJRM, (ii) a change in fee base of Asia Pacific Infrastructure Investors as a result of it entering its post investment period, during which we earn fees on invested capital rather than committed capital, and (iii) payments to Global Atlantic policyholders and distributions to fund investors.

Uncalled capital commitments from real assets investment funds from which KKR is currently not earning management fees amounted to approximately \$11.9 billion at September 30, 2022, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.2%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

*Credit and Liquid Strategies*

The following table reflects the changes in our Credit and Liquid Strategies business line FPAUM from June 30, 2022 to September 30, 2022:

	<b>(\$ in millions)</b>
June 30, 2022	\$ 192,896
New Capital Raised	4,392
Acquisitions and Other <sup>(1)</sup>	7,997
Distributions and Other	(4,103)
Redemptions	(1,420)
Change in Value	(1,588)
September 30, 2022	<u>\$ 198,174</u>

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

FPAUM in our Credit and Liquid Strategies business line was \$198.2 billion at September 30, 2022, an increase of \$5.3 billion, compared to \$192.9 billion at June 30, 2022.

The increase was primarily attributable to (i) changing the fee base for Global Atlantic's management fees from fair market value to book value and (ii) new capital raised from Global Atlantic, various alternative credit funds, and our hedge fund partnership, Marshall Wace. Partially offsetting these increases were (i) payments to Global Atlantic policyholders, (ii) distributions to fund investors at certain leveraged and alternative credit funds, (iii) redemptions at our hedge fund partnerships, and (iv) a decline in investment value on the assets managed across our credit portfolio.

Uncalled capital commitments from investment funds in our Credit and Liquid Strategies business line from which KKR is currently not earning management fees amounted to approximately \$11.0 billion at September 30, 2022. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 0.7%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, which will occur over an extended period of time, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

### ***Uncalled Commitments***

#### ***Private Equity***

As of September 30, 2022, our Private Equity business line had \$66.7 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$71.0 billion as of June 30, 2022. The decrease was primarily attributable to capital called from fund investors to make investments during the period, which was partially offset by new commitments from fund investors.

#### ***Real Assets***

As of September 30, 2022, our Real Assets business line had \$31.2 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$31.9 billion as of June 30, 2022. The decrease was primarily attributable to capital called from fund investors to make investments during the period, partially offset by new commitments from fund investors.

#### ***Credit and Liquid Strategies***

As of September 30, 2022, our Credit and Liquid Strategies business line had \$14.7 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$12.5 billion as of June 30, 2022. The increase was primarily attributable to new commitments from fund investors, which was partially offset by capital called from fund investors to make investments during the period.

### ***Capital Invested***

#### ***Private Equity***

For the three months ended September 30, 2022, our Private Equity business line had \$4.0 billion of capital invested as compared to \$6.3 billion for the three months ended September 30, 2021. The decrease was driven primarily by a \$2.4 billion decrease in capital invested in our traditional private equity strategy. During the three months ended September 30, 2022, 85% of capital deployed in private equity (including core and growth equity (including impact) investments) was in transactions in North America, 13% was in the Asia-Pacific region and 2% was in Europe. The number of large private equity investments made in any quarter is volatile and, consequently, a significant amount of capital invested in one quarter or a few quarters may not be indicative of a similar level of capital deployment in future quarters.

#### ***Real Assets***

For the three months ended September 30, 2022, our Real Assets business line had \$4.6 billion of capital invested as compared to \$8.4 billion for the three months ended September 30, 2021. The decrease was driven primarily by a \$2.6 billion decrease in capital invested in our infrastructure strategy and a \$1.1 billion decrease in our real estate strategy. During the three months ended September 30, 2022, 61% of capital deployed in real assets was in transactions in North America, 32% was in Europe, and 7% was in the Asia-Pacific region.

#### ***Credit and Liquid Strategies***

For the three months ended September 30, 2022, our Credit and Liquid Strategies business line had \$7.0 billion of capital invested as compared to \$9.7 billion for the three months ended September 30, 2021. The decrease was primarily due to a lower level of capital deployed across our direct lending strategies. During the three months ended September 30, 2022, 86% of capital deployed was in transactions in North America, 11% was in Europe, and 3% was in the Asia-Pacific region.

## Analysis of Insurance Segment Operating Results

The following tables set forth information regarding KKR's insurance segment operating results and certain key operating metrics as of and for the three months ended September 30, 2022 and 2021:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Net Investment Income	\$ 1,054,757	\$ 771,982	\$ 282,775
Net Cost of Insurance	(642,443)	(436,415)	(206,028)
General, Administrative and Other	(161,242)	(139,489)	(21,753)
Pre-tax Insurance Operating Earnings	<b>251,072</b>	<b>196,078</b>	<b>54,994</b>
Income Taxes	(44,468)	(9,046)	(35,422)
Net Income Attributable to Noncontrolling Interests	(79,582)	(72,043)	(7,539)
<b>Insurance Segment Operating Earnings</b>	<b>\$ 127,022</b>	<b>\$ 114,989</b>	<b>\$ 12,033</b>

### Insurance segment operating earnings

Insurance segment operating earnings increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to higher net investment income. Higher net investment income was primarily due to (i) an increase in average assets under management due to growth of the business, (ii) growth in portfolio yields due to higher market interest rates on floating rate investments, and (iii) rotation into higher yielding assets. The increase due to net investment income was offset in part by (i) higher net cost of insurance, primarily due to the growth in both our individual market and institutional market channels and higher funding costs on new business, (ii) a corresponding increase in general and administrative expenses, and (iii) an increase in income tax expense.

### Net investment income

Net investment income increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to (i) growth in portfolio yields due to higher market interest rates on floating rate investments, (ii) rotation into higher yielding assets, and (iii) increased average assets under management due to growth in assets in our institutional market channel as a result of new reinsurance transactions and individual market channel sales from new business growth.

### Net cost of insurance

Net cost of insurance increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to (i) growth in reserves in the institutional market as a result of new reinsurance transactions and in the individual market as a result of new business volumes, and (ii) higher funding costs on new business originated, and offset by the impact of assumption review (as described in “–Notable Items–Assumption Review” above).

### General, administrative and other expenses

General and administrative expenses increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 primarily due to (i) increased employee compensation and benefits related expenses, (ii) increased professional service fees, and (iii) increased TPA policy servicing fees, all due to growth of the business.

### Income taxes

Insurance segment income tax expense reflects the annual estimated effective tax rate for the insurance segment on an operating basis, including the benefit of investment tax credits for the three months ended September 30, 2021.

### Net income (loss) attributable to non-controlling interests

Net income (loss) attributable to non-controlling interests increased for the three months ended September 30, 2022 as compared to the three months ended September 30, 2021 proportional to the increase in insurance segment operating earnings for the comparable period. Net income (loss) attributable to non-controlling interests represent the proportionate interest in the insurance segment operating earnings attributable to other investors in Global Atlantic.

## Analysis of Non-GAAP Performance Measures

The following is a discussion of our Non-GAAP performance measures for the three months ended September 30, 2022 and 2021:

	Three Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Asset Management Segment Operating Earnings	\$ 958,928	\$ 1,067,839	\$ (108,911)
Insurance Segment Operating Earnings	127,022	114,989	12,033
<b>Distributable Operating Earnings</b>	<b>1,085,950</b>	<b>1,182,828</b>	<b>(96,878)</b>
Interest Expense	(83,335)	(63,446)	(19,889)
Preferred Dividends	—	(2,519)	2,519
Net Income Attributable to Noncontrolling Interests	(4,932)	(6,072)	1,140
Income Taxes Paid	(173,949)	(185,645)	11,696
<b>After-tax Distributable Earnings</b>	<b>\$ 823,734</b>	<b>\$ 925,146</b>	<b>\$ (101,412)</b>

### *Distributable Operating Earnings*

The decrease in distributable operating earnings for the three months ended September 30, 2022 compared to the prior period is primarily due to a lower level of asset management segment operating earnings partially offset by a higher level of insurance segment operating earnings. For a discussion of the asset management and insurance segment operating earnings, see "—Analysis of Asset Management Segment Operating Results and Analysis of Insurance Segment Operating Results."

### *Interest Expense*

The increase in interest expense for the three months ended September 30, 2022 compared to the prior period is due primarily to debt issuances by KKR's financing subsidiaries subsequent to September 30, 2021.

### *Preferred Dividends*

The decrease in preferred dividends for the three months ended September 30, 2022 compared to the prior period was attributable to the redemption of all of our Series A and B preferred stock.

### *Income Taxes Paid*

The decrease in income taxes paid for the three months ended September 30, 2022 compared to the prior period was primarily due to a lower level of asset management segment operating earnings.

### *After-tax Distributable Earnings*

The decrease in after-tax distributable earnings for the three months ended September 30, 2022 compared to the prior period was primarily due to a lower level of distributable operating earnings and an increase in interest expense, partially offset by lower income taxes paid as described above.

The amount of tax benefit from equity-based compensation included in income taxes paid for the three months ended September 30, 2022 and 2021 was \$18.3 million and \$9.5 million, respectively, and its inclusion in after-tax distributable earnings had the effect of increasing this measure by 2% and 1%, respectively.

## Analysis of Asset Management Segment Operating Results

The following tables set forth information regarding KKR's asset management segment operating results and certain key capital metrics as of and for the nine months ended September 30, 2022 and 2021.

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Management Fees	\$ 1,950,389	\$ 1,478,878	\$ 471,511
Transaction and Monitoring Fees, Net	580,794	645,108	(64,314)
Fee Related Performance Revenues	71,974	34,760	37,214
Fee Related Compensation	(585,748)	(485,760)	(99,988)
Other Operating Expenses	(409,489)	(309,483)	(100,006)
Fee Related Earnings	1,607,920	1,363,503	244,417
Realized Performance Income	1,837,925	1,222,403	615,522
Realized Performance Income Compensation	(1,180,990)	(797,965)	(383,025)
Realized Investment Income	911,221	1,277,701	(366,480)
Realized Investment Income Compensation	(136,683)	(191,663)	54,980
<b>Asset Management Segment Operating Earnings</b>	<b>\$ 3,039,393</b>	<b>\$ 2,873,979</b>	<b>\$ 165,414</b>

### Management Fees

The following table presents management fees by business line:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Management Fees</b>			
Private Equity	\$ 876,517	\$ 694,924	\$ 181,593
Real Assets	494,172	296,032	198,140
Credit and Liquid Strategies	579,700	487,922	91,778
<b>Total Management Fees</b>	<b>\$ 1,950,389</b>	<b>\$ 1,478,878</b>	<b>\$ 471,511</b>

The increase in Private Equity business line management fees was primarily attributable to management fees earned from North America Fund XIII and European Fund VI. The increase was partially offset by a decrease in management fees earned from European Fund V and Americas Fund XII as a result of entering their post-investment periods and, consequently, we now earn fees based on capital invested rather than capital committed and at a lower fee rate.

The increase in Real Assets business line management fees was primarily due to (i) management fees earned from Global Infrastructure Investors IV, (ii) an increase in management fees earned from Global Atlantic and (iii) management fees earned on assets managed by KJRM, which we acquired in 2022. These increases were partially offset by a decrease in management fees earned from Global Infrastructure Investors III as a result of entering its post-investment period and, consequently, we now earn fees based on capital invested rather than capital committed.

The increase in Credit and Liquid Strategies business line management fees was primarily attributable to (i) an increase in management fees earned from Global Atlantic and (ii) a higher level of management fees from FSK, our business development company.



**Transaction and Monitoring Fees, Net**

The following table presents transaction and monitoring fees, net by business line:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Transaction and Monitoring Fees, Net</b>			
Private Equity	\$ 91,301	\$ 96,443	\$ (5,142)
Real Assets	15,929	12,896	3,033
Credit and Liquid Strategies	17,642	8,569	9,073
Capital Markets	455,922	527,200	(71,278)
<b>Total Transaction and Monitoring Fees, Net</b>	<b>\$ 580,794</b>	<b>\$ 645,108</b>	<b>\$ (64,314)</b>

Our Capital Markets business line earns transaction fees, which are not shared with fund investors. The decrease in transaction fees was primarily due to a decrease in the number of capital markets transactions for the nine months ended September 30, 2022, compared to the nine months ended September 30, 2021. Overall, we completed 194 capital markets transactions for the nine months ended September 30, 2022, of which 22 represented equity offerings and 172 represented debt offerings, as compared to 225 transactions for the nine months ended September 30, 2021, of which 41 represented equity offerings and 184 represented debt offerings. We earned fees in connection with underwriting, syndication and other capital markets services. While each of the capital markets transactions that we undertake in this business line is separately negotiated, our fee rates are generally higher with respect to underwriting or syndicating equity offerings than with respect to debt offerings, and the amount of fees that we earn for similar transactions generally correlates with overall transaction sizes.

Our capital markets fees are generated in connection with activity involving our private equity, real assets and credit funds as well as from third-party companies. For the nine months ended September 30, 2022, approximately 16% of our transaction fees in our Capital Markets business line were earned from unaffiliated third parties as compared to approximately 25% for the nine months ended September 30, 2021. Our transaction fees are comprised of fees earned from North America, Europe, and the Asia-Pacific region. For the nine months ended September 30, 2022, approximately 39% of our transaction fees were generated outside of North America as compared to approximately 36% for the nine months ended September 30, 2021. Our Capital Markets business line is dependent on the overall capital markets environment, which is influenced by equity prices, credit spreads, and volatility. Our Capital Markets business line does not generate monitoring fees.

Our Private Equity, Real Assets and Credit and Liquid Strategies business lines separately earn transaction and monitoring fees from portfolio companies, and under the terms of the management agreements with certain of our investment funds, we are generally required to share all or a portion of such fees with our fund investors. Additionally, transaction fees are generally not earned with respect to energy and real estate investments.

The increase in Credit and Liquid Strategies business line transaction and monitoring fees, net was primarily attributable to a greater portion of transactions fees that were not required to be shared with our fund investors or Global Atlantic in the current period.

The decrease in our Private Equity business line transaction and monitoring fees, net, was primarily attributable to a lower level of transaction fees. During the nine months ended September 30, 2022, there were 55 transaction fee-generating investments that paid an average fee of \$5.6 million compared to 56 transaction fee-generating investments that paid an average fee of \$4.9 million during the nine months ended September 30, 2021. For the nine months ended September 30, 2022, approximately 50% of Private Equity transaction fees were paid by companies in North America, 26% were paid from companies in Europe, and 24% were paid from companies in the Asia-Pacific region. Transaction fees vary by investment based upon a number of factors, the most significant of which are transaction size, the amount of the fees as set forth in the governing agreements, the complexity of the transaction, and KKR's role in the transaction.

### *Fee Related Performance Revenues*

The following table presents fee related performance revenues by business line:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Fee Related Performance Revenues</b>			
Private Equity	\$ —	\$ —	\$ —
Real Assets	42,709	4,821	37,888
Credit and Liquid Strategies	29,265	29,939	(674)
<b>Total Fee Related Performance Revenues</b>	<b>\$ 71,974</b>	<b>\$ 34,760</b>	<b>\$ 37,214</b>

Fee related performance revenues represent performance fees that are (i) to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) not dependent on a realization event involving investments held by the investment fund, vehicle or account. These performance fees are primarily earned from FSK (our business development company), KPPA (our open-ended core real estate fund), KREST (our registered closed-end real estate equity fund) and KREF (our real estate credit investment trust). Fee related performance revenues were higher for the nine months ended September 30, 2022 compared to the prior period primarily due to performance revenues earned from KPPA in the current period.

### *Fee Related Compensation*

The increase in fee related compensation for the nine months ended September 30, 2022 compared to the prior period was primarily due to a higher level of compensation recorded in connection with the higher level of revenues included within fee related earnings.

### *Other Operating Expenses*

The increase in other operating expenses for the nine months ended September 30, 2022 compared to the prior period was primarily due to (i) a higher level of professional fees, information technology and other administrative costs and (ii) an increase in travel related expenses as a result of COVID-19 pandemic travel restrictions being reduced.

### *Fee Related Earnings*

The increase in fee related earnings for the nine months ended September 30, 2022 compared to the prior period is primarily due to a higher level of management fees from our Private Equity, Real Assets, and Credit and Liquid Strategies business lines and a higher level of fee related performance revenues, partially offset by a higher level of fee related compensation and other operating expenses, as described above.

### *Realized Performance Income*

The following table presents realized performance income by business line:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
<b>Realized Performance Income</b>			
Private Equity	\$ 1,722,529	\$ 1,112,541	\$ 609,988
Real Assets	97,244	57,225	40,019
Credit and Liquid Strategies	18,152	52,637	(34,485)
<b>Total Realized Performance Income</b>	<b>\$ 1,837,925</b>	<b>\$ 1,222,403</b>	<b>\$ 615,522</b>

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Private Equity</b>			
North America Fund XI	\$ 926,496	\$ 365,772	\$ 560,724
Core Investment Vehicles	262,219	80,937	181,282
2006 Fund	144,764	215,741	(70,977)
Americas Fund XII	122,277	207,559	(85,282)
Asian Fund III	104,601	110,515	(5,914)
European Fund IV	86,233	43,976	42,257
Co-Investment Vehicles and Other	51,883	68,252	(16,369)
Next Generation Technology Growth Fund	—	18,160	(18,160)
European Fund III	—	353	(353)
<b>Total Realized Carried Interest <sup>(1)</sup></b>	<b>1,698,473</b>	<b>1,111,265</b>	<b>587,208</b>
Incentive Fees	24,056	1,276	22,780
<b>Total Realized Performance Income</b>	<b>\$ 1,722,529</b>	<b>\$ 1,112,541</b>	<b>\$ 609,988</b>

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Real Assets</b>			
Real Estate Partners Americas II	\$ 88,742	\$ —	\$ 88,742
Global Infrastructure Investors II	8,502	36,215	(27,713)
Real Estate Partners Europe	—	14,690	(14,690)
Co-Investment Vehicles and Other	—	3,283	(3,283)
Global Infrastructure Investors	—	3,037	(3,037)
<b>Total Realized Carried Interest <sup>(1)</sup></b>	<b>97,244</b>	<b>57,225</b>	<b>40,019</b>
Incentive Fees	—	—	—
<b>Total Realized Performance Income</b>	<b>\$ 97,244</b>	<b>\$ 57,225</b>	<b>\$ 40,019</b>

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
<b>Credit and Liquid Strategies</b>			
Alternative Credit Vehicles	\$ 4,153	\$ 15,336	\$ (11,183)
<b>Total Realized Carried Interest <sup>(1)</sup></b>	<b>4,153</b>	<b>15,336</b>	<b>(11,183)</b>
Incentive Fees	13,999	37,301	(23,302)
<b>Total Realized Performance Income</b>	<b>\$ 18,152</b>	<b>\$ 52,637</b>	<b>\$ (34,485)</b>

(1) The above tables exclude any funds for which there was no realized carried interest during both of the periods presented.

Realized performance income includes (i) realized carried interest from our carry earning funds and (ii) incentive fees not included in Fee Related Performance Revenues.

Realized carried interest in our Private Equity business line for the nine months ended September 30, 2022 consisted primarily of realized proceeds from the sales of our investments in Internet Brands, Inc. and CHI Overhead Doors, Inc. held by North America Fund XI and performance income from our core investment vehicles.

Realized carried interest in our Private Equity business line for the nine months ended September 30, 2021 consisted primarily of realized proceeds from the sales of our investments in The Bountiful Company, Ingersoll Rand Inc., Academy Sports & Outdoors Inc. and Endeavor Group Holdings, Inc. (NASDAQ: EDR).

Realized carried interest in our Real Assets business line for the nine months ended September 30, 2022 consisted primarily of realized proceeds from dividends received and sales of various investments held by Real Estate Partners Americas II.

Realized carried interest in our Real Assets business line for the nine months ended September 30, 2021 consisted primarily of realized proceeds from (i) the sale of our infrastructure investment, Calisen PLC (LSE: CLSN LN) and (ii) dividends received from and sales of various investments in our European real estate strategy.

Realized carried interest in our Credit and Liquid Strategies business line decreased for the nine months ended September 30, 2022 compared to the prior period as a result of a lower level of realization activity at certain leveraged credit investment funds from which we are eligible to receive carried interest.

Incentive fees consist of performance fees earned from (i) our hedge fund partnerships, (ii) investment management agreements with KKR sponsored investment vehicles, and (iii) investment management agreements to provide KKR's investment strategies to funds managed by a third party asset management firm.

Incentive fees in our Private Equity business line increased for the nine months ended September 30, 2022 compared to the prior period as a result of incentive fees being earned from certain levered multi-asset investment vehicles in 2022. Incentive fees in our Credit and Liquid Strategies business line decreased for the nine months ended September 30, 2022 compared to the prior period as a result of a lower level of performance fees earned from our hedge fund partnership, Marshall Wace.

### **Realized Performance Income Compensation**

The increase in realized performance income compensation for the nine months ended September 30, 2022 compared to the prior period is primarily due to a higher level of compensation recorded in connection with the higher level of realized performance income.

### **Realized Investment Income**

The following table presents realized investment income from our Principal Activities business line:

	<b>Nine Months Ended</b>		
	<b>September 30, 2022</b>	<b>September 30, 2021</b>	<b>Change</b>
	<b>(\$ in thousands)</b>		
<b>Realized Investment Income</b>			
Net Realized Gains (Losses)	\$ 435,260	\$ 1,026,310	\$ (591,050)
Interest Income and Dividends	475,961	251,391	224,570
<b>Total Realized Investment Income</b>	<b>\$ 911,221</b>	<b>\$ 1,277,701</b>	<b>\$ (366,480)</b>

The decrease in realized investment income is due to a lower level of net realized gains partially offset by a higher level of interest income and dividends. The amount of realized investment income depends on the transaction activity of our funds and our subsidiaries, which can vary from period to period.

For the nine months ended September 30, 2022, net realized gains were comprised of realized gains primarily from the sale of our investments in Fiserv, Inc., Internet Brands, Inc., CHI Overhead Doors, Inc., and Viridor Limited. Partially offsetting these realized gains were realized losses, the most significant of which were (i) a realized loss on an alternative credit investment, (ii) a realized loss on an underwritten debt offering transaction, and (iii) realized losses from the sales of revolving credit facilities.

For the nine months ended September 30, 2021, net realized gains were comprised of realized gains primarily from the sale of our investments in FanDuel Inc., Mr. Cooper Group Inc., Fiserv, Inc., The Bountiful Company, and BridgeBio Pharma, Inc. Partially offsetting these realized gains were realized losses related to certain hedging instruments.

For the nine months ended September 30, 2022, interest income and dividends were comprised of (i) \$310.2 million of dividend income primarily from levered multi-asset investment vehicles and our investments in Exact Holdings B.V., Internet Brands, Inc. and Veresen Midstream, and (ii) \$165.8 million of interest income primarily from our investments in CLOs.

For the nine months ended September 30, 2021, interest income and dividends were comprised of (i) \$140.3 million of dividend income primarily from distributions received from our real asset investments, including our investment in KREF, as well as dividends received from our investments in Kokusai Electric Corporation, Internet Brands, Inc. and US Foods Holding Corp. (NYSE: USFD) and (ii) \$111.1 million of interest income primarily from our investments in CLOs and to a lesser extent our cash balances and other credit investments. See "—Analysis of Non-GAAP Performance Measures—Non-GAAP Balance Sheet Measures."

For the nine months ended September 30, 2022, total fees attributable to KKR Capstone were \$55.7 million and total expenses attributable to KKR Capstone were \$59.6 million. For KKR Capstone-related adjustments in reconciling asset management segment revenues to GAAP revenues see "—Analysis of Non-GAAP Performance Measures—Reconciliations to GAAP Measures".

#### **Realized Investment Income Compensation**

The decrease in realized investment income compensation for the nine months ended September 30, 2022 compared to the prior period is primarily due to a lower level of compensation recorded in connection with the lower level of realized investment income.

#### **Other Operating and Capital Measures**

The following table presents certain key operating and capital metrics as of September 30, 2022 and December 31, 2021:

	As of			Change
	September 30, 2022	December 31, 2021		
	(\$ in millions)			
<b>Assets Under Management</b>	\$ 496,219	\$ 470,555	\$	25,664
<b>Fee Paying Assets Under Management</b>	\$ 397,627	\$ 357,389	\$	40,238
<b>Uncalled Commitments</b>	\$ 112,589	\$ 111,822	\$	767

The following table presents one of our key capital metrics for the nine months ended September 30, 2022 and 2021:

	Nine Months Ended			Change
	September 30, 2022	September 30, 2021		
	(\$ in millions)			
<b>Capital Invested</b>	\$ 55,710	\$ 49,833	\$	5,877

#### **Assets Under Management**

##### *Private Equity*

The following table reflects the changes in our Private Equity business line AUM from December 31, 2021 to September 30, 2022:

	(\$ in millions)
December 31, 2021	\$ 173,745
New Capital Raised	15,894
Distributions and Other	(12,539)
Change in Value	(11,630)
September 30, 2022	<u>\$ 165,470</u>

AUM for the Private Equity business line was \$165.5 billion at September 30, 2022, a decrease of \$8.2 billion, compared to \$173.7 billion at December 31, 2021.

The decrease was primarily attributable to distributions to fund investors primarily as a result of realized proceeds, most notably from North America Fund XI, 2006 Fund, and Asian Fund III, and a decrease in investment value from Americas Fund XII, Asian Fund III, and Asian Fund II. Partially offsetting these decreases was new capital raised from a new strategic investor partnership, European Fund VI, and Global Impact Fund II.

For the nine months ended September 30, 2022, the value of our traditional private equity investment portfolio decreased by 14%. This was comprised of a 51% decrease in share prices of various publicly held investments and a 2% decrease in value of our privately held investments. For the nine months ended September 30, 2022, the value of our growth equity investment portfolio decreased 9% and our core equity investment portfolio increased 1%. See "Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

The most significant decreases in share prices of our publicly held investments were decreases in AppLovin Corporation, Max Healthcare Institute Limited, and PHC Holdings Corporation (TYO: 6523). These decreases were partially offset by increases in share prices of other publicly held investments. The most significant of these was an increase in Hensoldt AG (FRA: HAG). The prices of publicly held companies may experience volatile changes following the reporting period. See "Business Environment—Equity and Credit Markets" for more information about factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

The most significant increases in the value of our privately held investments related to CHI Overhead Doors, Inc., Internet Brands, Inc., and Wella Co. (consumer products sector). These increases in value on our privately held investments were partially offset by decreases in value relating primarily to Kokusai Electric Corporation, Koki Holdings Co., Ltd., and Unzer GmbH (financial services sector). The increased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance, (ii) with respect to CHI Overhead Doors, Inc., an increase in valuation reflecting an agreement to exit the investment and (iii) with respect to Internet Brands, Inc. an increase in valuation driven by a partial sale transaction. The decreased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) an unfavorable business outlook and (ii) a decrease in the value of market comparables, both influenced by the economic outlook and overall market environment.

For the nine months ended September 30, 2021, the value of our traditional private equity investment portfolio increased by 38%. This was comprised of a 60% increase in share prices of various publicly held investments and a 31% increase in value of our privately held investments. For the nine months ended September 30, 2021, the value of our growth equity and core equity investment portfolios increased 58% and 33%, respectively.

The most significant increases in share prices of various publicly held or publicly indexed investments were increases in AppLovin Corporation, Max Healthcare Institute Limited, and J.B. Chemicals and Pharmaceuticals Ltd. These increases were partially offset by decreases in share prices of various publicly held investments. The most significant of these was an increase in Fiserv, Inc. The prices of publicly held or publicly indexed companies may experience volatile changes following the reporting period. See "Business Environment—Equity and Credit Markets" for more information about factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

The most significant increases in the value of our privately held investments related to increases in Kokusai Electric Corporation, PetVet Care Centers, LLC, and Internet Brands, Inc. These increases in value on our privately held investments were partially offset by decreases in value relating primarily to Magneti Marelli, Upfield, and Channel Control Merchants (retail sector). The increased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance, (ii) an increase in the value of market comparables, (iii) transactional activity related to new rounds of funding, and with respect to Kokusai Electric Corporation, an increase in valuation reflecting an agreement to sell a minority stake in the company. The decreased valuations of individual companies in our privately held investments, in the aggregate, generally related to (i) an unfavorable business outlook and (ii) a decrease in the value of market comparables, both influenced by the impact of COVID-19 on the economic outlook and overall market environment.

*Real Assets*

The following table reflects the changes in our Real Assets business line AUM from December 31, 2021 to September 30, 2022:

	(\$ in millions)	
December 31, 2021	\$	83,303
New Capital Raised		26,947
Acquisitions and Other <sup>(1)</sup>		13,779
Distributions and Other		(4,990)
Change in Value		(1,268)
September 30, 2022	\$	117,771

(1) Reflects the AUM of KJRM at closing of \$12,730 million and represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

AUM for the Real Assets business line was \$117.8 billion at September 30, 2022, an increase of \$34.5 billion, compared to \$83.3 billion at December 31, 2021.

The increase was primarily attributable to (i) assets managed by KJRM, which we acquired in 2022 and (ii) new capital raised by Global Atlantic and Asia Pacific Infrastructure Investors II. Partially offsetting these increases were payments to Global Atlantic policyholders and distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors III and Real Estate Partners Americas II.

For the nine months ended September 30, 2022, the value of our energy investment portfolio increased by 22%, the value of our real estate investment portfolio increased by 11%, and the value of our infrastructure investment portfolio increased 4%. See "Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

The most significant increases in the value of our privately held investments related to Viridor Limited, Galaxy Investments II Pte. Ltd. (infrastructure), Metronet Holdings, LLC. (infrastructure) and Mirastar Logistics (real estate). These increases in value were partially offset by decreases in value relating primarily to Hyperoptic Ltd. The increased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to individual company or asset performance. The decreased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to (i) a decrease in the value of market comparables and (ii) an unfavorable business outlook, both influenced by economic outlook and market environment and (iii) changes in foreign exchange rates.

The most significant increases in share prices of our publicly held investments were increases in Crescent Energy Company (NYSE: CRGY). These increases were partially offset by decreases in share prices of other publicly held investments. The most significant of these was a decrease in First Gen Corporation (PM: FGEN). The prices of publicly held companies may experience volatile changes following the reporting period. See "Business Environment—Equity and Credit Markets" for more information about factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

For the nine months ended September 30, 2021, the value of our energy investment portfolio increased by 21%, the value of our real estate investment portfolio increased by 23%, and the value of our infrastructure investment portfolio increased 10%.

The most significant increases in the value of our privately held investments related to Telxius Telecom, S.A., KRE AIP LLC, and Viridor Limited. These increases in value were partially offset by decreases in value relating primarily to Colonial Enterprises, Inc. (infrastructure) and Cascade Senior Living Portfolio (real estate). The increased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to individual company performance. The decreased valuations of individual companies or assets in our privately held investments, in the aggregate, generally related to (i) a decrease in the value of market comparables and (ii) an unfavorable business outlook, both influenced by economic outlook and market environment.

*Credit and Liquid Strategies*

The following table reflects the changes in our Credit and Liquid Strategies business line AUM from December 31, 2021 to September 30, 2022:

	<b>(\$ in millions)</b>
December 31, 2021	\$ 213,507
New Capital Raised	22,120
Acquisitions and Other <sup>(1)</sup>	7,997
Distributions and Other	(11,406)
Redemptions	(4,088)
Change in Value	(15,152)
September 30, 2022	<u>\$ 212,978</u>

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

AUM in our Credit and Liquid Strategies business line totaled \$213.0 billion at September 30, 2022, a decrease of \$0.5 billion compared to AUM of \$213.5 billion at December 31, 2021.

The decrease was primarily attributable to (i) a decline in investment value on the assets managed across our alternative credit portfolio, including for Global Atlantic and our strategic partnerships, (ii) distributions to fund investors at certain alternative credit funds, (iii) payments to Global Atlantic policyholders and (iv) redemptions at our hedge fund partnerships. Partially offsetting these decreases was new capital raised by or from (i) various leveraged and alternative credit funds, (ii) Global Atlantic, (iii) our hedge fund partnerships, (iv) new CLO issuances and (v) the change in fee base for Global Atlantic's management fees from fair market value to book value.

See also "Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

***Fee Paying Assets Under Management****Private Equity*

The following table reflects the changes in our Private Equity business line FPAUM from December 31, 2021 to September 30, 2022:

	<b>(\$ in millions)</b>
December 31, 2021	\$ 87,890
New Capital Raised	17,272
Distributions and Other	(3,405)
Net Changes in Fee Base of Certain Funds	(1,573)
Change in Value	(1,085)
September 30, 2022	<u>\$ 99,099</u>

FPAUM in our Private Equity business line was \$99.1 billion at September 30, 2022, an increase of \$11.2 billion, compared to \$87.9 billion at December 31, 2021.

The increase was primarily attributable to new capital raised from European Fund VI, Global Impact Fund II, and new investment vehicles for Internet Brands, Inc. Partially offsetting this increase were decreases from (i) distributions to fund investors, primarily as a result of realized proceeds, most notably from North America Fund XI and Asian Fund II, and (ii) a change in fee base for European Fund V as a result of these funds entering its post investment period, during which we earn fees on invested capital rather than committed capital.



*Real Assets*

The following table reflects the changes in our Real Assets business line FPAUM from December 31, 2021 to September 30, 2022:

	<b>(\$ in millions)</b>
December 31, 2021	\$ 66,965
New Capital Raised	28,826
Acquisitions and Other <sup>(1)</sup>	13,779
Distributions and Other	(3,626)
Net Changes in Fee Base of Certain Funds	(1,125)
Change in Value	(4,465)
September 30, 2022	<u>\$ 100,354</u>

(1) Reflects the AUM of KJRM at closing of \$12,730 million and represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

FPAUM in our Real Assets business line was \$100.4 billion at September 30, 2022, an increase of \$33.4 billion, compared to \$67.0 billion at December 31, 2021.

The increase was primarily attributable to (i) assets managed by KJRM, which we acquired in 2022, and (ii) new capital raised by Global Atlantic, Asia Pacific Infrastructure Investors II, and Diversified Core Infrastructure Fund. Partially offsetting these increases were (i) the decrease in value primarily due to the impact of the decline in the value of the Japanese yen associated with the assets managed by KJRM, (ii) payments to Global Atlantic policyholders and our fund investors and (iii) a change in fee base for Asia Pacific Infrastructure Investors as a result of entering its post investment period, during which we earn fees on invested capital rather than committed capital.

*Credit and Liquid Strategies*

The following table reflects the changes in our Credit and Liquid Strategies business line FPAUM from December 31, 2021 to September 30, 2022:

	<b>(\$ in millions)</b>
December 31, 2021	\$ 202,534
New Capital Raised	17,172
Acquisitions and Other <sup>(1)</sup>	7,997
Distributions and Other	(11,128)
Redemptions	(4,088)
Change in Value	(14,313)
September 30, 2022	<u>\$ 198,174</u>

(1) Represents an adjustment reflecting a change in the fee base of Global Atlantic's management fees from market value to book value.

FPAUM in our Credit and Liquid Strategies business line was \$198.2 billion at September 30, 2022, a decrease of \$4.3 billion compared to \$202.5 billion at December 31, 2021.

The decrease was primarily attributable to (i) a decline in investment value in assets managed across our credit portfolio, including for Global Atlantic, (ii) distributions to fund investors at certain leveraged and alternative credit funds, (iii) payments to Global Atlantic policyholders and (iv) redemptions at our hedge fund partnerships. Partially offsetting these decreases was (i) new capital raised from Global Atlantic, various leveraged and alternative credit funds and our hedge fund partnerships and (ii) changing the fee base for Global Atlantic's management fees from fair market value to book value.

See "Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

## **Uncalled Commitments**

### *Private Equity*

As of September 30, 2022, our Private Equity business line had \$66.7 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$66.3 billion as of December 31, 2021. The increase was primarily attributable to new capital commitments from fund investors, which were partially offset by capital called from fund investors to make investments during the period.

### *Real Assets*

As of September 30, 2022, our Real Assets business line had \$31.2 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$35.2 billion as of December 31, 2021. The decrease was primarily attributable to capital called from fund investors to make investments during the period, partially offset by new capital commitments from fund investors.

### *Credit and Liquid Strategies*

As of September 30, 2022, our Credit and Liquid Strategies business line had \$14.7 billion of remaining uncalled capital commitments that could be called for investments in new transactions as compared to \$10.3 billion as of December 31, 2021. The increase was primarily attributable to new commitments from fund investors, which was partially offset by capital called from fund investors to make investments during the period.

## **Capital Invested**

### *Private Equity*

For the nine months ended September 30, 2022, \$14.1 billion of capital was invested by our Private Equity business line, as compared to \$11.8 billion for the nine months ended September 30, 2021. The increase was driven primarily by a \$2.3 billion increase in capital invested in our traditional private equity strategy. During the nine months ended September 30, 2022, 60% of capital deployed in private equity was in transactions in North America, 20% was in Europe, and 20% was in the Asia-Pacific region. The number of large private equity investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

### *Real Assets*

For the nine months ended September 30, 2022, \$21.7 billion of capital was invested by our Real Assets business line, as compared to \$15.2 billion for the nine months ended September 30, 2021. The increase was driven primarily by a \$3.7 billion increase in capital invested in our real estate strategy and a \$1.9 billion increase in capital invested in our infrastructure strategy. During the nine months ended September 30, 2022, 77% of capital deployed in real assets was in transactions in North America, 14% was in Europe, and 9% was in the Asia-Pacific region.

### *Credit and Liquid Strategies*

For the nine months ended September 30, 2022, \$19.8 billion of capital was invested by our Credit and Liquid Strategies business line, as compared to \$22.8 billion for the nine months ended September 30, 2021. The decrease was primarily due to a lower level of capital deployed across our direct lending and SIG strategies. During the nine months ended September 30, 2022, 88% of capital deployed was in transactions in North America, 9% was in Europe, and 3% was in the Asia-Pacific region.

**Analysis of Insurance Segment Operating Results**

As discussed above, our insurance segment consists solely of the operations of Global Atlantic, which was acquired on February 1, 2021. For the nine months ended September 30, 2021, the results of our insurance segment is from the acquisition date, February 1, 2021, through September 30, 2021.

The following tables set forth information regarding KKR's insurance segment operating results and certain key operating metrics as of and for the nine months ended September 30, 2022 and 2021:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
	(\$ in thousands)		
Net Investment Income	\$ 2,881,567	\$ 1,977,383	\$ 904,184
Net Cost of Insurance	(1,664,664)	(1,076,566)	(588,098)
General, Administrative and Other	(472,795)	(338,325)	(134,470)
Pre-tax Insurance Operating Earnings	744,108	562,492	181,616
Income Taxes	(125,927)	(63,148)	(62,779)
Net Income Attributable to Noncontrolling Interests	(238,118)	(193,570)	(44,548)
<b>Insurance Segment Operating Earnings</b>	<b>\$ 380,063</b>	<b>\$ 305,774</b>	<b>\$ 74,289</b>

**Insurance segment operating earnings**

Insurance segment operating earnings increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021 and (ii) higher net investment income resulting from an increase in average assets under management due to growth of the business. The increase was offset in part by (i) higher net cost of insurance, primarily due to the growth in both our individual market and institutional market channels, (ii) a corresponding increase in general and administrative expenses, and (iii) an increase in income tax expense.

**Net investment income**

Net investment income increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) growth in portfolio yields due to higher market interest rates on floating rate investments, (iii) rotation into higher yielding assets, and (iv) increased average assets under management due to growth in assets in our institutional market channel as a result of new reinsurance transactions and individual market channel sales from new business growth.

**Net cost of insurance**

Net cost of insurance increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) growth in reserves in the institutional market as a result of new reinsurance transactions and in the individual market as a result of new business volumes, and (iii) higher funding costs on new business originated, and offset by the impact of assumption review (as described in “–Notable Items–Assumption Review” above).

**General, administrative and other expenses**

General and administrative expenses increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 primarily due to (i) one less month of activity reported in the prior period as a result of the GA Acquisition having occurred on February 1, 2021, (ii) increased employee compensation and benefits-related expenses, (iii) increased professional service fees, and (iv) increased TPA policy servicing fees, all due to growth of the business.

**Income taxes**

Insurance segment income tax expense reflects the annual estimated effective tax rate for the insurance segment on an operating basis, including the benefit of investment tax credits for the prior year period.

**Net Income attributable to non-controlling interests**

Net income attributable to non-controlling interests increased for the nine months ended September 30, 2022 as compared to the nine months ended September 30, 2021 is proportional to the increase in insurance segment operating earnings for the comparable period. Net income attributable to non-controlling interests represent the proportionate interest in the insurance segment operating earnings attributable to other investors in Global Atlantic.

**Analysis of Non-GAAP Performance Measures**

The following is a discussion of our Non-GAAP performance measures for the nine months ended September 30, 2022 and 2021:

	Nine Months Ended		
	September 30, 2022	September 30, 2021	Change
(\$ in thousands)			
Asset Management Segment Operating Earnings	\$ 3,039,393	\$ 2,873,979	\$ 165,414
Insurance Segment Operating Earnings	380,063	305,774	74,289
<b>Distributable Operating Earnings</b>	<b>3,419,456</b>	<b>3,179,753</b>	<b>239,703</b>
Interest Expense	(229,414)	(185,100)	(44,314)
Preferred Dividends	—	(19,201)	19,201
Net Income Attributable to Noncontrolling Interests	(17,083)	(14,678)	(2,405)
Income Taxes Paid	(540,909)	(449,814)	(91,095)
<b>After-tax Distributable Earnings</b>	<b>\$ 2,632,050</b>	<b>\$ 2,510,960</b>	<b>\$ 121,090</b>

For the nine months ended September 30, 2021, the results of our insurance segment above are from February 1, 2021 (closing date of the GA Acquisition) through September 30, 2021.

**Distributable Operating Earnings**

The increase in distributable operating earnings for the nine months ended September 30, 2022 compared to the prior period is primarily due to a higher level of asset management segment operating earnings and insurance segment operating earnings. For a discussion of the asset management and insurance segment operating earnings, see "—Analysis of Asset Management Segment Operating Results and Analysis of Insurance Segment Operating Results."

**Interest Expense**

The increase in interest expense for the nine months ended September 30, 2022 compared to the prior period is due primarily to debt issuances by KKR's financing subsidiaries subsequent to September 30, 2021.

**Preferred Dividends**

The decrease in preferred dividends for the nine months ended September 30, 2022 compared to the prior period was attributable to the redemption of all of our Series A and B preferred stock.

**Income Taxes Paid**

The increase in income taxes paid for the nine months ended September 30, 2022 compared to the prior period was primarily due to a higher level of asset management segment operating earnings.

### After-tax Distributable Earnings

The increase in after-tax distributable earnings for the nine months ended September 30, 2022 compared to the prior period was primarily due to a higher level of distributable operating earnings, partially offset by an increase in income taxes paid and interest expense, as discussed above.

For the nine months ended September 30, 2022 and 2021, the amount of the tax benefit from equity-based compensation included in income taxes paid was \$46.0 million and \$89.2 million, respectively. The inclusion of the tax benefit from equity-based compensation in After-tax Distributable Earnings had the effect of increasing this measure by 2% and 4% for the nine months ended September 30, 2022 and 2021.

### Non-GAAP Balance Sheet Measures

#### Book Value

The following table presents our calculation of book value as of September 30, 2022 and December 31, 2021:

	As of	
	September 30, 2022	December 31, 2021
(\$ in thousands)		
(+) Cash and Short-term Investments	\$ 4,248,213	\$ 4,869,203
(+) Investments	17,685,528	17,763,542
(+) Net Unrealized Carried Interest <sup>(1)</sup>	2,672,647	4,967,401
(+) Other Assets, Net <sup>(2)</sup>	6,637,886	4,706,108
(+) Global Atlantic Book Value	3,563,911	3,372,498
(-) Debt Obligations - KKR (excluding KFN and Global Atlantic)	6,830,070	5,836,267
(-) Debt Obligations - KFN	948,517	948,517
(-) Tax Liabilities, Net	1,710,896	2,697,317
(-) Other Liabilities	1,671,451	774,711
(-) Noncontrolling Interests	30,759	33,058
<b>Book Value</b>	<b>\$ 23,616,492</b>	<b>\$ 25,388,882</b>
<b>Book Value Per Adjusted Share</b>	<b>\$ 26.56</b>	<b>\$ 28.77</b>
<b>Adjusted Shares</b>	<b>889,121,824</b>	<b>882,589,036</b>

(1) The following table provides net unrealized carried interest by business line:

	As of	
	September 30, 2022	December 31, 2021
(\$ in thousands)		
Private Equity Business Line	\$ 2,352,336	\$ 4,697,134
Real Assets Business Line	220,848	159,709
Credit and Liquid Strategies Business Line	99,463	110,558
<b>Total</b>	<b>\$ 2,672,647</b>	<b>\$ 4,967,401</b>

(2) Other Assets, Net include our (i) ownership interest in FS/KKR Advisor, (ii) minority ownership interests in hedge fund partnerships and (iii) the net assets of KJRM.

Book value per adjusted share decreased 8% from December 31, 2021. The decrease was primarily attributable to (i) a reduction in net unrealized carried interest due to the reversal of previously recognized carried interest from our carried interest eligible investment funds, most notably Americas Fund XII and Asian Fund II, (ii) a reduction in the value of our asset management segment investments of 5% (iii) repurchases of our common stock and (iv) payment of dividends during the period. Partially offsetting these decreases was the positive impact of our after-tax distributable earnings recognized during the period. For a further discussion, see "—Unaudited Consolidated Results of Operations (GAAP Basis) - Asset Management—Unrealized Gains and Losses from Investment Activities." For a discussion of the changes in KKR's investment portfolio, see "—Analysis of Asset Management Segment Operating Results—Assets Under Management." For a discussion of factors that impacted KKR's after-tax distributable earnings, see "—Analysis of Non-GAAP Performance Measures— After-tax

Distributable Earnings" and for more information about the factors that may impact our business, financial performance, operating results and valuations, see "— Business Environment."

The following table presents the holdings of our investments in the asset management segment by asset class as of September 30, 2022. To the extent investments are realized at values below their cost in future periods, after-tax distributable earnings would be adversely affected by the amount of such loss, if any, during the period in which the realization event occurs.

Investments <sup>(1)</sup>	As of September 30, 2022		
	Cost	Fair Value	Fair Value as a Percentage of Total Investments
Traditional Private Equity	\$ 1,805,833	\$ 3,277,068	18.5 %
Core Private Equity	2,685,259	5,436,110	30.7 %
Growth Equity	292,429	805,866	4.6 %
<b>Private Equity Total</b>	<b>4,783,521</b>	<b>9,519,044</b>	<b>53.8 %</b>
Energy	894,614	969,901	5.5 %
Real Estate	1,815,588	2,146,540	12.1 %
Infrastructure	924,238	1,082,905	6.1 %
<b>Real Assets Total</b>	<b>3,634,440</b>	<b>4,199,346</b>	<b>23.7 %</b>
Leveraged Credit	1,281,300	1,009,867	5.7 %
Alternative Credit	882,023	881,922	5.0 %
<b>Credit Total</b>	<b>2,163,323</b>	<b>1,891,789</b>	<b>10.7 %</b>
Other	2,410,323	2,075,349	11.8 %
<b>Total Investments</b>	<b>\$ 12,991,607</b>	<b>\$ 17,685,528</b>	<b>100.0 %</b>

(1) Investments is a term used solely for purposes of financial presentation of a portion of KKR's balance sheet and includes majority ownership of subsidiaries that operate KKR's asset management and insurance businesses, including the general partner interests of KKR's investment funds. Investments presented are principally the assets measured at fair value that are held by KKR's asset management segment, which, among other things, does not include the underlying investments held by Global Atlantic and Marshall Wace.

	As of September 30, 2022	
	(\$ in thousands)	
	Cost	Fair Value
<b>Top 20 Investments: <sup>(1)</sup></b>		
USI, Inc.	\$ 531,425	\$ 1,250,310
PetVet Care Centers, LLC	243,211	1,143,092
Heartland Dental, LLC	320,656	833,705
Exact Group B.V.	213,362	468,972
Arnott's Biscuits Limited	250,841	430,578
1-800 Contacts Inc.	300,178	390,217
Internet Brands, Inc.	340,312	373,695
Barracuda Networks, Inc.	344,083	344,083
Crescent Energy Company (NYSE: CRGY)	539,992	341,233
Teaching Strategies, LLC	307,162	307,162
Fiserv, Inc. (NASDAQ: FISV)	127,010	273,049
ERM Worldwide Group Limited	228,710	251,581
Resolution Life Group Holdings, L.P.	262,191	228,659
Roompot B.V.	193,578	212,607
Atlantic Aviation FBO Inc.	170,274	186,672
Viridor Limited	132,023	169,225
The Bay Clubs Company, LLC	160,127	160,127
Veresen Midstream	92,602	152,365
GenesisCare Pty Ltd.	196,104	142,986
PortAventura	155,803	141,831
<b>Total Top 20 Investments</b>	<b>\$ 5,109,644</b>	<b>\$ 7,802,149</b>

(1) This list of investments identifies the twenty largest companies or assets based on their fair values as of September 30, 2022. It does not deduct fund or vehicle level debt, if any, incurred in connection with funding the investment. This list excludes (i) investments expected to be syndicated, (ii) investments expected to be transferred in connection with a new fundraising, (iii) investments in funds and other entities that are owned by one or more third parties and established for the purpose of making investments and (iv) the portion of any investment that may be held through collateralized loan obligations or levered multi-asset investment vehicles, if any. For additional information about the asset classes of the investments held on KKR's balance sheet see "—Our Business—Principal Activities" for the "Holdings by Asset Class" pie chart. The fair value figures include the co-investment and the limited partner and/or general partner interests held by KKR in the underlying investment, if applicable.

With respect to KKR's book value relating to its insurance business, KKR includes Global Atlantic's book value, which consists of KKR's pro rata equity interest in Global Atlantic on a GAAP basis, excluding (i) accumulated other comprehensive income and (ii) accumulated change in fair value of reinsurance embedded derivative balances and related assets, net of deferred acquisition costs and income tax. KKR believes this presentation of Global Atlantic's book value is comparable with the corresponding metric presented by other publicly traded companies in Global Atlantic's industry. As of September 30, 2022, KKR's pro rata interest in Global Atlantic's book value was \$3.6 billion. For more information about the composition and credit quality of Global Atlantic's investments on a consolidated basis, please see "—Global Atlantic's Investment Portfolio" below.

#### *Global Atlantic's Investment Portfolio*

As of September 30, 2022, 95% and 85% of Global Atlantic's AFS fixed maturity securities were considered investment grade under ratings from the Securities Valuation Office of the National Association of Insurance Commissioners ("NAIC") and nationally recognized statistical rating organizations ("NRSROs"), respectively. As of December 31, 2021, 97% and 87% of Global Atlantic's AFS fixed maturity securities were considered investment grade under ratings from NAIC and nationally recognized statistical rating organizations ("NRSROs"), respectively. Securities where a rating by an NRSRO was not available are considered investment grade if they have an NAIC designation of "1" or "2." The three largest asset categories in Global Atlantic's AFS fixed-maturity security portfolio as of September 30, 2022 were Corporate, RMBS and CMBS securities, comprising 29%, 6% and 5% of Global Atlantic's investment portfolio, respectively. Within these categories, 94%, 96% and 99% of Global Atlantic's Corporate, RMBS and CMBS securities, respectively, were investment grade according to NAIC ratings and 94%, 44% and 53% of its Corporate, RMBS and CMBS securities, respectively, were investment grade according to NRSRO ratings as of September 30, 2022. The three largest asset categories in Global Atlantic's available-for-sale fixed-maturity security portfolio as of December 31, 2021 were Corporate, RMBS and CMBS securities, comprising 34%, 6% and

5% of Global Atlantic's investment portfolio, respectively. Within these categories, 95%, 96% and 99% of Global Atlantic's Corporate, RMBS and CMBS securities, respectively, were investment grade according to NAIC ratings and 95%, 38% and 62% of its Corporate, RMBS and CMBS securities, respectively, were investment grade according to NRSRO ratings as of December 31, 2021. NRSRO and NAIC ratings have different methodologies. Global Atlantic believes the NAIC ratings methodology, which considers the likelihood of recovery of amortized cost as opposed to the recovery of all contractual payments including the principal at par, as the more appropriate way to view the ratings quality of its AFS fixed maturity portfolio since a large portion of its holdings were purchased at a significant discount to par value. The portion of Global Atlantic's investment portfolio consisting of floating rate assets was 22% and 20% as of September 30, 2022 and December 31, 2021, respectively.

Within the funds withheld receivable at interest portfolio, 96% and 96% of the fixed maturity securities were investment grade by NAIC designation as of September 30, 2022 and December 31, 2021, respectively.

Trading fixed maturity securities back funds withheld payable at interest where the investment performance is ceded to reinsurers under the terms of the respective reinsurance agreements.

#### *Credit quality of AFS fixed maturity securities*

The Securities Valuation Office of the NAIC evaluates the AFS fixed maturity security investments of insurers for regulatory reporting and capital assessment purposes and assigns securities to one of six credit quality categories called "NAIC designations." Using an internally developed rating is permitted by the NAIC if no rating is available. These designations are generally similar to the credit quality designations of NRSROs for marketable fixed maturity securities, except for certain structured securities as described below. NAIC designations of "1," highest quality, and "2," high quality, include fixed maturity securities generally considered investment grade by NRSROs. NAIC designations "3" through "6" include fixed maturity securities generally considered below investment grade by NRSROs.

Consistent with the NAIC Process and Procedures Manual, an NRSRO rating was assigned based on the following criteria: (i) the equivalent S&P rating where the security is rated by one NRSRO; (ii) the equivalent S&P rating of the lowest NRSRO when the security is rated by two NRSROs; and (iii) the equivalent S&P rating of the second lowest NRSRO if the security is rated by three or more NRSROs. If the lowest two NRSROs' ratings are equal, then such rating will be the assigned rating. NRSROs' ratings available for the periods presented were S&P, Fitch, Moody's, DBRS, Inc. and Kroll Bond Rating Agency, Inc. If no rating is available from a rating agency, then an internally developed rating is used.

Substantially all of the AFS fixed maturity securities portfolio, 95% and 97% as of September 30, 2022 and December 31, 2021, respectively, were invested in investment grade assets with a NAIC rating of 1 or 2.

The portion of the AFS fixed maturity securities portfolio that was considered below investment grade by NAIC designation was 5% and 3% as of September 30, 2022 and December 31, 2021, respectively. Pursuant to Global Atlantic's investment guidelines, Global Atlantic actively monitors the percentage of its portfolio that is held in investments rated NAIC 3 or lower and must obtain an additional approval from Global Atlantic's management investment committee before making a significant investment in an asset rated NAIC 3 or lower.

As of September 30, 2022 and December 31, 2021, the non-rated AFS fixed-maturity securities include \$227.2 million and \$118.8 million, respectively, of private placement securities for which Global Atlantic has not sought individual ratings from the NRSROs.

#### *Corporate fixed maturity securities*

Global Atlantic maintains a diversified portfolio of corporate fixed maturity securities across industries and issuers. As of September 30, 2022 and December 31, 2021, 57% and 60%, respectively, of the AFS fixed maturity securities portfolio was invested in corporate fixed maturity securities.

As of September 30, 2022 and December 31, 2021, 94% and 95% of the total fair value of corporate fixed maturity securities is rated NAIC investment grade and 94% and 95% is rated NRSROs investment grade, respectively.

#### *Residential mortgage-backed securities*

As of September 30, 2022 and December 31, 2021, 11% and 11% of the AFS fixed maturity securities portfolio was invested in RMBS, respectively. RMBS are securities constructed from pools of residential mortgages and backed by payments from those pools. Excluding limitations on access to lending and other extraordinary economic conditions, Global Atlantic



would expect prepayments of principal on the underlying loans to accelerate with decreases in market interest rates and diminish with increases in market interest rates.

The NAIC designations for RMBS, including prime, sub-prime, alt-A, and adjustable rate mortgages with variable payment options ("Option ARM"), are based upon a comparison of the bond's amortized cost to the NAIC's loss expectation for each security. Accordingly, an investment in the same security at a lower cost may result in a higher quality NAIC designation in recognition of the lower likelihood the investment would result in a realized loss. Prime residential mortgage lending includes loans to the most creditworthy borrowers with high quality credit profiles. Alt-A is a classification of mortgage loans where the risk profile of the borrower is between prime and sub-prime. Sub-prime mortgage lending is the origination of residential mortgage loans to borrowers with weak credit profiles.

As of September 30, 2022 and December 31, 2021, 94% and 93%, respectively, of RMBS securities that are below investment grade as rated by the NRSRO, carry an NAIC 1 ("highest quality") designation.

As of September 30, 2022, Alt-A, Option ARM, Re-Performing and Sub-prime represent 31%, 28%, 13% and 11% of the total RMBS portfolio (\$6.7 billion), respectively. As of December 31, 2021, Alt-A, Option ARM, Re-Performing and Sub-prime represent 33%, 30%, 14% and 12% of the total RMBS portfolio (\$7.7 billion), respectively.

#### *Unrealized gains and losses for AFS fixed maturity securities*

Global Atlantic's investments in AFS fixed maturity securities are reported at fair value with changes in fair value recorded in other comprehensive income as unrealized gains or losses, net of taxes and offsets. Unrealized gains and losses can be created by changes in interest rates or by changes in credit spreads.

As of September 30, 2022 and December 31, 2021, Global Atlantic had gross unrealized losses on below investment grade AFS fixed maturity securities of \$748.2 million and \$80.3 million based on NRSRO rating and \$122.1 million and \$13.5 million based on NAIC ratings, respectively.

#### *Mortgage and other loan receivables - Credit quality indicators*

Mortgage and other loan receivables consist of commercial and residential mortgage loans, and other loan receivables. As of September 30, 2022 and December 31, 2021, 29% and 23%, respectively, of Global Atlantic's total investments consisted of mortgage and other loan receivables. Global Atlantic invests in U.S. mortgage loans, comprised of first lien and mezzanine real estate loans, residential mortgage loans, consumer loans, and other loan receivables.

Global Atlantic's commercial mortgage loans may also be rated based on NAIC designations, with designations "CM1" and "CM2" considered to be investment grade. As of September 30, 2022 and December 31, 2021, 97% and 96% of the commercial mortgage loan portfolio was rated investment grade based on NAIC designation, respectively. 100% of the commercial mortgage loan portfolio is in current status.

As of September 30, 2022, 97% of the residential mortgage loan portfolio is in current status, and approximately \$179.6 million is over 90 days past due (representing 2% of the total residential mortgage portfolio).

The loan-to-value ratio is expressed as a percentage of the current amount of the loan relative to the value of the underlying collateral. Approximately 85% of the commercial mortgage loans has a loan-to-value ratio of 70% or less and 0.2% has loan-to-value ratio over 90%.

Changing economic conditions affect Global Atlantic's valuation of commercial mortgage loans. Changing vacancies and rents are incorporated into the discounted cash flow analysis that Global Atlantic performs for monitored loans and may contribute to the establishment of (or increase or decrease in) a commercial mortgage loan valuation allowance for losses. In addition, Global Atlantic continuously monitors its commercial mortgage loan portfolio to identify risk. Areas of emphasis are properties that have exposure to specific geographic events or have deteriorating credit.

The weighted average loan-to-value ratio for residential mortgage loans was 62% and 68% as of September 30, 2022 and December 31, 2021, respectively.

Global Atlantic's residential mortgage loan portfolio is comprised mainly of re-performing loans that were purchased at a discount after they were modified and returned to performing status, as well as prime jumbo loans and mortgage loans backed by single family rental properties. Global Atlantic has also extended financing to counterparties in the form of repurchase agreements secured by mortgage loans, including performing and non-performing mortgage loans.

Global Atlantic's consumer loan portfolio is primarily comprised of home improvement loans, solar panel loans, student loans and auto loans.

### Reconciliations to GAAP Measures

The following tables reconcile the most directly comparable financial measures calculated and presented in accordance with GAAP to KKR's non-GAAP financial measures for the three and nine months ended September 30, 2022 and 2021:

#### Revenues

	Three Months Ended		Nine Months Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	(\$ in thousands)			
<b>Total GAAP Revenues</b>	<b>\$ 1,858,413</b>	<b>\$ 4,483,365</b>	<b>\$ 3,192,500</b>	<b>\$ 12,182,552</b>
Impact of Consolidation and Other	207,822	134,524	593,340	392,883
<i>Asset Management Adjustments:</i>				
Capital Allocation-Based Income (Loss) (GAAP)	572,863	(1,526,667)	2,442,080	(5,736,707)
Realized Carried Interest	496,494	413,114	1,799,870	1,183,826
Realized Investment Income	284,979	447,565	911,221	1,277,701
Capstone Fees	(20,748)	(25,178)	(55,743)	(66,286)
Expense Reimbursements	(10,733)	(34,857)	(77,612)	(122,642)
<i>Insurance Adjustments:</i>				
Net Premiums	(480,462)	(974,903)	(627,104)	(1,698,912)
Policy Fees	(320,206)	(310,381)	(964,349)	(824,326)
Other Income	(35,632)	(31,938)	(102,888)	(82,160)
Investment Gains and Losses	(11,584)	(156,909)	176,559	83,153
Derivative Gains and Losses	184,303	53,179	945,996	47,151
<b>Total Segment Revenues <sup>(1)</sup></b>	<b>\$ 2,725,509</b>	<b>\$ 2,470,914</b>	<b>\$ 8,233,870</b>	<b>\$ 6,636,233</b>

(1) Total Segment Revenues is comprised of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, (v) Realized Investment Income, and (vi) Net Investment Income.

*Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders*

	Three Months Ended		Nine Months Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	(\$ in thousands)			
<b>Net Income (Loss) Attributable to KKR &amp; Co. Inc. Common Stockholders (GAAP)</b>	<b>\$ (91,646)</b>	<b>\$ 1,131,354</b>	<b>\$ (993,350)</b>	<b>\$ 4,053,271</b>
Preferred Stock Dividends	17,250	25,203	51,750	88,397
Net Income (Loss) Attributable to Noncontrolling Interests	(5,191)	2,125,088	(39,795)	7,318,218
Income Tax Expense (Benefit)	27,434	379,282	(128,836)	1,161,688
<b>Income (Loss) Before Tax (GAAP)</b>	<b>\$ (52,153)</b>	<b>\$ 3,660,927</b>	<b>\$ (1,110,231)</b>	<b>\$ 12,621,574</b>
Impact of Consolidation and Other	92,767	(1,478,384)	(185,329)	(5,000,537)
Equity-based Compensation - KKR Holdings <sup>(1)</sup>	19,500	8,764	119,834	35,734
Preferred Stock Dividends	—	(2,519)	—	(19,201)
Income Taxes Paid	(173,949)	(185,645)	(540,909)	(449,814)
<i>Asset Management Adjustments:</i>				
Net Unrealized (Gains) Losses	233,265	(598,304)	1,734,293	(2,890,326)
Unrealized Carried Interest	1,094,782	(911,156)	3,946,182	(3,872,150)
Unrealized Carried Interest Compensation (Carry Pool)	(468,785)	397,449	(1,629,011)	1,667,447
Strategic Corporate Transaction-Related Charges <sup>(2)</sup>	17,925	7,362	88,129	17,497
Equity-based Compensation	50,566	44,488	156,259	138,196
Equity-based Compensation - Performance based	58,943	18,022	176,727	50,073
<i>Insurance Adjustments:</i> <sup>(3)</sup>				
Net (Gains) Losses from Investments and Derivatives <sup>(3)</sup>	(54,585)	(75,241)	(120,033)	183,842
Strategic Corporate Transaction-Related Charges <sup>(3)</sup>	4,413	3,931	14,120	15,947
Equity-based and Other Compensation <sup>(3)</sup>	41,102	40,086	94,711	64,061
Amortization of Acquired Intangibles <sup>(3)</sup>	4,411	4,412	13,235	11,765
Income Taxes <sup>(3)</sup>	(44,468)	(9,046)	(125,927)	(63,148)
<b>After-tax Distributable Earnings</b>	<b>\$ 823,734</b>	<b>\$ 925,146</b>	<b>\$ 2,632,050</b>	<b>\$ 2,510,960</b>
Interest Expense	83,335	63,446	229,414	185,100
Preferred Stock Dividends	—	2,519	—	19,201
Net Income Attributable to Noncontrolling Interests	4,932	6,072	17,083	14,678
Income Taxes Paid	173,949	185,645	540,909	449,814
<b>Distributable Operating Earnings</b>	<b>\$ 1,085,950</b>	<b>\$ 1,182,828</b>	<b>\$ 3,419,456</b>	<b>\$ 3,179,753</b>
Insurance Segment Operating Earnings	(127,022)	(114,989)	(380,063)	(305,774)
Realized Performance Income	(497,860)	(432,784)	(1,837,925)	(1,222,403)
Realized Performance Income Compensation	322,927	274,955	1,180,990	797,965
Realized Investment Income	(284,979)	(447,565)	(911,221)	(1,277,701)
Realized Investment Income Compensation	42,747	67,142	136,683	191,663
<b>Fee Related Earnings</b>	<b>\$ 541,763</b>	<b>\$ 529,587</b>	<b>\$ 1,607,920</b>	<b>\$ 1,363,503</b>
Insurance Segment Operating Earnings	127,022	114,989	380,063	305,774
Realized Performance Income	497,860	432,784	1,837,925	1,222,403
Realized Performance Income Compensation	(322,927)	(274,955)	(1,180,990)	(797,965)
Realized Investment Income	284,979	447,565	911,221	1,277,701
Realized Investment Income Compensation	(42,747)	(67,142)	(136,683)	(191,663)
Depreciation and Amortization	9,045	6,064	24,411	18,257
<b>Adjusted EBITDA</b>	<b>\$ 1,094,995</b>	<b>\$ 1,188,892</b>	<b>\$ 3,443,867</b>	<b>\$ 3,198,010</b>

(1) Represents equity-based compensation expense in connection with the allocation of units of KKR Holdings, which were not dilutive to common stockholders of KKR & Co. Inc.

(2) For the nine months ended September 30, 2022, strategic corporate transaction-related charges include a \$40.7 million realized loss from foreign exchange derivatives that were entered in connection with the acquisition of KJRM and that were settled upon closing.

(3) Amounts include the portion allocable to noncontrolling interests (~39%).

*KKR & Co. Inc. Stockholders' Equity - Common Stock*

	As of	
	September 30, 2022	December 31, 2021
	(\$ in thousands)	
<b>KKR &amp; Co. Inc. Stockholders' Equity - Series I and II Preferred Stock, Common Stock</b>	<b>\$ 16,335,253</b>	<b>\$ 16,466,372</b>
Series C Mandatory Convertible Preferred Stock	1,115,792	1,115,792
Impact of Consolidation and Other	381,772	(1,048,569)
KKR Holdings and Other Exchangeable Securities	181,508	8,595,510
Accumulated Other Comprehensive Income (AOCI) and Other (Insurance)	5,602,167	259,777
<b>Book Value</b>	<b>\$ 23,616,492</b>	<b>\$ 25,388,882</b>

The following table provides a reconciliation of KKR's GAAP Shares of Common Stock Outstanding to Adjusted Shares:

	As of	
	September 30, 2022	December 31, 2021
<b>GAAP Shares of Common Stock Outstanding</b>	859,833,444	595,663,618
Adjustments:		
KKR Holdings Units	—	258,726,163
Exchangeable Securities <sup>(1)</sup>	2,465,810	1,376,655
Common Stock - Series C Mandatory Convertible Preferred Stock <sup>(2)</sup>	26,822,570	26,822,600
<b>Adjusted Shares <sup>(3)</sup></b>	<b>889,121,824</b>	<b>882,589,036</b>
<b>Unvested Equity Awards and Exchangeable Securities <sup>(4)</sup></b>	<b>35,300,207</b>	<b>39,000,561</b>

(1) Consists of vested restricted holdings units granted under our 2019 Equity Incentive Plan, which are exchangeable for shares of KKR & Co. Inc. common stock on a one-for-one basis.

(2) Assumes that all shares of Series C Mandatory Convertible Preferred Stock have been converted into shares of KKR & Co. Inc. common stock on September 30, 2022 and December 31, 2021.

(3) Amounts exclude unvested equity awards granted under our Equity Incentive Plans.

(4) Represents equity awards granted under our Equity Incentive Plans. Excludes market condition awards that did not meet their market-price based vesting conditions as of September 30, 2022 and December 31, 2021.

### Liquidity

We manage our liquidity and capital requirements by (i) focusing on our cash flows before the consolidation of our funds and CFEs and the effect of changes in short term assets and liabilities, which we anticipate will be settled for cash within one year, and (ii) seeking to maintain access to sufficient liquidity through various sources. The overall liquidity framework and cash management approach of our insurance business are also based on seeking to build an investment portfolio that is cash flow matched, providing cash inflows from insurance assets that meet our insurance companies' expected cash outflows to pay their liabilities. Our primary cash flow activities typically involve: (i) generating cash flow from operations; (ii) generating income from investment activities, by investing in investments that generate yield (namely interest and dividends), as well as through the sale of investments and other assets; (iii) funding capital commitments that we have made to, and advancing capital to, our funds and CLOs; (iv) developing and funding new investment strategies, investment products, and other growth initiatives, including acquisitions of other investments, assets, and businesses; (v) underwriting and funding commitments in our capital markets business; (vi) distributing cash flow to our stockholders and holders of our preferred stock; and (vii) paying borrowings, interest payments, and repayments under credit agreements, our senior and subordinated notes, and other borrowing arrangements. See "—Liquidity—Liquidity Needs—Dividends."

See "Business Environment" for more information on factors that may impact our business, financial performance, operating results and valuations.

### **Sources of Liquidity**

Our primary sources of liquidity consist of amounts received from: (i) our operating activities, including the fees earned from our funds, portfolio companies, and capital markets transactions; (ii) realizations on carried interest from our investment funds; (iii) interest and dividends from investments that generate yield, including our investments in CLOs; (iv) in our insurance business, cash inflows in respect of new premiums, policyholder deposits, reinsurance transactions and funding agreements, including through memberships in Federal Home Loan Banks; (v) realizations on and sales of investments and other assets, including the transfers of investments or other assets for fund formations (including CLOs and other investment vehicles); and (vi) borrowings, including advances under our revolving credit facilities, debt offerings, committed repurchase agreements, uncommitted financing, and other borrowing arrangements. In addition, we may generate cash proceeds from issuances of our or our subsidiaries' equity securities.

Many of our investment funds provide carried interest. With respect to our private equity funds, carried interest is distributed to the general partner of a private equity fund with a clawback provision only after all of the following are met: (i) a realization event has occurred (e.g., sale of a portfolio company, dividend, etc.); (ii) the vehicle has achieved positive overall investment returns since its inception, in excess of performance hurdles where applicable, and is accruing carried interest; and (iii) with respect to investments with a fair value below cost, cost has been returned to fund investors in an amount sufficient to reduce remaining cost to the investments' fair value. As of September 30, 2022, certain of our funds had met the first and second criteria, as described above, but did not meet the third criteria. In these cases, carried interest accrues on the consolidated statement of operations, but will not be distributed in cash to us as the general partner of an investment fund upon a realization event. For a fund that has a fair value above cost, overall, and is otherwise accruing carried interest, but has one or more investments where fair value is below cost, the shortfall between cost and fair value for such investments is referred to as a "netting hole." When netting holes are present, realized gains on individual investments that would otherwise allow the general partner to receive carried interest distributions are instead used to return invested capital to our funds' limited partners in an amount equal to the netting hole. Once netting holes have been filled with either (a) return of capital equal to the netting hole for those investments where fair value is below cost or (b) increases in the fair value of those investments where fair value is below cost, then realized carried interest will be distributed to the general partner upon a realization event. A fund that is in a position to pay cash carry refers to a fund for which carried interest is expected to be paid to the general partner upon the next material realization event, which includes funds with no netting holes as well as funds with a netting hole that is sufficiently small in size such that the next material realization event would be expected to result in the payment of carried interest. Strategic investor partnerships with fund investors may require netting across the various funds in which they invest, which may reduce the carried interest we otherwise would have earned if such fund investors were to have invested in our funds without the existence of the strategic investor partnership. See "Risk Factors—Risks Related to Our Business—Strategic investor partnerships have longer investment periods and invest in multiple strategies, which may increase the possibility of a 'netting hole,' which will result in less carried interest for us, as well as clawback liabilities" in our Annual Report.

As of September 30, 2022, netting holes in excess of \$50 million existed at none of our private equity, growth, impact, or infrastructure funds. In accordance with the criteria set forth above, other funds currently have and may in the future develop netting holes, and netting holes for those and other funds may otherwise increase or decrease in the future.

We have access to funding under various credit facilities, other borrowing arrangements and other sources of liquidity that we have entered into with major financial institutions or which we receive from the capital markets.

For a discussion of our debt obligations, including our debt securities, revolving credit agreements and loans, see Note 17 "Debt Obligations" in our financial statements.

### **Liquidity Needs**

We expect that our primary liquidity needs will consist of cash required to:

- continue to support and grow our Asset Management business lines, including funding our capital commitments made to existing and future funds, pay the costs related to fundraising and launching of new strategies, and otherwise supporting investment vehicles which we sponsor;
- continue to support and grow our Insurance businesses;
- to grow and expand our businesses generally, including by acquiring or launching new, complementary or adjacent businesses;

- seed or warehouse investments for the benefit of new strategies or funds, including CLOs, pending the contribution of committed capital by the investors in such funds, and advancing capital to our funds for operational or other needs;
- pay interest expense;
- service debt obligations, including the payment of obligations upon maturity or redemption, as well as any contingent liabilities that may give rise to future cash payments, including funding requirements to levered investment vehicles or structured transactions;
- fund cash operating expenses and contingencies, including litigation matters and guarantees;
- pay corporate income taxes and other taxes;
- pay policyholders and amounts in our insurance business related to investment, reinvestment, reinsurance or funding agreement activity;
- pay amounts that may become due under our tax receivable agreement with KKR Holdings;
- pay cash dividends in accordance with our dividend policy for our common stock or the terms of our preferred stock;
- underwrite commitments, advance loan proceeds and fund syndication commitments within our capital markets business, and fund any net capital or regulatory requirements of our capital markets companies;
- post or return collateral in respect of derivative contracts;
- support and acquire other assets for our Principal Activities business line, including other businesses, investments and assets, some of which may be required to satisfy risk retention requirements for CLOs (to the extent they may apply); and
- repurchase KKR's common stock or retire equity awards pursuant to the share repurchase program or repurchase or redeem other securities issued by KKR.

For a discussion of KKR's share repurchase program, see Note 22 "Equity" in our financial statements.

### Capital Commitments

The agreements governing our active investment funds generally require the general partners of the funds to make minimum capital commitments to such funds, which generally range from 2% to 8% of a fund's total capital commitments at final closing, but may be greater for certain funds (i) where we are pursuing newer strategies, (ii) where third party investor demand is limited, and (iii) where a larger commitment is consistent with the asset allocation strategy for our Principal Activities business line, including core investments and exposure to the Asia-Pacific region.

The following table presents our uncalled commitments to our active investment funds and other vehicles as of September 30, 2022:

	<b>Uncalled Commitments</b>
	<b>(\$ in millions)</b>
<b>Private Equity</b>	
Core Investment Vehicles	\$ 3,717
European Fund VI	750
Asian Fund IV	393
North America Fund XIII	389
Global Impact Fund II	145
Health Care Strategic Growth Fund II	137
Next Generation Technology Growth Fund II	26
Other Private Equity Vehicles	1,884
<b>Total Private Equity Commitments</b>	<b>7,441</b>
<b>Real Assets</b>	
Asia Pacific Infrastructure Investors II	357
Global Infrastructure Investors IV	345
Asia Real Estate Partners	176
Diversified Core Infrastructure Fund	150
Asia Pacific Infrastructure Investors	107
Real Estate Partners Americas III	96
Real Estate Partners Europe II	78
Real Estate Credit Opportunity Partners II	20
Other Real Assets Vehicles	391
<b>Total Real Assets Commitments</b>	<b>1,720</b>
<b>Credit and Liquid Strategies</b>	
Asset-Based Finance Partners	101
Asia Credit	97
Dislocation Opportunities Fund	96
Lending Partners Europe II	13
Lending Partners III	12
Other Credit and Liquid Strategies Vehicles	1,184
<b>Total Credit and Liquid Strategies Commitments</b>	<b>1,503</b>
<b>Total Uncalled Commitments</b>	<b>\$ 10,664</b>

### Other Commitments

In addition to the uncalled commitments to our investment funds as shown above, KKR has entered into contractual commitments primarily with respect to underwriting transactions, debt financing, revolving credit facilities, and equity syndications in our Capital Markets business line. As of September 30, 2022, these commitments amounted to \$0.7 billion.

Whether these amounts are actually funded, in whole or in part, depends on the contractual terms of such commitments, including the satisfaction or waiver of any conditions to closing or funding. Our capital markets business has arrangements with third parties, which reduce our risk under certain circumstances when underwriting certain debt transactions, and thus our unfunded commitments as of September 30, 2022 have been reduced to reflect the amount to be funded by such third parties. In the case of purchases of investments or assets in our Principal Activities business line, the amount to be funded includes

amounts that are intended to be syndicated to third parties, and the actual amounts to be funded may be less. For more information about our capital markets business line's risks, see "Risks Related to Our Business—Our capital markets activities expose us to risks, and our risk management strategy may not be effective or sufficient" in our Annual Report.

#### *Tax Receivable Agreement*

On May 31, 2022, KKR terminated the tax receivable agreement with KKR Holdings other than with respect to exchanges of KKR Holdings units prior to the closing of the Reorganization Mergers. As of September 30, 2022, an undiscounted payable of \$400.1 million has been recorded in due to affiliates in the financial statements representing management's best estimate of the amounts currently expected to be owed under the tax receivable agreement. As of September 30, 2022, approximately \$60.4 million of cumulative cash payments have been made under the tax receivable agreement.

#### *Dividends*

A dividend of \$0.155 per share of our common stock has been declared and will be paid on November 29, 2022 to holders of record of our common stock as of the close of business on November 14, 2022.

A dividend of \$0.75 per share of Series C Mandatory Convertible Preferred Stock has been declared and set aside for payment on December 15, 2022 to holders of record of Series C Mandatory Convertible Preferred Stock as of the close of business on December 1, 2022.

When KKR & Co. Inc. receives distributions from KKR Group Partnership, holders of exchangeable securities receive their pro rata share of such distributions from KKR Group Partnership.

The declaration and payment of dividends to our common stockholders will be at the sole discretion of our board of directors, and our dividend policy may be changed at any time. The declaration of dividends is subject to the discretion of our board of directors based on a number of factors, including KKR's future financial performance and other considerations that the board deems relevant, and compliance with the terms of KKR & Co. Inc.'s certificate of incorporation and applicable law. For U.S. federal income tax purposes, any dividends we pay (including dividends on our preferred stock) generally will be treated as qualified dividend income for U.S. individual stockholders to the extent paid out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. There can be no assurance that future dividends will be made as intended or at all or that any particular dividend policy for our common stock will be maintained. Furthermore, the declaration and payment of distributions by KKR Group Partnership and our other subsidiaries may also be subject to legal, contractual and regulatory restrictions, including restrictions contained in our debt agreements and the terms of the preferred units of KKR Group Partnership.

#### *Other Liquidity Needs*

From time to time, we fund various underwriting, syndication and fronting commitments in our capital markets business in connection with the arranging or underwriting of loans, securities or other financial instruments, for which we may draw all or substantially all of our availability for borrowings under our available credit facilities. We generally expect these borrowings by our Capital Markets business line to be repaid promptly as these commitments are syndicated to third parties or otherwise fulfilled or terminated, although we may in some instances elect to retain a portion of the commitments for our own investment. For more information about our Capital Markets business line's risks, see "Risks Related to Our Business—Our capital markets activities expose us to risks, and our risk management strategy may not be effective or sufficient" in our Annual Report.

#### **Contractual Obligations, Commitments and Contingencies**

In the ordinary course of business, we (including Global Atlantic) and our consolidated funds and CFEs enter into contractual arrangements that may require future cash payments. Contractual arrangements include (1) commitments to fund the purchase of investments or other assets (including obligations to fund capital commitments as the general partner of our investment funds) or to fund collateral for derivative transactions or otherwise, (2) obligations arising under our senior notes, subordinated notes, and other indebtedness, (3) commitments by our capital markets business to underwrite transactions or to lend capital, (4) obligations arising under insurance policies written, (5) other contractual obligations, including servicing agreements with third-party administrators for insurance policy administration, and (6) commitments to fund the business, operations or investments of our subsidiaries.



We may incur contingent liabilities for claims that may be made against us in the future. We enter into contracts that contain a variety of representations, warranties and covenants, including indemnifications. For example, we and certain of our investment funds have provided certain indemnities relating to environmental and other matters and have provided nonrecourse carve-out guarantees for violations of bankruptcy remoteness restrictions and for fraud, willful misconduct and other wrongful acts, each in connection with the financing of (i) certain real estate investments that we have made, including KKR's corporate real estate, and (ii) certain investment vehicles we manage or sponsor.

We provide credit support to certain subsidiaries' obligations in connection with a limited number of investment vehicles that we manage. For example, we have guaranteed the obligations of a general partner to post collateral on behalf of its investment vehicle in connection with such vehicle's derivative transactions. We have also entered into a contingent guarantee for a subsidiary's loan repayment obligations, which does not become effective unless and until its loan becomes accelerated due to certain specified events of default involving the investment vehicles managed by it. We also (i) provided credit support regarding repayment and funding obligations to third party lenders on behalf of certain employees, excluding executive officers, in connection with their personal investments in KKR investment funds and a levered multi-asset investment vehicle and (ii) provided credit support to one of our hedge fund partnerships.

We expect to continue to guarantee, from time to time, the obligations of our subsidiaries' funding obligations to our investment vehicles. These include KKR's obligations to fund its capital commitments to various levered multi-asset investment vehicles, which are special purpose entities that invest in various funds and co-investments sponsored by KKR. In addition, we have also agreed for certain of our investment vehicles, including certain levered multi-asset investment vehicles, to fund or otherwise be liable for a portion of their investment losses (up to a maximum of approximately \$116 million) and/or to provide them with liquidity upon certain termination events (the maximum amount of which is unknown until the scheduled termination date of the investment vehicle).

The partnership documents governing our carry-paying funds generally include a "clawback" provision that, if triggered, may give rise to a contingent obligation requiring the general partner to return amounts to the fund for distribution to the fund investors at the end of the life of the fund. In addition, Global Atlantic is obligated to make annual payments out of available cash to its former owner, and Global Atlantic has also arranged or participated in letters of credit in lieu of funding certain loan facilities to third party borrowers. See Note 24 "Commitments and Contingencies—Contingent Repayment Guarantees" to our financial statements included elsewhere in this report for further information.

We have also indemnified employees and non-employees against potential liabilities, in connection with their service as described under "Certain Relationships and Related Transactions, and Director Independence—Indemnification of Directors, Officers and Others" in our Annual Report.

#### ***Off Balance Sheet Arrangements***

We do not have any off-balance sheet financings or liabilities other than contractual commitments and other legal contingencies incurred in the normal course of our business.

#### **Critical Accounting Estimates**

The preparation of our financial statements in accordance with GAAP requires our management to make estimates and judgments that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of fees, expenses and investment income. Our management bases these estimates and judgments on available information, historical experience and other assumptions that we believe are reasonable under the circumstances. However, these estimates, judgments and assumptions are often subjective and may be impacted negatively based on changing circumstances or changes in our analyses. If actual amounts are ultimately different from those estimated, judged or assumed, revisions are included in the financial statements in the period in which the actual amounts become known. We believe our critical accounting policies could potentially produce materially different results if we were to change underlying estimates, judgments or assumptions.

For a further discussion about our critical accounting policies, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies" in our Annual Report and Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.

## Recently Issued Accounting Pronouncements

For a full discussion of recently issued accounting pronouncements, see Note 2 "Summary of Significant Accounting Policies" in our financial statements.

## Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Investments and other financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

### *Level I*

Pricing inputs are unadjusted, quoted prices in active markets for identical assets or liabilities as of the measurement date.

### *Level II*

Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date, and fair value is determined through the use of models or other valuation methodologies.

### *Level III*

Pricing inputs are unobservable for the financial instruments and include situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation. The valuation of our Level III investments at September 30, 2022 represents management's best estimate of the amounts that we would anticipate realizing on the sale of these investments in an orderly transaction at such date.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety.

### *Level III Valuation Methodologies*

Our investments and financial instruments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the carried interest and investment income we realize. Additionally, a change in interest rates could have a significant impact on valuations.

Across the total Level III private equity investment portfolio (including core equity investments), and including investments in both consolidated and unconsolidated investment funds, approximately 60% of the fair value is derived from investments that are valued based exactly 50% on market comparables and 50% on a discounted cash flow analysis. Less than 5% of the fair value of this Level III private equity investment portfolio is derived from investments that are valued either based 100% on market comparables or 100% on a discounted cash flow analysis. As of September 30, 2022, the overall weights ascribed to the market comparables methodology, the discounted cash flow methodology, and a methodology based on pending sales for this portfolio of Level III private equity investments were 38%, 54%, and 8%, respectively.

There is inherent uncertainty involved in the valuation of Level III investments, and there is no assurance that, upon liquidation, KKR will realize the values reflected in our valuations. Our valuations may differ significantly from the values that would have been used had an active market for the investments existed, and it is reasonably possible that the difference could be material. See "Business Environment" for more information on factors that may impact our business, financial performance, operating results and valuations.

Key unobservable inputs that have a significant impact on our Level III valuations as described above are included in Note 10 "Fair Value Measurements" in our financial statements.

### ***Level III Valuation Process***

The valuation process involved for Level III measurements is completed on a quarterly basis and is designed to subject the valuation of Level III investments to an appropriate level of consistency, oversight, and review.

For private equity and real asset investments classified as Level III, investment professionals prepare preliminary valuations based on their evaluation of financial and operating data, company specific developments, market valuations of comparable companies and other factors. KKR begins its procedures to determine the fair values of its Level III assets approximately one month prior to the end of a reporting period, and KKR follows additional procedures to ensure that its determinations of fair value for its Level III assets are appropriate as of the relevant reporting date. These preliminary valuations are reviewed by an independent valuation firm engaged by KKR to perform certain procedures in order to assess the reasonableness of KKR's valuations annually for all Level III private equity and real asset investments and quarterly for investments other than certain investments, which have values less than preset value thresholds and which in the aggregate comprise less than 1% of the total value of KKR's Level III private equity and real asset investments. The valuations of certain real asset investments are determined solely by independent valuation firms without the preparation of preliminary valuations by our investment professionals, and instead such independent valuation firms rely on valuation information available to it as a broker or valuation firm. For credit investments, an independent valuation firm is generally engaged by KKR to assist with the valuations of most investments classified as Level III. The valuation firm either provides a value, provides a valuation range from which KKR's investment professionals select a point in the range to determine the valuation, or performs certain procedures in order to assess the reasonableness of KKR's valuations. After reflecting any input from the independent valuation firm, the valuation proposals are submitted for review and approval by KKR's valuation committees. As of September 30, 2022, less than 2% of the total value of our Level III credit investments were not valued with the engagement of an independent valuation firm.

For Level III investments in Asset Management, KKR has a global valuation committee that is responsible for coordinating and implementing the firm's valuation process to ensure consistency in the application of valuation principles across portfolio investments and between periods. The global valuation committee is assisted by the asset class-specific valuation committees that exist for private equity (including core equity investments and certain impact investments), growth equity (including certain impact investments), real estate, energy, infrastructure and credit. The asset class-specific valuation committees are responsible for the review and approval of all preliminary Level III valuations in their respective asset classes on a quarterly basis. The members of these valuation committees are comprised of investment professionals, including the heads of each respective strategy, and professionals from business operations functions such as legal, compliance and finance, who are not primarily responsible for the management of the investments. All Level III valuations for investments in Asset Management are also subject to approval by the global valuation committee, which is comprised of senior employees including investment professionals and professionals from business operations functions, and includes one of KKR's Co-Chief Executive Officers and its Chief Financial Officer, General Counsel and Chief Compliance Officer. When valuations are approved by the global valuation committee after reflecting any input from it, the valuations of Level III investments, as well as the valuations of Level I and Level II investments, are presented to the Audit Committee of the Board of Directors of KKR & Co. Inc. and are then reported to the Board of Directors.

Level III investments held by Global Atlantic are valued on the basis of pricing services, broker-dealers or internal models. Global Atlantic performs a quantitative and qualitative analysis and review of the information and prices received from independent pricing services as well as broker-dealers to verify that it represents a reasonable estimate of fair value. As of September 30, 2022, approximately 74% of these investments were priced via external sources, while approximately 26% were valued on the basis of internal models. For all the internally developed models, Global Atlantic seeks to verify the reasonableness of fair values by analyzing the inputs and other assumptions used. These preliminary valuations are reviewed, based on certain thresholds, by an independent valuation firm engaged by Global Atlantic to perform certain procedures in order to assess the reasonableness of Global Atlantic's valuations. When valuations are approved by Global Atlantic's management, the valuations of its Level III investments, as well as the valuations of Level I and Level II investments, are presented to the Audit Committee of the Board of Directors of KKR & Co. Inc. and are then reported to the Board of Directors.

As of September 30, 2022, upon completion by, where applicable, independent valuation firms of certain limited procedures requested to be performed by them on certain Level III investments, the independent valuation firms concluded that the fair values, as determined by KKR (including Global Atlantic), of those investments reviewed by them were reasonable. The limited procedures did not involve an audit, review, compilation or any other form of examination or attestation under generally accepted auditing standards and were not conducted on all Level III investments. We are responsible for determining the fair value of investments in good faith, and the limited procedures performed by an independent valuation firm are supplementary to the inquiries and procedures that we are required to undertake to determine the fair value of the commensurate investments.

As described above, Level II and Level III investments were valued using internal models with significant unobservable inputs, and our determinations of the fair values of these investments may differ materially from the values that would have resulted if readily observable inputs had existed. Additional external factors may cause those values, and the values of investments for which readily observable inputs exist, to increase or decrease over time, which may create volatility in our earnings and the amounts of assets and stockholders' equity that we report from time to time.

Changes in the fair value of investments impacts the amount of carried interest that is recognized as well as the amount of investment income that is recognized for investments held directly in Asset Management and through our consolidated funds as described below. We estimate that an immediate 10% decrease in the fair value of investments held directly and through consolidated investment funds generally would result in a commensurate change in the amount of net gains (losses) from investment activities for investments held directly and through investment funds and a more significant impact to the amount of carried interest recognized, regardless of whether the investment was valued using observable market prices or management estimates with significant unobservable pricing inputs. With respect to consolidated investment funds, the impact that the consequential decrease in investment income would have on net income attributable to KKR would generally be significantly less than the amount described above, given that a majority of the change in fair value of our consolidated funds would be attributable to noncontrolling interests and therefore we are only impacted to the extent of our carried interest and our balance sheet investments. With respect to Insurance, a decrease in investment income for certain assets where investment gains and losses are recognized through the statement of operations would impact KKR only to the extent of our economic ownership interest in Global Atlantic.

As of September 30, 2022, there were no investments which represented greater than 5% of total investments on a GAAP basis. On a non-GAAP basis, as of September 30, 2022, investments which represented greater than 5% of total non-GAAP investments consisted of USI, Inc. and PetVet Care Centers, LLC and valued at \$1,250 million and \$1,143 million, respectively. Our investment income on a GAAP basis and our book value can be impacted by volatility in the public markets related to our holdings of publicly traded securities, including our sizable holdings of Fiserv, Inc. and Crescent Energy Company. See "—Business Environment" for a discussion of factors that may impact the valuations of our investments, financial results, operating results and valuations, and "—Non-GAAP Balance Sheet Measures" for additional information regarding our largest holdings on a non-GAAP basis.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.**

Except for the item disclosed below, there was no material change to our market risks during the three months ended September 30, 2022. For a discussion of our market risks in general, please refer to our Annual Report. In addition, for a discussion of current market conditions and uncertainties, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment."

**Insurance Segment Market Risks***Sensitivities**Interest rate risk**Effect of interest rate sensitivity:*

In the table below, we estimate the impact of a 50 basis point increase/(decrease) in interest rates, for a parallel shift in the yield curve, from levels as of September 30, 2022 to Global Atlantic's AOCI.

	<b>September 30, 2022</b>	
	<b>Hypothetical change<sup>(1)</sup></b>	
	<b>+50 Basis points</b>	<b>-50 Basis points</b>
<i>(\$ in thousands)</i>		
Total estimated AOCI sensitivity (point in time)	\$ (1,126,584)	\$ 1,211,764

The estimated point in time impact is driven by a net (decrease)/increase in the value of Global Atlantic's available-for-sale fixed maturity securities which are carried at fair value with unrealized gains and losses, net of certain offsets, reported in AOCI. The estimated changes include the impact of related amortization of deferred revenue and expenses and related income tax impacts.

The effect of interest rate sensitivity on AOCI decreased from December 31, 2021 as a result of (i) the overall decrease in market value of the available-for-sale fixed maturity security portfolio, (ii) the positive convexity of the corporate fixed maturity security portfolio which results in lower sensitivity to interest rate moves, and (iii) a smaller portion of the overall investment portfolio consisting of fixed maturity securities that are subject to interest rate sensitivity.

**ITEM 4. CONTROLS AND PROCEDURES.****Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that the information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and such information is accumulated and communicated to management, including the Co-Chief Executive Officers and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurances of achieving the desired control objectives.

We carried out an evaluation, under the supervision and with the participation of our management, including the Co-Chief Executive Officers and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2022. Based upon that evaluation, our Co-Chief Executive Officers and Chief Financial Officer have concluded that, as of September 30, 2022, our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

**Changes in Internal Control Over Financial Reporting**

No changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act) occurred during the quarter ended September 30, 2022 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II — OTHER INFORMATION**

**ITEM 1. LEGAL PROCEEDINGS.**

The section entitled "Litigation" appearing in Note 24 "Commitments and Contingencies" to our financial statements included elsewhere in this report is incorporated herein by reference.

**ITEM 1A. RISK FACTORS.**

Other than as set forth in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment" in this report, there were no material changes to the risk factors disclosed in our Annual Report.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.**

**Share Repurchases in the Third Quarter of 2022**

As of October 28, 2022, there is approximately \$78 million remaining under KKR's share repurchase program.

Under our current repurchase program, KKR is authorized to repurchase its common stock from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing, manner, price and amount of any common stock repurchases will be determined by KKR in its discretion and will depend on a variety of factors, including legal requirements, price and economic and market conditions. KKR expects that the program, which has no expiration date, will continue to be in effect until the maximum approved dollar amount has been used. The program does not require KKR to repurchase any specific number of shares of common stock, and the program may be suspended, extended, modified or discontinued at any time.

In addition to the repurchases of common stock described above, subsequent to May 3, 2018, the repurchase program has been used for the retirement (by cash settlement or the payment of tax withholding amounts upon net settlement) of equity awards issued pursuant to our Equity Incentive Plans representing the right to receive shares of common stock. From October 27, 2015 through September 30, 2022, KKR has paid approximately \$608 million in cash to satisfy tax withholding and cash settlement obligations in lieu of issuing shares of common stock or its equivalent upon the vesting of equity awards representing 23.1 million shares of common stock. Of these amounts, equity awards representing 11.0 million shares of common stock or its equivalent were retired for \$190 million prior to May 3, 2018 and did not count against the amounts remaining under the repurchase program.

The table below sets forth the information with respect to repurchases made by or on behalf of KKR & Co. Inc. or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Exchange Act) of our common stock for the periods presented. During the third quarter of 2022, no shares of common stock were repurchased, and no equity awards were retired. From inception of the repurchase program in 2015 through September 30, 2022, we have repurchased or retired a total of approximately 74.1 million shares of common stock under the program at an average price of approximately \$26.77 per share.

**Issuer Purchases of Common Stock**  
(amounts in thousands, except share and per share amounts)

	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(1)</sup>
Month #1 (July 1, 2022 to July 31, 2022)	—	\$ —	—	\$ 108,475
Month #2 (August 1, 2022 to August 31, 2022)	—	\$ —	—	\$ 108,475
Month #3 (September 1, 2022 to September 30, 2022)	—	\$ —	—	\$ 108,475
<b>Total through September 30, 2022</b>	<b>—</b>			

(1) Amounts have been reduced by retirements of equity awards occurring after May 3, 2018. On May 6, 2020, KKR announced the increase to the total available amount under the repurchase program to \$500 million. On December 27, 2021, KKR announced the increase to the total available amount under the repurchase program to \$500 million. The repurchase program does not have an expiration date.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES.**

Not applicable.

**ITEM 4. MINE SAFETY DISCLOSURES.**

Not applicable.

**ITEM 5. OTHER INFORMATION.**

Not applicable.

**ITEM 6. EXHIBITS.**

The following is a list of all exhibits filed or furnished as part of this report:

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
2.1	<a href="#">Agreement and Plan of Merger, dated as of May 31, 2022, among KKR &amp; Co. Inc., KKR Aubergine Inc. and KKR Aubergine Merger Sub II LLC (incorporated by reference to Exhibit 2.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K12B filed on May 31, 2022).</a>
2.2	<a href="#">Agreement and Plan of Merger, dated as of May 31, 2022, among KKR Holdings L.P., KKR Holdings GP Limited, KKR Aubergine Inc. and KKR Aubergine Merger Sub I LLC (incorporated by reference to Exhibit 2.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K12B filed on May 31, 2022).</a>
3.1	<a href="#">Amended and Restated Certificate of Incorporation of KKR &amp; Co. Inc. (formerly KKR Aubergine Inc.) (incorporated by reference to Exhibit 3.1 to the KKR &amp; Co. Inc. Current Report on Form 8-K12B filed on May 31, 2022).</a>
3.2	<a href="#">Amended and Restated Bylaws of KKR &amp; Co. Inc. (formerly KKR Aubergine Inc.) (incorporated by reference to Exhibit 3.2 to the KKR &amp; Co. Inc. Current Report on Form 8-K12B filed on May 31, 2022).</a>
10.1	<a href="#">First Amendment and Lender Joinder Agreement, dated as of September 2, 2022, to Second Amended and Restated Credit Agreement, dated as of August 4, 2021, among Kohlberg Kravis Roberts &amp; Co. L.P., KKR Group Partnership L.P., the Guarantors party thereto from time to time, the Lenders party thereto from time to time, and HSBC Bank USA, National Association, as Administrative Agent (with amended credit agreement annexed thereto).</a>
10.2†	<a href="#">First Amendment, dated as of September 23, 2022, to Credit Agreement, dated as of August 4, 2021, among Global Atlantic Financial Limited, Global Atlantic (Fin) Company, the Guarantors party thereto from time to time, the Lenders from time to time party thereto, Wells Fargo Bank, National Association, as Administrative Agent, and the other agents and arrangers party thereto (with amended credit agreement annexed thereto).</a>
31.1	<a href="#">Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2	<a href="#">Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.3	<a href="#">Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1	<a href="#">Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2	<a href="#">Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.3	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101	Interactive data files pursuant to Rule 405 of Regulation S-T, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) the Condensed Consolidated Statements of Financial Condition as of September 30, 2022 and December 31, 2021, (ii) the Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2022 and September 30, 2021, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2022 and September 30, 2021; (iv) the Condensed Consolidated Statements of Changes in Equity for the three and nine months ended September 30, 2022 and September 30, 2021, (v) the Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2022 and September 30, 2021, and (vi) the Notes to the Condensed Consolidated Financial Statements.
104	Cover page interactive data file, formatted in Inline XBRL and contained in Exhibit 101.

† Certain information contained in this agreement has been omitted because it is not material and is the type that the registrant treats as private or confidential.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.



**SIGNATURES**

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

**KKR & CO. INC.**

By:

\_\_\_\_\_  
/s/ ROBERT H. LEWIN  
Robert H. Lewin  
*Chief Financial Officer*  
*(principal financial and accounting officer)*

DATE: November 8, 2022

**FIRST AMENDMENT AND LENDER JOINDER AGREEMENT**

THIS FIRST AMENDMENT AND LENDER JOINDER AGREEMENT (this "Amendment") is made as of September 2, 2022, by and among Kohlberg Kravis Roberts & Co. L.P., a Delaware limited partnership (the "Borrower Representative"), KKR Group Partnership L.P., a Cayman Islands exempted limited partnership (together with the Borrower Representative, the "Borrowers"), KKR & Co. Inc., as Guarantor, the Additional Commitment Lenders (as defined below), the Assignors (as defined below) (if any) and HSBC Bank USA, National Association, as administrative agent (in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Existing Credit Agreement as modified by this Amendment.

WITNESSETH:

WHEREAS, the Borrowers, the Guarantors, the lenders from time to time party thereto and the Administrative Agent are parties to that certain Second Amended and Restated Credit Agreement dated August 4, 2021 (the "Existing Credit Agreement");

WHEREAS, pursuant to Section 2.21 of the Existing Credit Agreement, the Borrowers desire to increase the Commitments to \$1,500,000,000 and the Lenders party hereto whose Commitments are increased as a result of this Amendment have agreed to provide such additional Commitments (each, an "Additional Commitment Lender");

WHEREAS, immediately after giving effect to foregoing increase in the Commitments and concurrent assignments among the Lenders, Schedule 2.01 to the Existing Credit Agreement will be restated as Schedule 2.01 hereto;

WHEREAS, the Administrative Agent and the Borrowers have jointly elected to exercise an Early Opt-In Election to replace USD LIBOR with Term SOFR as a Benchmark under the Credit Agreement (as defined below) in accordance with the provisions of Section 2.13(a)(i)(A) of the Existing Credit Agreement; the posting of the initial draft of this Amendment to the Lenders under and as defined in the Existing Credit Agreement (the "Existing Lenders") constitutes a notice of such Benchmark Replacement to the Existing Lenders pursuant thereto; and, in connection therewith, the Administrative Agent has determined that certain Benchmark Replacement Conforming Changes are appropriate;

WHEREAS, the Borrower Representative and the Administrative Agent may amend the Existing Credit Agreement to cure any mistake or defect or effect administrative changes of a technical or immaterial nature pursuant to the last paragraph of Section 10.02 of the Existing Credit Agreement; and the posting of the initial draft of this Amendment to the Existing Lenders constitutes a notice of such changes to the Existing Lenders pursuant thereto (such changes, together with the aforementioned Benchmark Replacement and the Benchmark Replacement Conforming Changes, the "Specified Changes"); and

WHEREAS, each party hereto hereby consents to the modifications to the Existing Credit Agreement as set forth in Section 2 below;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

I. Amendments to the Existing Credit Agreement. Effective as of the Amendment Effective Date (as defined below) the Existing Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Existing Credit Agreement attached as Annex A hereto (hereinafter, as amended, the “Credit Agreement”).

II. Increase in Revolving Commitments; Concurrent Assignments.

- (a) Effective as of the Amendment Effective Date, each Additional Commitment Lender hereby agrees to provide an increased Commitment or new Commitment, to the extent applicable, in an amount equal to the Commitment amount set forth next to such Additional Commitment Lender’s name on Schedule 2.01 hereto under the caption “Commitments”, *less*, to the extent such Additional Commitment Lender is an Existing Lender, the Commitment amount of such Existing Lender immediately before giving effect to this Amendment.
- (b) Each Additional Commitment Lender that is not an Existing Lender (each a “New Lender”) immediately prior to giving effect to the Amendment Effective Date (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to become a Lender, (iii) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender and (iv) if it is a Non-U.S. Lender, attached to this Amendment is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by such New Lender, and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.
- (c) Upon execution and delivery of this Amendment by the parties hereto, each New Lender hereby becomes a Lender under the Credit Agreement having the Commitment set forth in Schedule 2.01 hereto, effective as of the date hereof and agrees to be bound by the provisions of the Credit Agreement.
- (d) The parties hereto agree that the increase to the Commitments shall be effective as of the Amendment Effective Date.
- (e) To the extent any Existing Lender’s Commitment immediately after giving effect to this Amendment is less than its Commitment immediately before giving effect to this Amendment, each party thereto agrees that concurrently with the effectiveness of this Amendment, each such Existing Lender (in its role as an “Assignor” under and as defined in the applicable Assignment, an “Assignor”), one or more Additional Commitment Lenders (each in its role as an “Assignee” under and as defined in the applicable Assignment), the Administrative Agent, the Borrower Representative, the Swingline Lender and the Issuing Bank shall be deemed to have entered into an Assignment in respect of such decrease of such Existing Lender’s Commitment (and each such Person’s signature hereto may also be used as a signature to each such Assignment), which Assignment shall be effective on the

Amendment Effective Date, in each case such that immediately after giving effect to each such Assignment, the Lenders' respective Commitments shall be as set forth in Schedule 2.01 hereto. The terms of each applicable Assignment as set forth in Exhibit A to the Existing Credit Agreement are hereby incorporated herein by reference. With respect to each assignment effected pursuant to this clause (e), the Administrative Agent hereby waives the processing and recordation fee set forth in Section 10.04(b)(ii)(C) of the Existing Credit Agreement.

III. Conditions of Effectiveness. This Amendment shall become effective on the date that each of the following conditions is met or waived (the "Amendment Effective Date"):

(a) Execution of Counterparts, Etc. (i) The Administrative Agent shall have received counterparts of this Amendment executed by each Borrower, each Additional Commitment Lender, each Assignor and the Administrative Agent, Issuing Bank and Swingline Lender and (ii) the Administrative Agent shall not have received, within five Business Days of the posting of the initial draft of this Amendment to the Existing Lenders, a written notice from the Required Lenders (under and as defined in the Existing Credit Agreement) objecting to any of the Specified Changes.

(b) Representations and Warranties. As of the Amendment Effective Date, immediately before and after giving effect to this Amendment, the representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date); provided that, any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates.

(c) No Default. As of the Amendment Effective Date, immediately before and after giving effect to this Amendment, no Default shall have occurred and be continuing.

(d) Officer's Certificate. The Administrative Agent shall have received a certificate from an Authorized Officer certifying that the conditions precedent set forth in Section III(b) and (c) hereof have been satisfied.

(e) Opinions. The Administrative Agent shall have received written opinions (addressed to the Administrative Agent and the Lenders as of the Amendment Effective Date) of each of Simpson Thacher & Bartlett LLP, counsel to the Loan Parties, Maples and Calder (Cayman) LLP, special Cayman Islands counsel to KKR Group Partnership L.P. and David J. Sorkin, general counsel of the Public Company, in form and substance reasonably satisfactory to the Administrative Agent and covering such matters relating to the Loan Parties, and this Amendment as the Administrative Agent shall reasonably request. The Borrower Representative hereby requests such counsel to deliver such opinions.

(f) Secretary's Certificate. The Administrative Agent shall have received such documents and certificates as the Administrative Agent may reasonably request relating to the organization, existence and good standing of each Loan Party and the authorization of this Amendment, all in form and substance reasonably satisfactory to the Administrative Agent, or, in each case, confirmation that such documentation or authorization has not been modified, waived or rescinded since it was delivered in connection with the Existing Credit Agreement and remains in full force and effect on the Amendment Effective Date.

(g) Fees and Expenses. The Borrowers shall have paid all fees and expenses (including fees, charges and disbursements of counsel invoiced at least three Business Days prior to the Amendment Effective Date) required to be paid on or prior to the Amendment Effective Date to the Administrative Agent in connection with this Amendment.

(h) KYC. The Additional Commitment Lenders shall have received, to the extent requested by the Additional Commitment Lenders at least 10 days prior to the Amendment Effective Date, on or before the date which is five Business Days prior to the Amendment Effective Date, all documentation and other information with respect to the Loan Parties required by bank regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations including the USA PATRIOT Act.

(i) PATRIOT ACT. To the extent the any Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, at least 10 days prior to the Amendment Effective Date, any Additional Commitment Lender that has requested, in a written notice to the Borrower Representative, a Beneficial Ownership Certification in relation to any Borrower shall have received such Beneficial Ownership Certification.

The Administrative Agent shall notify the Borrower Representative and the Lenders of the Amendment Effective Date, and such notice shall be conclusive and binding.

#### IV. Representations and Warranties

(a) To induce the other parties hereto to enter into this Amendment, the Borrowers represent and warrant to the Additional Commitment Lenders and the Administrative Agent, as of the Amendment Effective Date and after giving effect to the transactions and amendments to occur on the Amendment Effective Date, this Amendment has been duly authorized, executed and delivered by each of the Loan Parties and constitutes, and the Existing Credit Agreement, as amended hereby on the Amendment Effective Date, will constitute, its legal, valid and binding obligation, enforceable against the Borrowers and 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.

(b) Immediately before and after giving effect to this Amendment, the representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct in all material respects on and as of the Amendment Effective Date with the same effect as though made on and as of such date, except to the extent (i) such representations and warranties expressly relate to an earlier date (in which case such representations and warranties were true and correct in all material respects as of such earlier date) or (ii) such representations and warranties are qualified as to “materiality,” “Material Adverse Effect” or similar language (in which case such representation and warranties are true and correct in all respects as of the Amendment Effective Date or as of such earlier date, as the case may be).

(c) Immediately before and after giving effect to this Amendment, no Default has occurred and is continuing on the Amendment Effective Date.

#### V. Effect of Amendment

(a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of, the Lender or the Administrative Agent under the Existing Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations,

covenants or agreements contained in the Existing Credit Agreement (including the guaranty as set forth in Section 11.01 thereof) or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to establish a precedent for purposes of interpreting the provisions of the Credit Agreement or entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. This Amendment shall apply to and be effective only with respect to the provisions of the Existing Credit Agreement specifically referred to herein.

(b) On and after the Amendment Effective Date, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein” or words of like import, and each reference to the Credit Agreement, “thereunder”, “thereof”, “therein” or words of like import in any other Loan Document, shall be deemed a reference to the Existing Credit Agreement as amended hereby. This Amendment shall constitute a “Loan Document” and a “Lender Joinder Agreement” for all purposes of the Credit Agreement and the other Loan Documents.

VI. Governing Law. This Amendment and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the laws of the State of New York. The provisions of Sections 10.09 and 10.10 of the Existing Credit Agreement shall apply to this Amendment to the same extent as if fully set forth herein.

VII. Counterparts and Electronic Signatures. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of any executed counterpart of a signature page of this Amendment by facsimile transmission or other electronic means shall be effective as delivery of a manually executed counterpart hereof. The words “delivery”, “execute,” “execution,” “signed,” “signature,” and words of like import in this Amendment and any document executed in connection herewith shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof 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 neither the Administrative Agent nor any Lender is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent or such Lender pursuant to procedures approved by it and provided further without limiting the foregoing, upon the request of any party, any electronic signature shall be promptly followed by such manually executed counterpart.

VIII. Headings. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

IX. Successors and Assigns. The consent of any Lender to this Amendment shall be binding upon such Lender’s successors, assigns and participants permitted by the Existing Credit Agreement. Further, the provisions of this Amendment shall be binding and inure to the benefit of, such Lender’s successors, assigns and participants permitted by the Existing Credit Agreement.

*[Signature pages follow]*

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

KOHLBERG KRAVIS ROBERTS & CO. L.P.,  
as Borrower and Borrower Representative

By: KKR & Co. GP LLC, its general partner

By: /s/ Robert H. Lewin

Name: Robert H. Lewin  
Title: Chief Financial Officer

KKR GROUP PARTNERSHIP L.P.,  
as Borrower

By: KKR Group Holdings Corp., its general partner

By: /s/ Robert H. Lewin

Name: Robert H. Lewin  
Title: Chief Financial Officer

[Signature Page to First Amendment]

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KKR & Co. Inc., as Guarantor

By: /s/ Robert H. Lewin

Name: Robert H. Lewin

Title: Chief Financial Officer

[Signature Page to First Amendment]

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HSBC BANK USA, NATIONAL ASSOCIATION,  
as Administrative Agent

By: /s/ Anita Ram

Name: Anita Ram

Title: Vice President

[Signature Page to First Amendment]

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HSBC BANK USA, NATIONAL ASSOCIATION,  
as Issuing Bank and Swingline Lender

By: /s/ Johann Matthai

Name: Johann Matthai  
Title: Director

[Signature Page to First Amendment]

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GOLDMAN SACHS BANK USA,  
as Additional Commitment Lender

By: /s/ William E. Briggs IV

Name: William E. Briggs IV

Title: Authorized Signatory

[Signature Page to First Amendment]

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JPMORGAN CHASE BANK, N.A.,  
as Additional Commitment Lender

By: /s/ Kevin Faber

Name: Kevin Faber  
Title: Vice President

[Signature Page to First Amendment]

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MORGAN STANLEY BANK, N.A.,  
as Additional Commitment Lender

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

[Signature Page to First Amendment]

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ROYAL BANK OF CANADA,  
as Additional Commitment Lender

By: /s/ Joseph Simoneau

Name: Joseph Simoneau

Title: Authorized Signatory

[Signature Page to First Amendment]

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The Toronto-Dominion Bank, New York Branch,  
as Additional Commitment Lender

By: /s/ Maria Macchiaroli

Name: Maria Macchiaroli

Title: Authorized Signatory

[Signature Page to First Amendment]

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Truist Bank,  
as Additional Commitment Lender

By: /s/ Madison Waterfield

Name: Madison Waterfield  
Title: Vice President

[Signature Page to First Amendment]

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U.S. Bank National Association,  
as Additional Commitment Lender

By: /s/ Barry K. Chung

Name: Barry K. Chung  
Title: Sr. Vice President

[Signature Page to First Amendment]

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BMO Harris Bank N.A.,  
as Additional Commitment Lender

By: /s/ Michael Orphanides

Name: Michael Orphanides

Title: Managing Director

[Signature Page to First Amendment]

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BNP Paribas,  
as Additional Commitment Lender

By: /s/ Michael Remhild  
Name: Michael Remhild  
Title: Managing Director

By: /s/ Sebastian Hebenstreit  
Name: Sebastian Hebenstreit  
Title: Vice President

[Signature Page to First Amendment]

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Comerica Bank,  
as Additional Commitment Lender

By: /s/ Robert Wilson

Name: Robert Wilson

Title: Senior Vice President

[Signature Page to First Amendment]

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BANCO SANTANDER, S.A., NEW YORK BRANCH,  
as Additional Commitment Lender

By: /s/ Pablo Urgoiti

Name: Pablo Urgoiti  
Title: Managing Director

By: /s/ Andres Barbosa

Name: Andres Barbosa  
Title: Managing Director

[Signature Page to First Amendment]

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Société Générale,  
as Additional Commitment Lender

By: /s/ Nick Heptinstall

Name: Nick Heptinstall

Title: Managing Director

[Signature Page to First Amendment]

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HSBC BANK USA, NATIONAL ASSOCIATION,  
as Assignor

/s/ Johann Matthai

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Name: Johann Matthai  
Title: Director

[Signature Page to First Amendment]

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**Annex A**  
**Credit Agreement**  
**(as amended by First Amendment)**

[See attached]

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SECOND AMENDED AND RESTATED

CREDIT AGREEMENT

dated as of

August 4, 2021

[\(as amended by Amendment No. 1 dated as of September 2, 2022\)](#)

among

KOHLBERG KRAVIS ROBERTS & CO. L.P.

and

KKR GROUP PARTNERSHIP L.P.,

as Borrowers,

The Guarantors from time to time party hereto,

The Lenders from time to time party hereto,

and

HSBC BANK USA, NATIONAL ASSOCIATION,

as Administrative Agent

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HSBC SECURITIES (USA) INC.,  
as Sole Lead Arranger and Sole Bookrunner

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**EXHIBITS:**

- Exhibit A – Form of Assignment
- Exhibit B – Form of Compliance Certificate
- Exhibit C – Form of Loan Party Joinder Agreement
- Exhibit D – Form of Lender Joinder Agreement
- Exhibit E – Form of Borrowing Request
- Exhibit F – Form of Interest Election Request
- Exhibit G-1-4 – Form of U.S. Tax Compliance Certificate
- Exhibit H – Form of Note

SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this “**Agreement**”) dated as of August 4, 2021 among KOHLBERG KRAVIS ROBERTS & CO. L.P., a Delaware limited partnership, and KKR GROUP PARTNERSHIP L.P., a Cayman Islands exempted limited partnership, as Borrowers, the GUARANTORS party hereto from time to time, the LENDERS party hereto from time to time and HSBC BANK USA, NATIONAL ASSOCIATION, as Administrative Agent.

PRELIMINARY STATEMENTS:

The Borrower Representative has requested that the Lenders amend and restate a revolving credit facility dated as of December 7, 2018 (as heretofore amended, the “**Existing Credit Agreement**”) among the Borrowers, the Guarantors party thereto, the Administrative Agent and the Lenders party thereto, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE 1  
DEFINITIONS

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

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

“**ABR Term SOFR Determination Day**” has the meaning assigned to such term in the definition of “**Term SOFR**”

“**Additional Group Partnership**” means any holding company for entities in the KKR Group (other than KKR Group Partnership).

“**Administrative Agent**” means HSBC Bank USA, National Association, in its capacity as administrative agent under the Loan Documents.

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

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with such specified Person; *provided* that (v) investment funds, investment vehicles or separately managed accounts of any Loan Party or its Subsidiaries, (w) portfolio company or portfolio investment of any such fund, investment vehicle or separately managed account (or any entity Controlled by a portfolio company or portfolio investment), (x) KFN and its subsidiaries, (y) Global Atlantic and its subsidiaries and (z) CLOs or other principal investments managed, Controlled or held as investments by any Loan Party or its Subsidiaries shall not be deemed to be an Affiliate for purposes of this Agreement.

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“**Agreement**” means this Second Amended and Restated Credit Agreement dated as of August 4, 2021, as executed and delivered by the parties hereto, and as the same may be amended from time to time.

“**Alternate Base Rate**” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) the sum of 1% plus the ~~Eurocurrency Rate for Dollars~~ Term SOFR for an Interest Period of one month on such day (or if such day is not a Business Day, on the immediately preceding Business Day); ~~provided that if such Eurocurrency Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this clause (c); provided, further that for the purpose of this definition, the Eurocurrency Rate for any day shall be based on the LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one month Interest Period, the Interpolated Rate) at approximately 11:00 a.m. London time on such day.~~ Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.13, then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

“**Alternative Asset Investment Firm**” means any alternative asset investment firm and any fund managed by a firm whose primary purpose is generally understood to be alternative asset investing.

“**Alternative Currency**” means each of Euro, Sterling, Yen, Australian Dollars, Canadian Dollars, Swiss Francs and each other currency (other than U.S. Dollars) that is approved in accordance with Section 1.06.

“**Amendment No. 1**” means the First Amendment and Lender Joinder Agreement dated as of September 2, 2022 among the Administrative Agent, the Borrowers and the Lenders and Loan Parties party thereto.

“**Applicable Percentage**” means, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment; *provided* that in the case of Section 2.20 when a Defaulting Lender shall exist, “Applicable Percentage” shall mean the percentage of the total Commitments (disregarding any Defaulting Lender’s Commitment) represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments and to any Lender’s status as a Defaulting Lender at the time of determination.

“**Applicable Rate**” means, for any day, with respect to any Term SOFR Borrowing, Daily Simple SOFR Borrowing, Eurocurrency Borrowing or SONIA Borrowing, or SARON Borrowing, or TONA Borrowing, or ABR Borrowing, as the case may be, or with respect to the facility fees payable hereunder, the applicable rate per annum set forth below under the caption “Applicable Margin (Term SOFR / Daily Simple SOFR / Eurocurrency / SONIA / SARON / TONA)”, “Applicable Margin (ABR)” or “Facility Fee”, as the case may be, based upon the Credit Ratings by S&P, Fitch and/or Moody’s, respectively, applicable on such date:

<u>Level</u>	<u>Credit Rating (S&amp;P/Moody’s/Fitch)</u>	<u>Applicable Margin (<u>Term SOFR / Daily Simple SOFR Eurocurrency / SONIA /</u></u>	<u>Applicable Margin (ABR)</u>	<u>Facility Fee</u>
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		<b>SARON / TONA)</b>		
Level I	AA-/Aa3/AA- or higher	0.565%	0.00%	0.06%
Level II	A+/A1/A+	0.690%	0.00%	0.06%
Level III	A/A2/A	0.795%	0.00%	0.08%
Level IV	A-/A3/A-	0.900%	0.00%	0.10%
Level V	BBB+/Baa1/BBB+ or lower	1.100%	0.10%	0.15%

For purposes of the foregoing, the Credit Rating shall be determined as follows:

(a) if a Credit Rating is issued by each Rating Agency, and such Credit Ratings fall within different Levels, (i) if two such Rating Agencies have assigned Credit Ratings that fall in the same Level, then the Credit Rating assigned by such two Rating Agencies shall apply and (ii) if the Credit Rating by each Rating Agency that falls in three different Levels, then the middle of such Credit Ratings shall apply, (b) if a Credit Rating is issued by two Rating Agencies, then the higher of such Credit Ratings shall apply (with Level I being the highest and Level V being the lowest), unless the Credit Ratings differ by two or more Levels, in which case the Level that is one Level higher than the lower Credit Rating shall apply and (c) if a Credit Rating is only issued by one Rating Agency, then such Credit Rating shall apply. If and for so long as there shall be no Credit Rating from any Rating Agency (other than by reason of the circumstances referred to in the last sentence of this definition), then the Credit Rating will be deemed to be at Level V. If the rating system of any Rating Agency shall change, or if any Rating Agency shall cease to be in the business of rating corporate debt obligations, the Borrower Representative 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, at the option of the Borrowers, be determined (i) as set forth above using the rating from such Rating Agency most recently in effect prior to such change or cessation or (ii) disregarding the rating from such Rating Agency.

“**Applicable SARON Adjustment**” means, for any day, with respect to any SARON Loan, the rate per annum equal to 0.0031%.

“**Applicable SOFR Adjustment**” means the percentage set forth below for the corresponding Interest Period that is then in effect with respect to each Eurocurrency Loan denominated in Dollars outstanding immediately prior to the LIBOR Replacement Date applicable to USD LIBOR [Term SOFR Loan](#):

Interest Period	Percentage
1-month	0.11448%
3-month	0.26161%
6-month	0.42826%

“**Applicable SONIA Adjustment**” means, for any day, with respect to any SONIA Loan, the rate per annum equal to 0.1193%.

“**Applicable TONA Adjustment**” means, for any day, with respect to any TONA Loan, the rate per annum equal to 0.00835%.

“**Approved Fund**” has the meaning assigned to such term in Section 10.04.



“**Arranger**” means HSBC Securities (USA) Inc., in its capacity as sole lead arranger and sole bookrunner for the credit facility established under this Agreement.

“**Assignment**” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

“**AUD Screen Rate**” means with respect to any Interest Period, the average bid reference rate administered by ASX Benchmarks Pty Limited (ACN 616 075 417) (or any other Person that takes over the administration of such rate) for Australian dollar bills of exchange with a tenor equal in length to such Interest Period as displayed on page BBSY of the Reuters screen (or, in the event such rate does not appear on such Reuters page, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate as shall be selected by the Administrative Agent from time to time in its reasonable discretion) at approximately 10:00 a.m., Melbourne, Australia time, two Business Days prior to the commencement of such Interest Period. If the AUD Screen Rate shall be less than zero, the AUD Screen Rate shall be deemed to be zero for purposes of this Agreement.

“**Australian Dollar**” means the lawful currency of the Commonwealth of Australia.

“**Authorized Officer**” shall mean, with respect to any Person, any individual holding the position of the Chief Executive Officer, the Chief Operating Officer, President, the Chief Financial Officer, the Treasurer, the Controller, the General Counsel, Secretary, the Vice President, or any other senior officer with express authority to act on behalf of such Person designated as such by the board of directors, general partner or other managing authority of such Person.

“**Available Tenor**” means, as of any date of determination and with respect to the relevant then-current Benchmark, as applicable, (a) if the then-current Benchmark is a future looking term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (b) if clause (a) does not apply, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date: ~~provided that “Available Tenor” shall be determined on an individual basis in respect of each then-current Benchmark for each LIBOR Quoted Currency and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.13(d).~~ Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“**Availability Period**” means the period from and including the Restatement Date to but excluding the earlier of the Maturity Date and the date of termination of the Commitments.

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“**Bail-In Legislation**” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“**Bankruptcy Event**” means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, *provided* that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a governmental authority or instrumentality thereof, *provided, further*, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such governmental authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“**Benchmark**” means, initially, each Relevant Rate; provided that if a replacement for the applicable Benchmark has occurred pursuant to Section 2.13, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate; provided further that “Benchmark” shall be determined on an individual basis in respect of each Relevant Rate and/or Benchmark Replacement in respect thereof.

“**Benchmark Replacement**” means, for any Available Tenor:

~~(a) for purposes of clause (a)(i)(A) of Section 2.13:~~

(a) ~~(1) solely in the case of Loans denominated in Dollars~~ for purposes of clause (a)(i)(A) of Section 2.13, the first alternative set forth in the order below that can be determined by the Administrative Agent:

(1) Daily Simple SOFR; or

~~(A) the sum of: (i) Term SOFR and (ii) the related Applicable SOFR Adjustment;~~

~~(B) the sum of: (i) Daily Simple SOFR and (ii) the Applicable SOFR Adjustment for an Available Tenor of three-month’s duration;~~

~~or~~

(2) ~~(E)~~ the sum of: (i) the alternate benchmark rate and (ii) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such then-current Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body for syndicated credit facilities denominated in Dollars at such time that are substantially similar to the credit facilities under this Agreement; and

~~(2) [reserved]~~

(b) for purposes of ~~(y)~~ clause (a)(i)(~~A~~B) of Section 2.13 and solely in the case of Loans denominated in ~~a LIBOR-Quoted~~ an Alternative Currency ~~other than Dollars or (z) clause (a)(i)(B) of Section 2.13~~, the sum of: (i) the alternate benchmark rate and (ii) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such then-current Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body for syndicated credit facilities denominated in Dollars or the applicable Alternative Currency, as applicable at such time that are

substantially similar to the credit facilities under this Agreement;

provided that, if the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents; provided, further, that, in the case of clause (b) above, such adjustment shall not be in the form of an increase of the Applicable Margin.

“**Benchmark Replacement Conforming Changes**” means, with respect to the use of administration of Term SOFR or any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents); provided that, notwithstanding anything herein to the contrary, no “Benchmark Replacement Conforming Changes” shall result in (i) any material effect on the timing or amount of payments or borrowings or (ii) a deemed exchange of any Loan under Section 1001 of the Code, in each case, as determined by the Borrower Representative in its reasonable discretion, without the prior written consent of the Borrower Representative; provided, further, that (i) the Administrative Agent shall notify the Borrower Representative of any proposed “Benchmark Replacement Conforming Changes” and (ii) the Borrower Representative shall be deemed to consent to any such “Benchmark Replacement Conforming Changes” unless it shall object thereto in writing within 3 Business Days after having received notice thereof; provided, further, that to the extent the Borrower Representative objects to any such “Benchmark Replacement Conforming Changes” as provided for in the immediate preceding proviso, the Administrative Agent and the Borrower Representative shall negotiate in good faith to make alternative “Benchmark Replacement Conforming Changes”.

“**Benchmark Replacement Date**” means a date and time determined by the Administrative Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

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

(b) the first date on which all Available Tenors of such Benchmark (or the published component used in the calculation thereof) are no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, as determined by reference to the most recent public statement or publication of information referenced in the definition of “Benchmark Transition Event” relating to clause (b) therein (even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date).

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in each case of clauses (a) and (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein solely to the extent such event applies to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means with respect to a then-current Benchmark ~~(other than a Relevant LIBOR)~~, the occurrence of a public statement or publication of information by or on behalf of the administrator of such then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

“**Beneficial Ownership Certification**” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“**Beneficial Ownership Regulation**” means 31 C.F.R. § 1010.230.

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

“**Bond Guarantors**” means the Public Company and the KKR Group Partnership.

“**Borrower Group Companies**” means the Loan Parties and their Subsidiaries.

“**Borrower Representative**” has the meaning assigned to such term in Section 9.05.

“**Borrowers**” means (i) Kohlberg Kravis Roberts & Co. L.P., a Delaware limited partnership, (ii) KKR Group Partnership and (iii) any Additional Group Partnership that becomes a party to this Agreement in accordance with Section 5.09.

“**Borrowing**” means (a) Global Loans of the same Type and in the same currency, made, converted or continued on the same date and, in the case of Term SOFR Loans and Eurocurrency Loans, as to which a single Interest Period is in effect, or (b) a Swingline Loan.

“**Borrowing Request**” means a request for a Borrowing in accordance with Section 2.03 or Section 2.04 and in the form of Exhibit E or any other form reasonably acceptable to the Administrative Agent.

“**Business Day**” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City or London are authorized or required by law to remain closed; *provided* that, (i) when used in connection with a Loan denominated in Euros, the term “**Business Day**” shall also exclude any day which is not a TARGET Day, (ii) when used in connection with a Loan denominated in Swiss Francs, the term “**Business Day**” shall also exclude any day which banks are closed for the settlement of payments and foreign exchange transactions in Zurich, (iii) when used in connection with a

Loan denominated in Yen, the term “**Business Day**” shall also exclude any day which banks are closed for general business in Japan, (iv) when used in connection with a Loan denominated in Australian Dollars, the term “**Business Day**” shall also exclude any day which banks are closed for general business in Australia, (v) when used in connection with a Loan denominated in Canadian Dollars, the term “**Business Day**” shall also exclude any day which banks are closed for general business in Canada and (vi) when used in connection with a Loan denominated in any other currency, the term “**Business Day**” shall also exclude any day which is not a day on which dealings in such currency can occur in the London interbank market and on which banks are open for business in the principal financial center for that currency.

“**Canadian Dollar**” means the lawful currency of Canada.

~~“**Canadian Prime Rate**” means, on any day, the rate determined by the Administrative Agent to be the higher of (i) the rate equal to the PRIMCAN Index rate that appears on the Bloomberg screen at 10:15 a.m. Toronto, Ontario time on such day (or, in the event that the PRIMCAN Index is not published by Bloomberg, any other information services that publishes such index from time to time, as selected by the Administrative Agent in its reasonable discretion) and (ii) the average rate for thirty (30) day Canadian Dollar bankers’ acceptances that appears on the Reuters Screen CDOR Page (or, in the event such rate does not appear on such page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, as selected by the Administrative Agent in its reasonable discretion) at 10:15 a.m. Toronto, Ontario time on such day, plus 1% per annum; provided that if any the above rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. Any change in the Canadian Prime Rate due to a change in the PRIMCAN Index or the CDOR shall be effective from and including the effective date of such change in the PRIMCAN Index or CDOR, respectively.~~

“**Cash and Cash Equivalents**” means (i) cash, (ii) cash equivalents and (iii) liquid short-term investments in the Specified Cash Management Account, in each case of clauses (i)-(iii), to the extent included in “Cash and Short-Term Investments” as set forth in the Public Company’s segment financial reporting. Cash and Cash Equivalents shall exclude cash reflected on the balance sheet of (i) KFN and its subsidiaries and (ii) Global Atlantic and its subsidiaries.

“**Cash Compensation and Benefits**” means (i) compensation and benefits less (ii) equity-based compensation, in each case determined on a total reportable segment basis for the Public Company.

“**CDOR Screen Rate**” means on any day for the relevant Interest Period, the annual rate of interest equal to the average rate applicable to Canadian dollar Canadian bankers’ acceptances for the applicable period that appears on the “Reuters Screen CDOR Page” as defined in the International Swap Dealer Association, Inc. definitions, as modified and amended from time to time (or, in the event such rate does not appear on such page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, as selected by the Administrative Agent in its reasonable discretion), rounded to the nearest 1/100th of 1% (with .005% being rounded up), at approximately 10:00 a.m., Toronto, Ontario time, two Business Days prior to the commencement of such Interest Period (as adjusted by the Administrative Agent after 10:00 a.m. Toronto, Ontario time to reflect any error in the posted rate of interest or in the posted average annual rate of interest). If the CDOR Screen Rate shall be less than zero, the CDOR Screen Rate shall be deemed to be zero for purposes of this Agreement.

“**Change in Law**” means (a) the adoption of any law, rule or regulation after the Restatement Date, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the Restatement Date or (c) compliance by any Lender or Issuing Bank (or,

for purposes of Section 2.14(b), by any lending office of such Lender or by such Lender's or Issuing Bank's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Restatement Date. For purposes of this definition, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines, requirements, 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 pursuant to Basel III, shall in each case described in clauses (i) and (ii) above be deemed to be a Change in Law and have gone into effect after the date hereof, regardless of the date enacted, adopted, issued or implemented.

**"Change of Control"** means the occurrence of the following:

(a) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the combined assets of the Credit Group taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act or any successor provision), other than to a Continuing KKR Person; (b) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the Exchange Act or any successor provision), other than a Continuing KKR Person, becomes the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act or any successor provision) of a majority of the controlling interests in (i) the Public Company or (ii) one or more Bond Guarantors that together hold all or substantially all of the assets of the Credit Group taken as a whole; or (c) Kohlberg Kravis Roberts & Co. L.P. shall cease to be Controlled by one or more Bond Guarantors.

**"Class"**, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Global Loans or Swingline Loans.

**"CLO"** means a collateralized loan obligation vehicle.

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

**"Commitment"** means, with respect to each Lender, the commitment of such Lender to make Global Loans and to acquire participations in Letters of Credit and Swingline Loans hereunder, expressed as an amount representing the maximum aggregate amount of such Lender's Credit Exposure hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04. The amount of each Lender's Commitment is set forth on Schedule 2.01, or in the Assignment pursuant to which such Lender shall have assumed its Commitment, as applicable. As of the Restatement Date, the aggregate amount of the Lenders' Commitments is \$1,000,000,000. Immediately after giving effect to Amendment No. 1, the aggregate amount of the Lenders' Commitments is \$1,500,000,000.

**"Compliance Certificate"** means a certificate substantially in the form of Exhibit B, properly completed and signed by an Authorized Officer of the Borrower Representative.

**"Constituent Documents"** means, with respect to any Person, (a) the articles of incorporation, certificate of incorporation, certificate of limited partnership, constitution or certificate of formation (or the equivalent organizational documents) of such Person and (b) the by-laws, operating agreement or limited partnership agreement (or the equivalent governing documents) of such Person.

“**Contingent Obligations**” means contingent indemnification and expense reimbursement obligations as to which no claim has been asserted.

“**Continuing KKR Person**” means, immediately prior to and immediately following any relevant date of determination, (i) an individual who (a) is an executive of the KKR Group, (b) devotes substantially all of his or her business and professional time to the activities of the KKR Group and (c) did not become an executive of the KKR Group or begin devoting substantially all of his or her business and professional time to the activities of the KKR Group in contemplation of a Change of Control, or (ii) any Person in which any one or more of such individuals directly or indirectly, singly or as a group, holds a majority of the controlling interests.

“**Control**” means 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.

“**Credit Exposure**” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Global Loans and its LC Exposure and Swingline Exposure at such time.

“**Credit Group**” means the Loan Parties and the Loan Parties’ direct and indirect Subsidiaries (to the extent of their economic ownership interest in such Subsidiaries) taken as a whole.

“**Credit Rating**” means (a) in the case of S&P, the issuer credit rating of the Public Company, (b) in the case of Fitch, the long-term “Issuer Default Rating” of the Public Company and (c) in the case of Moody’s, the “Corporate Family Rating”, in each case including any successor or equivalent rating.

“**Daily Simple SARON**” means, for any day (a “**SARON Interest Day**”), an interest rate per annum equal to the greater of (a) SARON for the date (such day “*t*”) that is 5 Business Days prior to (i) if such SARON Interest Day is a Business Day, such SARON Interest Day or (ii) if such SARON Interest Day is not a Business Day, the Business Day immediately preceding such SARON Interest Day and (b) 0.0%. If by 5:00 pm (local time for SARON) on the second (2<sup>nd</sup>) Business Day immediately following any day “*t*”, SARON in respect of such day “*t*” has not been published on the SARON Administrator’s Website and a Benchmark Replacement Date with respect to SARON has not occurred, then SARON for such day “*t*” will be SARON as published in respect of the first preceding Business Day for which SARON was published on the SARON Administrator’s Website; provided that SARON determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SARON for no more than three (3) consecutive SARON Interest Days. Any change in Daily Simple SARON due to a change in SARON shall be effective from and including the effective date of such change in the SARON without notice to the Borrower Representative.<sup>†</sup>

“**Daily Simple SOFR**” means, for any day, ~~(a) “SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion, which shall be consistent with the then-prevailing market conventions (any such convention, a “Discretionary Daily Simple SOFR Convention”); provided, further, that (i) the Administrative Agent shall notify the Borrower Representative of the proposed establishment of such Discretionary Daily Simple SOFR Convention and (ii) the Borrower Representative shall be deemed to have consented to the establishment of such Discretionary Daily Simple SOFR Convention unless it shall object thereto on the basis that, in the Borrower Representative’s reasonable discretion, such Discretionary Daily Simple SOFR Convention~~

~~is adverse to the Borrower Representative's interests by written notice to the Administrative Agent within 3 Business Days after having received notice thereof; provided, further, that to the extent the Borrower Representative objects to such Discretionary Daily Simple SOFR Convention, the Administrative Agent and the Borrower Representative shall negotiate in good faith to establish another convention: Rate Day"), a rate per annum equal to the sum of (i) 0.26161% and (ii) SOFR for the day (such day "SOFR Determination Date") that is five (5) U.S. Government Securities Business Day prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.~~

**"Daily Simple SONIA"** means, for any day (a "**SONIA Interest Day**"), an interest rate per annum equal to the greater of (a) SONIA for the date (such day "*i*") that is 5 Business Days prior to (i) if such SONIA Interest Day is a Business Day, such SONIA Interest Day or (ii) if such SONIA Interest Day is not a Business Day, the Business Day immediately preceding such SONIA Interest Day and (b) 0.0%. If by 5:00 pm (local time for SONIA) on the second (2<sup>nd</sup>) Business Day immediately following any day "*i*", SONIA in respect of such day "*i*" has not been published on the SONIA Administrator's Website and a Benchmark Replacement Date with respect to SONIA has not occurred, then SONIA for such day "*i*" will be SONIA as published in respect of the first preceding Business Day for which SONIA was published on the SONIA Administrator's Website; provided that SONIA determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SONIA for no more than three (3) consecutive SONIA Interest Days. Any change in Daily Simple SONIA due to a change in SONIA shall be effective from and including the effective date of such change in the SONIA without notice to the Borrower Representative.

**"Daily Simple TONA"** means, for any day (a "**TONA Interest Day**"), an interest rate per annum equal to the greater of (a) TONA for the date (such day "*i*") that is 5 Business Days prior to (i) if such TONA Interest Day is a Business Day, such TONA Interest Day or (ii) if such TONA Interest Day is not a Business Day, the Business Day immediately preceding such TONA Interest Day and (b) 0.0%. If by 5:00 pm (local time for TONA) on the second (2<sup>nd</sup>) Business Day immediately following any day "*i*", TONA in respect of such day "*i*" has not been published on the TONA Administrator's Website and a Benchmark Replacement Date with respect to TONA has not occurred, then TONA for such day "*i*" will be TONA as published in respect of the first preceding Business Day for which TONA was published on the TONA Administrator's Website; provided that TONA determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple TONA for no more than three (3) consecutive TONA Interest Days. Any change in Daily Simple TONA due to a change in TONA shall be effective from and including the effective date of such change in the TONA without notice to the Borrower Representative.

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

**"Defaulting Lender"** means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund all or any portion of its Loans, (ii) fund all or any portion of its participations in Letters of Credit or Swingline Loans or (iii) pay over to the Administrative Agent or any Lender any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent and the Borrower Representative in writing that such failure is the result of such Lender's reasonable determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower Representative or the Administrative Agent in writing, or has made a public statement to the effect, that it does not intend or expect to comply with all or any portion of its funding obligations under



this Agreement (unless such writing or public statement indicates that such position is based on such Lender's reasonable determination that a condition precedent (specifically identified and including the particular default, if any) to funding under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after written request by the Administrative Agent, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund Loans and participations in then outstanding Letters of Credit and Swingline Loans under this Agreement, *provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent's receipt of such certification in form and substance reasonably satisfactory to it, or (d) has become the subject of a Bankruptcy Event or Bail-In Action or has a Parent that has become the subject of a Bankruptcy Event or Bail-In Action.

**"Disclosed Matters"** means the actions, suits and proceedings and the environmental matters disclosed in Schedule 3.05.

**"Domestic Borrower"** means a Borrower organized under the laws of the United States or any state or territory thereof or the District of Columbia.

~~**"Early Opt-in Effective Date"** means, with respect to any Early Opt-in Election, the sixth Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from the Lenders constituting the Required Lenders.~~

~~**"Early Opt-in Election"** means, if a then-current Benchmark is a Relevant LIBOR, the occurrence of:~~

~~(1)(a) in the case of Loans denominated in Dollars, a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding syndicated credit facilities substantially similar to the credit facilities under this Agreement at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as the then-current benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review) and (b) in the case of Loans denominated in an LIBOR-Quoted Currency other than Dollars, a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding syndicated credit facilities substantially similar to the credit facilities under this Agreement at such time contain (as a result of amendment or as originally executed) a new benchmark interest rate to replace the Relevant LIBOR for such Alternative Currency as the then-current benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review); and~~

~~(2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from the Relevant LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.~~

**"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.

“**EMU Legislation**” means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

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

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

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

“**ERISA Affiliate**” means any trade or business (whether or not incorporated) that, together with any Loan Party, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“**ERISA Event**” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30 day notice period is waived); (b) the failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by any ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent, within the meaning of Title IV of ERISA.

“**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.

“**EURIBOR Screen Rate**” means the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters as of 11:00 a.m. Brussels time two TARGET days prior to the commencement of such Interest Period. If such page or service ceases to be available, the Administrative Agent may specify another page or service displaying the relevant rate after consultation with the Borrower Representative. If the EURIBOR Screen Rate shall be less than zero, the EURIBOR Screen Rate shall be deemed to be zero for purposes of this Agreement.

“**Euro**” means the single currency of the Participating Member States introduced in accordance with the EMU Legislation.

“**Eurocurrency**”, when used with respect to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Eurocurrency Rate.

“**Eurocurrency Rate**” means, with respect to any Eurocurrency Borrowing for any Interest Period:

~~(a) denominated in a LIBOR Quoted Currency, the LIBO Screen Rate at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for deposits in the currency of such Eurocurrency Borrowing with a maturity comparable to such Interest Period;~~

(a) ~~(b)~~ denominated in Canadian Dollars, the CDOR Screen Rate with tenor equal to such Interest Period;

(b) ~~(c)~~ denominated in Australian Dollars, the AUD Screen Rate with tenor equal to such Interest Period;

(c) ~~(d)~~ denominated in Euros, the EURIBOR Screen Rate with tenor equal to such Interest Period;

in each case, if the ~~LIBO Screen Rate, the~~ CDOR Screen Rate, the AUD Screen Rate or the EURIBOR Screen Rate, as applicable, shall not be available at such time for such Interest Period (an “**Impacted Interest Period**”) then the “Eurocurrency Rate” with respect to such Eurocurrency Borrowing for such Interest Period shall be the Interpolated Rate. Notwithstanding the foregoing, if the applicable rate described above is less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“**Event of Default**” has the meaning assigned to such term in Article 7.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934 and any statute successor thereto, in each case as amended from time to time.

“**Excluded Taxes**” means, with respect to any Lender Party or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder, (a) Taxes imposed on (or measured by) its net income (however denominated) or franchise Taxes, in each case (i) imposed as a result of such recipient being organized under the law of, or having its principal office located in or, in the case of any Lender, having its applicable lending office in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) any branch profits Taxes

imposed by the United States of America, or any similar Tax described in clauses (a)(i) or (ii) above, (c) in the case of a Lender, any withholding Tax imposed by the United States of America or the Cayman Islands at the time such Lender first becomes a party to this Agreement (other than by an assignment made pursuant to Section 2.18(b)) with respect to amounts payable by any Person that is then a Borrower under this Agreement, except to the extent that such Lender's assignor (if any) was entitled at the time of assignment to receive additional amounts with respect to withholding Taxes pursuant to Section 2.16(a), (d) any Taxes to the extent attributable to such Lender's failure to comply with Section 2.16(d), and (e) any U.S. Federal withholding Taxes imposed under FATCA.

“**Existing Commitment**” has the meaning assigned to such term in Section 2.22(a)(i).

“**Existing Credit Agreement**” has the meaning assigned to such term in the recitals hereto.

“**Existing Letters of Credit**” means those letters of credit outstanding under the Existing Credit Agreement as of the Restatement Date and set forth on Schedule 2.05.

“**Existing Loans**” has the meaning assigned to such term in Section 2.22(a)(i).

“**Extended Commitments**” has the meaning assigned to such term in Section 2.22(a)(i).

“**Extended Loans**” has the meaning assigned to such term in Section 2.22(a)(i).

“**Extending Lender**” has the meaning assigned to such term in Section 2.22(a)(ii).

“**Extension Amendment**” has the meaning assigned to such term in Section 2.22(a)(iii).

“**Extension Date**” has the meaning assigned to such term in Section 2.22(a)(iv).

“**Extension Election**” has the meaning assigned to such term in Section 2.22(a)(ii).

“**Extension Request**” has the meaning assigned to such term in Section 2.22(a)(i).

“**Extension Series**” means all Extended Loans and Extended Commitments that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Loans or Extended Commitments, as applicable, provided for therein are intended to be a part of any previously established Extension Series) and that provide for the same interest margins, commitment fees, extension fees, maturity, and amortization schedule.

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

“**FCPA**” has the meaning assigned to such term in the Section 3.11.

“**Federal Funds Effective Rate**” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average

(rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it; *provided* that if the applicable rate described above shall be less than zero, it shall be deemed to be zero for purposes of this Agreement.

“**Fee and Yield EBITDA**” means (i) Fee Related Earnings, plus (ii) Yield EBITDA, plus (iii) depreciation and amortization as determined on a total reportable segment basis for the Public Company.

For purposes of calculating Fee and Yield EBITDA for any Reference Period, if at any time during such Reference Period the Public Company or any of its Subsidiaries shall have made any Material Acquisition or Material Disposition, the Fee and Yield EBITDA for such Reference Period shall be calculated after giving pro forma effect thereto as if such Material Acquisition or Material Disposition occurred on the first day of such Reference Period.

“**Fee Letter**” means the letter agreement among the Arranger and the Borrower Representative dated as of July 2, 2021.

“**Fee Paying Assets Under Management**” means fee paying assets under management as reported in the Public Company’s segment financial reporting.

“**Fee Related Earnings**” means (i) management fees, plus (ii) transaction and monitoring fees, net of fee credits, plus (iii) Fee Related Performance Revenues, less (iv) Fee Related Compensation, less (v) Other Operating Expenses as determined on a total reportable segment basis for the Public Company.

“**Fee Related Performance Revenues**” refers to the realized portion of incentive fees from certain assets under management that has an indefinite term and for which there is no immediate requirement to return invested capital to investors upon the realization of investments as determined on a total reportable segment basis for the Public Company. Fee-related performance revenues consists of performance fees (i) to be received from the Public Company’s investment funds, vehicles and accounts on a recurring basis, and (ii) that are not dependent on a realization event involving investments held by the investment fund, vehicle or account.

“**Fee Related Compensation**” refers to the compensation expense, excluding equity-based compensation, paid from (i) management Fees, (ii) transaction and monitoring fees, net, and (iii) Fee Related Performance Revenues as determined on a total reportable segment basis for the Public Company.

“**Finance Lease Obligation**” shall mean, as applied to any Person, an obligation that is required to be accounted for as a finance or capital lease (and not an operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a finance or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“**Fitch**” means Fitch Ratings, Inc.

“**Floor**” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Relevant Rate.

“**Foreign Lender**” means, with respect to any Loan, any Lender making such Loan that is organized under the laws of a jurisdiction other than the Relevant Jurisdiction.

“**GAAP**” means generally accepted accounting principles in the United States of America.

“**Global Atlantic**” means The Global Atlantic Financial Group LLC, a Bermuda limited liability company (including its successor(s)).

“**Global Loan**” means a Loan made in U.S. Dollars or in one or more Alternative Currencies pursuant to Section 2.01.

“**Governmental Authority**” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“**Guarantor**” means, (i) the Public Company, (ii) any other entity (other than the Borrowers) that guarantees the 5.500% Senior Notes due 2043 or the 5.125% Senior Notes due 2044, issued, respectively, by KKR Group Finance Co. II LLC and KKR Group Finance Co. III LLC, each a Delaware limited liability company, that becomes party to this Agreement in accordance with Section 11.07, (iii) any other entity (other than the Borrowers) that guarantees the 0.509% Senior Notes due 2023, the 0.764% Senior Notes due 2025 or the 1.595% Senior Notes due 2038 issued by KKR Finance Co. IV LLC, a Delaware limited liability company, that becomes party to this Agreement in accordance with Section 11.07, (iv) any other entity (other than the Borrowers) that guarantees the 1.625% Senior Notes due 2029, 3.750% Senior Notes due 2029, 3.625% Senior Notes due 2050 and 3.500% Senior Notes due 2050 issued by KKR Group Finance Co. V LLC, KKR Group Finance Co. VI LLC, KKR Group Finance Co. VII LLC and KKR Group Finance Co. VIII LLC, each a Delaware limited liability company, that becomes party to this Agreement in accordance with Section 11.07.

“**Guaranty**” of or by any Person (the “**guarantor**”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the “**primary obligor**”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness; *provided* that the term “Guaranty” shall not include endorsements for collection or deposit in the ordinary course of business. The term “**Guarantee**” used as a verb has a corresponding meaning.

“**Hazardous Materials**” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes, and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“**IBA**” means ICE Benchmark Administration Limited.

“**Impacted Interest Period**” has the meaning assigned to such term in the definition of “Eurocurrency Rate.”

“**Incremental Commitments**” has the meaning assigned to such term in Section 2.21(a).

“**Incremental Effective Date**” has the meaning assigned to such term in Section 2.21(a).

“**Indebtedness**” of any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding accounts payable incurred in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guaranties by such Person of Indebtedness of others, (g) Finance Lease Obligations, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances, and (j) all net obligations of such Person under Swap Contracts; *provided* that Indebtedness shall not include (i) deferred or prepaid revenue, (ii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller, (iii) any obligations from investment financing arrangements of investment funds, investment vehicles or managed accounts or any of their respective special purpose vehicles that are not obligations of the Loan Parties or their Subsidiaries, (iv) any Indebtedness incurred by (x) KFN or its subsidiaries or (y) Global Atlantic or its subsidiaries, in each case, that are not obligations of the Loan Parties or their Subsidiaries and (v) trade and other accounts payable arising in the ordinary course of business. The amount of Indebtedness of any person for purposes of clause (e) above shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such person in good faith. 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 all Taxes imposed on or with respect to any payment by or on account of any obligation of any Loan Party hereunder or under any other Loan Document, other than Excluded Taxes or Other Taxes.

“**Interest Election Request**” means a request by the Borrower Representative to change or continue the Type of a Borrowing in accordance with Section 2.07 and in the form of Exhibit F or any other form reasonably acceptable to the Administrative Agent.

“**Interest Payment Date**” means (a) with respect to any ABR Loan (other than a Swingline Loan) and Daily Simple SOFR Loans, the last day of each March, June, September and December, (b) with respect to any Term SOFR Loan or Eurocurrency Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term SOFR Borrowing or Eurocurrency Borrowing with an Interest Period of more than three months’ duration, each day prior to the last day of such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period, (c) with respect to any SONIA Loan, SARON Loan and TONA Loan, each date that is on the numerically corresponding day in each calendar month that is three months after the Borrowing of such SONIA Loan, SARON Loan or TONA Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month) and (d) with respect to any Swingline Loan, the day that such Loan is required to be repaid.

“**Interest Period**” means, with respect to any [Term SOFR Borrowing or Eurocurrency Borrowing](#), the period beginning on the date of such Borrowing specified in the applicable Borrowing Request or on the date specified in the applicable Interest Election Request and ending on the numerically corresponding day in the calendar month that is one, three or, with respect to any [Term SOFR Borrowing or Eurocurrency Borrower Borrowing](#) other than a Eurocurrency Borrowing denominated in Canadian Dollars, six months thereafter (or such other period as all of the Lenders may agree), as the Borrower Representative may elect; *provided* that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, and (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period.

“**International Plan**” means any “defined benefit plan” as such term is defined in Section 3(35) of ERISA, whether or not such employee benefit plan is subject to ERISA or the Code, which is sponsored, maintained, administered, contributed to, extended or arranged by any Borrower or any of its Subsidiaries under which any Borrower or any of its Subsidiaries has any liability (contingent or otherwise) and covers any current or former employee, officer, director or independent contractor of any Borrower or any of its Subsidiaries who is located exclusively outside of the United States.

“**Interpolated Rate**” means, at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the ~~LBO Screen Rate~~; ~~the CDOR Screen Rate~~, the AUD Screen Rate or the EURIBOR Screen Rate, as applicable) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the ~~LBO Screen Rate~~, ~~the CDOR Screen Rate~~, the AUD Screen Rate or the EURIBOR Screen Rate, as applicable (for the longest period for which ~~the LBO Screen Rate~~, the CDOR Screen Rate, the AUD Screen Rate or the EURIBOR Screen Rate, as applicable, is available for the applicable currency) that is shorter than the Impacted Interest Period; and (b) the ~~LBO Screen Rate~~, ~~the CDOR Screen Rate~~, the AUD Screen Rate or the EURIBOR Screen Rate, as applicable, for the shortest period (for which that ~~LBO Screen Rate~~, ~~the CDOR Screen Rate~~, the AUD Screen Rate or the EURIBOR Screen Rate, as applicable, is available for the applicable currency) that exceeds the Impacted Interest Period, in each case, at such time.

“**Investment Company Act**” has the meaning assigned to such term in Section 3.07.

“**Issuer Documents**” means with respect to any Letter of Credit, the LC Application and any other document, agreement and instrument entered into by the applicable Issuing Bank and the applicable Borrower (and/or the applicable Subsidiary) in favor of such Issuing Bank and relating to such Letter of Credit.

“**Issuing Bank**” means each of HSBC Bank USA, National Association, in its capacity as an issuer of Letters of Credit hereunder and/or any other Lenders to be designated by the Borrower Representative that agree to issue Letters of Credit hereunder, and in each case any of its successors in such capacity as provided in Section 2.05(f). Any Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate. Each reference herein to the “Issuing Bank” in connection with a Letter of Credit or other matter shall be deemed to be a reference to the relevant Issuing Bank with respect thereto.



“**KFN**” means KKR Financial Holdings LLC, a Delaware limited liability company (including its successor(s)).

“**KKR Group**” means KKR Group Partnership, the direct and indirect parents (including, without limitation, general partners) of KKR Group Partnership (the “**Parent Entities**”), any direct or indirect Subsidiaries of the Parent Entities or KKR Group Partnership, the general partner or similar controlling entities of any investment or vehicle that is managed, advised or sponsored by the KKR Group (“**KKR Vehicle**”) and any other entity through which any of the foregoing directly or indirectly conducts its business, but shall exclude any company in which a KKR Vehicle has an investment. The Parent Entities include KKR Management LLP (including its successor(s)) and the Public Company.

“**KKR Group Partnership**” means KKR Group Partnership L.P., a Cayman Islands exempted limited partnership.

“**KKR Vehicle**” has the meaning assigned to such term in the definition of “KKR Group”.

“**LC Application**” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the relevant Issuing Bank.

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

“**LC Exposure**” means, at any time, the U.S. Dollar Equivalent of the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrowers at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

“**Lender Joinder Agreement**” means a joinder agreement in the form of Exhibit D to this Agreement or any other form reasonably acceptable to the Administrative Agent.

“**Lender Parties**” means the Lenders (including the Swingline Lender), the Issuing Banks and the Administrative Agent.

“**Lenders**” means the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Assignment or pursuant to a Lender Joinder Agreement, other than any such Person that ceases to be a party hereto pursuant to an Assignment. Unless the context otherwise requires, the term “Lenders” includes the Swingline Lender and any Issuing Bank.

“**Letter of Credit**” means any letter of credit issued pursuant to this Agreement, including each Existing Letter of Credit. Pursuant to Section 2.05(a), each Existing Letter of Credit shall be deemed to be a Letter of Credit for all purposes of the Loan Documents.

“**Leverage Ratio**” means, on any date, the ratio of Total Indebtedness on such date to Fee and Yield EBITDA for the period of four consecutive fiscal quarters ended on such date or most recently ended on or prior to such date, as applicable.

~~“**LIBOR Replacement Date**” means, if a then-current Benchmark is a Relevant LIBOR the earliest to occur of:~~

~~(1) the date on which IBA has permanently or indefinitely ceased to provide all Available Tenors of such Relevant LIBOR;~~

~~(2) the date on which the Financial Conduct Authority has announced, pursuant to a public statement or publication of information, that all Available Tenors of such Relevant LIBOR are no longer representative; or~~

~~(3) the Early Opt-in Effective Date in respect of such Relevant LIBOR.~~

~~If the event giving rise to the LIBOR Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the LIBOR Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.~~

~~“LIBOR Quoted Currency” means each of the following currencies: U.S. Dollars and any other applicable Alternative Currency (other than Canadian Dollars, Sterling, Australian Dollars, Euros, Yen or Swiss Franc); in each case as long as there is a published LIBOR rate with respect thereto.~~

~~“LIBO Screen Rate” means, for any day and time, with respect to any Eurocurrency Borrowing for any applicable currency and for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for the relevant currency for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion); provided that if the LIBO Screen Rate as so determined would be less than zero, such rate shall be deemed to zero for the purposes of this Agreement.~~

~~“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any Finance Lease Obligations having substantially the same economic effect as any of the foregoing, but in any event not in respect of any Non-Finance Lease Obligations) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.~~

~~“Loan Documents” means this (i) Agreement, (ii) the Lender Joinder Agreements, (iii) the Extension Amendments, (iv) the Loan Party Joinder Agreements, (v) each LC Application and each other Issuer Document and (vi) any promissory notes issued pursuant to Section 2.09(e).~~

~~“Loan Parties” means the Borrowers and the Guarantors.~~

~~“Loan Party Guaranty” means the Guaranty set forth in Article 11.~~

~~“Loan Party Joinder Agreement” means a joinder agreement in the form of Exhibit C to this Agreement or any other form reasonably acceptable to the Administrative Agent.~~

~~“Loans” means the loans made by the Lenders to the Borrowers pursuant to this Agreement.~~

~~“Material Acquisition” means any acquisition or series of related acquisitions of a Subsidiary or business unit with Fee and Yield Earnings which are included in Fee and Yield EBITDA that involves the payment of consideration by the Public Company or any of its Subsidiaries in excess of \$250,000,000.~~

~~“Material Adverse Effect” means a material adverse effect on (a) the business, results of operations, or financial condition of the Loan Parties taken as a whole, (b) the ability of any Loan Party~~

to perform its obligations under the Loan Documents or (c) the validity or enforceability of the Loan Documents or the rights or remedies of any Lender Party thereunder.

“**Material Disposition**” means any disposition or series of related dispositions of a Subsidiary or business unit with Fee and Yield Earnings which are included in Fee and Yield EBITDA that yields gross proceeds to the Public Company or any of its Subsidiaries in excess of \$250,000,000.

“**Material Indebtedness**” means any Indebtedness (other than the Loans and Letters of Credit) of any one or more of the Borrower Group Companies in an aggregate principal amount exceeding \$250,000,000; *provided* that in the case of any Subsidiary, Material Indebtedness shall consist solely of Indebtedness of the types described in subclauses (a) and (b) of the definition thereof.

“**Material Subsidiary**” means any Subsidiary which, together with its own Subsidiaries, (i) accounts for more than 10% of the consolidated assets of the Public Company as of the last day of the most recently ended fiscal quarter of the Public Company, (ii) accounts for more than 10% of the consolidated revenues of the Public Company for the most recently ended period of four consecutive fiscal quarters of the Public Company or (iii) accounts for more than 10% of Fee and Yield Earnings for the most recently ended period of four consecutive fiscal quarters of the Public Company.

“**Maturity Date**” means the fifth anniversary of the Restatement Date.

“**Moody’s**” means Moody’s Investors Service, Inc., and any successor to its rating agency business.

“**Multiemployer Plan**” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA that is subject to the provisions of Title IV of ERISA, and in respect of which any ERISA Affiliate makes or is obligated to make contributions.

“**New Lender**” has the meaning assigned to such term in Section 2.21(b).

“**New Loan**” has the meaning assigned to such term in Section 2.21(b).

“**Non-Finance Lease Obligations**” shall mean a lease obligation that is not required to be accounted for as a finance or capital lease on both the balance sheet and the income statement for financial reporting purposes in accordance with GAAP. An operating lease shall be considered a Non-Finance Lease Obligation.

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

“**Notes**” means promissory notes of the Borrowers, substantially in the form of Exhibit H hereto, evidencing the obligation of each Borrower to repay the Loans made to it, and “**Note**” means any one of such promissory notes issued hereunder.

“**Obligations**” means 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, 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 (or would accrue but for) the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law 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 U.S. Department of the Treasury.

“**Other Connection Taxes**” means with respect to any Lender Party, Taxes imposed as a result of a present or former connection between such Lender Party and the jurisdiction imposing such Tax (other than connections arising from such Lender Party 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 Currency Equivalent**” means, at any time, with respect to any amount denominated in U.S. Dollars, the equivalent amount thereof in the applicable Alternative Currency, as determined by the Administrative Agent at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with U.S. Dollars.

“**Other Operating Expenses**” means the sum of (i) occupancy and related charges and (ii) other operating expenses as determined on a total reportable segment basis for the Public Company.

“**Other Taxes**” means any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes or any other excise or property Taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, performance, delivery or enforcement of, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.18(b)).

“**Outstanding Amount**” means (i) with respect to any Class of Loans on any date, the U.S. Dollar Equivalent of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Class of Loans occurring on such date; and (ii) with respect to LC Exposure on any date, the U.S. Dollar Equivalent of the aggregate outstanding amount of such LC Exposure on such date after giving effect to any drawings or reimbursements occurring on such date.

“**Parent**” means, with respect to any Lender, any Person Controlling such Lender.

“**Participant**” has the meaning assigned to such term in Section 10.04(c)(i).

“**Participant Register**” has the meaning assigned to such term in Section 10.04(c)(i)(C).

“**Participating Member State**” means each state so described in any EMU Legislation.

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

“**Periodic Term SOFR Determination Day**” has the meaning assigned to such term in the definition of “Term SOFR”.

“**Permitted Investments**” means:

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

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

(c) investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000; and

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

**"Permitted Liens"** means:

(a) Liens on voting stock or profit participating equity interests of any Subsidiary existing at the time such entity becomes a direct or indirect Subsidiary of the Public Company or is merged into a direct or indirect Subsidiary of the Public Company (*provided* such Liens are not created or incurred in connection with such transaction and do not extend to any other Subsidiary),

(b) statutory Liens, Liens for taxes or assessments or governmental liens not yet due or delinquent or which can be paid without penalty or are being contested in good faith, and

(c) other Liens of a similar nature as those described in subclauses (a) and (b) above.

**"Person"** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

**"Plan"** means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an **"employer"** as defined in Section 3(5) of ERISA.

**"Prime Rate"** means the rate of interest per annum publicly announced from time to time by HSBC Bank USA, National Association, as its prime rate in effect at its office located at 452 Fifth Avenue, New York, New York 10018; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

**"Public Company"** means KKR & Co. Inc., a Delaware corporation (or its successor).

**"Rating Agency"** means S&P, Fitch and Moody's.

**"Reference Period"** means any period of four consecutive fiscal quarters.

**"Reference Time"** with respect to any setting of a then-current Benchmark means (i) if such Benchmark is ~~USD LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting,~~ (ii) if such Benchmark is based on a Screen Rate ~~and is not USD LIBOR~~, the time set forth in the applicable definition of such Screen Rate and (iii) if such Benchmark is not ~~USD LIBOR or~~ based on a Screen Rate, the time determined by the Administrative Agent in its reasonable discretion.

“**Register**” has the meaning assigned to such term in Section 10.04(b)(iv).

“**Related Parties**” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person’s Affiliates.

“**Relevant Governmental Body**” means (a) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, (b) with respect to a Benchmark Replacement in respect of Loans denominated in Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto and (c) with respect to a Benchmark Replacement in respect of Loans denominated in an Alternative Currency (other than Sterling), (i) the central bank for the currency in which the Loans for such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (ii) any working group or committee officially endorsed or convened by (A) the central bank for the currency in which the Loans for such Benchmark Replacement is denominated, (B) any central bank or other supervisor that is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof with respect to such Benchmark Replacement.

“**Relevant Jurisdiction**” means (i) in the case of any Loan to any Domestic Borrower, the United States of America, and (ii) in the case of any Loan to any other Borrower, the jurisdiction imposing (or having the power to impose) withholding tax on payments by such Borrower under this Agreement.

~~“**Relevant LIBOR**” means (a) with respect to any Loan denominated in Dollars, USD LIBOR and (b) with respect to any Loan denominated in a LIBOR Quoted Currency other than Dollars, the London Interbank Offered Rate for such LIBOR Quoted Currency.~~

“**Relevant Rate**” means (i) with respect to any Loan denominated in Dollars, ~~USD LIBOR~~ Term SOFR, (ii) with respect to any Loan denominated in Canadian Dollars, the CDOR Screen Rate, (iii) with respect to any Loan denominated in Australian Dollars, the AUD Screen Rate, (iv) with respect to any Loan denominated in Euros, the EURIBOR Screen Rate, (v) with respect to any Loan denominated in Sterling, SONIA, (vi) with respect to any Loan denominated in Yen, TONA and (vii) with respect to any Loan denominated in Swiss Francs, SARON.

“**Required Lenders**” means, at any time, Lenders (or, if there are two or more Lenders, at least two Lenders) having Credit Exposures and unused Commitments representing more than 50% of the sum of the total Credit Exposures and unused Commitments at such time, exclusive in each case of the Credit Exposure and unused Commitment of any Defaulting Lender.

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

“**Restatement Date**” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 10.02).

“**Revaluation Date**” means with respect to any Loan or Letter of Credit, each of the following: (i) each date of receipt by the Administrative Agent of a Borrowing Request, or a request for the issuance of a Letter of Credit, denominated in an Alternative Currency, (ii) each date of receipt by the Administrative Agent of an Interest Election Request (or, if a Borrowing is continued pursuant to Section 2.07(e), each date by which an Interest Election Request would have been due), or a request for the amendment, renewal or extension of a Letter of Credit, denominated in an Alternative Currency and (iii) such additional dates as the Administrative Agent shall determine or the Required Lenders shall require.

“**S&P**” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, and any successor to its rating agency business.

“**Sanctioned Country**” means any country or territory that is subject to a comprehensive countrywide or region-wide trade or investment embargo under any Sanctions. As of the date of this Agreement, the following are the only “Sanctioned Countries”: the Crimea region of Ukraine, Cuba, Iran, North Korea and Syria.

“**Sanctions**” means any sanctions, prohibitions or trade embargoes imposed by any executive order of the U.S. government or by any sanctions program administered by OFAC, the U.S. State Department, the United Nations Security Council, the European Union, Her Majesty’s Treasury, the Hong Kong Monetary Authority, Global Affairs Canada and any other applicable Canadian Governmental Authority having jurisdiction over sanctions or other relevant sanctions authority.

“**Sanctions List**” means any Sanctions-related list of designated Persons maintained by OFAC at its official website or by the U.S. State Department, the United Nations Security Council, the European Union, Her Majesty’s Treasury, the Hong Kong Monetary Authority, Global Affairs Canada and any other applicable Canadian Governmental Authority having jurisdiction over sanctions or other relevant sanctions authority.

“**SARON**” means, with respect to any Business Day, a rate per annum equal to the Swiss Average Rate Overnight for such Business Day published by the SARON Administrator on the SARON Administrator’s Website.

“**SARON Administrator**” means the SIX Swiss Exchange AG (or any successor administrator of the Swiss Average Rate Overnight).

“**SARON Administrator’s Website**” means SIX Swiss Exchange AG’s website, currently at <https://www.six-group.com>, or any successor source for the Swiss Average Rate Overnight identified as such by the SARON Administrator from time to time.

“**SARON Interest Day**” has the meaning assigned to such term in the definition of “Daily Simple SARON”.

“**SARON Rate**” when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, which are bearing interest at a rate determined by reference to Daily Simple SARON.

“SEC” means the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

“Screen Rates” means, collectively, the ~~HBO Screen Rate~~, the AUD Screen Rate, the CDOR Screen Rate and the EURIBOR Screen Rate.

“SOFR” means, ~~with respect to any Business Day~~, a rate ~~per annum~~ equal to the secured overnight financing rate ~~for such Business Day published as administered~~ by the SOFR Administrator ~~on the website of the SOFR Administrator, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time)~~.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Determination Date” has the meaning assigned to such term in the definition of “Daily Simple SOFR”

“SOFR Rate Date” has the meaning assigned to such term in the definition of “Daily Simple SOFR”.

“SONIA” means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the website of the SONIA Administrator, currently at <http://www.bankofengland.co.uk> (or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time).

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Interest Day” has the meaning assigned to such term in the definition of “Daily Simple SONIA”.

“SONIA Rate” when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, which are bearing interest at a rate determined by reference to Daily Simple SONIA.

“Specified Cash Management Account” means an internally managed account investing in high-grade, short-duration cash management strategies used by the Credit Group to generated additional yield on its excess liquidity.

“Specified Existing Commitment” has the meaning assigned to such term in Section 2.22(a)(i).

“Spot Rate” means, on any day, for any currency, the spot rate quoted by HSBC Bank USA, National Association, in New York at approximately 11:00 a.m. for the purchase of such currency with another currency for delivery two Business Days later.

“Sterling” and “£” mean the lawful currency of the United Kingdom.

“subsidiary” means, with respect to any Person at any date, (a) any corporation more than 50% of whose equity interests of any class or classes having by the terms thereof ordinary voting power to



elect a majority of the directors of such corporation (irrespective of whether or not at the time equity interests of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through subsidiaries, or (b) any limited liability company, partnership, association, joint venture or other entity of which such Person directly or indirectly through subsidiaries has more than a 50% equity interest (of either economic interests or ordinary voting power, as applicable) at the time.

“**Subsidiary**” means subsidiary of the Public Company that is or would be consolidated with the Public Company in the preparation of segment information included in the notes to the consolidated financial statements of the Public Company prepared in accordance with GAAP; *provided* that a Subsidiary shall not include (a) any investment funds, investment vehicles or separately managed accounts, (b) any portfolio company or portfolio investment of any such fund, investment vehicle or separately managed account (or any entity Controlled by a portfolio company or portfolio investment), (c) KFN and its subsidiaries, (d) Global Atlantic and its subsidiaries and (e) CLOs or other principal investments managed, Controlled or held as investments by the Public Company or its Subsidiaries; *provided, further* that with respect to Section 3.11 only, clauses (c) and (d) of the preceding proviso shall be included in the definition of Subsidiary.

“**Substantially All Merger**” means a merger or consolidation of one or more Loan Parties with or into another Person that would, in one or a series of related transactions, result in the transfer or other disposition, directly or indirectly, of all or substantially all of the combined assets of the Loan Parties taken as a whole to a Person that is not within the Loan Parties immediately prior to such transaction.

“**Substantially All Reorganization**” means any liquidation, dissolution, change in jurisdiction, conversion of organizational form or any other reorganization transaction, in one or a series of related transactions, that results in all or substantially all of the combined assets of the Loan Parties taken as a whole to a Person that is not within the Loan Parties immediately prior to such transaction.

“**Substantially All Sale**” means a sale, assignment, transfer, lease or conveyance to any other Person, in one or a series of related transactions, directly or indirectly, of all or substantially all of the combined assets of the Loan Parties taken as a whole to a Person that is not within the Loan Parties immediately prior to such transaction.

“**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).

“**Swingline Exposure**” means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be its Applicable Percentage of the total Swingline Exposure at such time.

“**Swingline Lender**” means HSBC Bank USA, National Association, in its capacity as lender of Swingline Loans hereunder.

“**Swingline Loan**” means a Loan made pursuant to Section 2.04.

“**Swiss Francs**” means the lawful currency of the Swiss Confederation.

“**TARGET Day**” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (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 any and all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“**Term SOFR**” means,

(a) for any calculation with respect to a SOFR Loan, the sum of (i) the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “**Periodic Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day and (ii) the Applicable SOFR Adjustment for such Interest Period, and

(b) for any calculation with respect to an ABR Loan on any day, the sum of (i) the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “**ABR Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S.

Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR SOFR Determination Day and (ii) the Applicable SOFR Adjustment for a 1-month Interest Period;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than zero, then Term SOFR shall be deemed to be zero.

~~“Term SOFR” means, for the applicable corresponding tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body; provided that such rate is displayed on a screen or other information service that publishes such rate from time to time as Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).~~

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“TONA” means, with respect to any Business Day, a rate per annum equal to the Tokyo Overnight Average Rate for such Business Day published by the TONA Administrator on the TONA Administrator’s Website.

“TONA Administrator” means the Bank of Japan (or any successor administrator of the Tokyo Overnight Average Rate).

“TONA Administrator’s Website” means the Bank of Japan’s website, currently at <http://www.boj.or.jp>, or any successor source for the Tokyo Overnight Average Rate identified as such by the TONA Administrator from time to time.

“TONA Interest Day” has the meaning assigned to such term in the definition of “Daily Simple TONA”.

“TONA Rate” when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, which are bearing interest at a rate determined by reference to Daily Simple TONA.

“Total Indebtedness” means, on any date, the total amount of Indebtedness of the Public Company and its Subsidiaries of the types described in clauses (a), (b), (f) (to the extent the underlying Indebtedness is of the types otherwise enumerated in this definition of Total Indebtedness), (g), (h) and (i) (to the extent of drawings thereunder) of the definition thereof and, in each case, excluding intercompany Indebtedness among the Public Company and its consolidated Subsidiaries (including amongst Subsidiaries); minus unrestricted Cash and Cash Equivalents of the Public Company and its Subsidiaries.

“Transactions” means the execution, delivery and performance by the Loan Parties of this Agreement and the Loan Documents, the borrowing of Loans, the use of the proceeds thereof and the issuance of Letters of Credit hereunder (including each Existing Letter of Credit deemed to be a Letter of Credit pursuant to Section 2.05(a)).

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Term

SOFR, Daily Simple SOFR, Eurocurrency Rate, SONIA Rate, SARON Rate, TONA Rate or the Alternate Base Rate.

“**UK Financial Institutions**” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“**UK Resolution Authority**” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“**U.S. Dollar Equivalent**” means, at any time, (a) with respect to any amount denominated in U.S. Dollars, such amount, and (b) with respect to any amount denominated in any Alternative Currency, the equivalent amount thereof in U.S. Dollars as determined by the Administrative Agent at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of U.S. Dollars with such Alternative Currency.

~~“**USD LIBOR**” means the London Interbank Offered Rate for Dollars.~~

“**U.S. Dollars**”, “**Dollars**” and “**\$**” mean the lawful currency of the United States of America.

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

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

“**USA PATRIOT Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub.L.107-56, signed into law October 26, 2001, as amended.

“**Withdrawal Liability**” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“**Write-Down and Conversion Powers**” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

“**Yen**” means the lawful currency of Japan.

“**Yield Compensation**” means (i) realized investment income compensation multiplied by (ii) the ratio of (a) interest income and dividends divided by (b) the sum of (x) interest income and dividends plus (y) net realized gains (losses) as determined on a total reportable segment basis for the Public Company.

“**Yield EBITDA**” means (i) gross interest income and dividends less (ii) Yield Compensation as determined on a total reportable segment basis for the Public Company.

Section 1.02. *Classification of Loans and Borrowings.* For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a “**Global Loan**”) or by Type (e.g., a “**Eurocurrency Loan**” or “**Term SOFR Loan**”) or by Class and Type (e.g., a “**Eurocurrency Global Loan**” or “**Term SOFR Global Loan**”). Borrowings also may be classified and referred to by Class (e.g., a “**Global Borrowing**”) or by Type (e.g., a “**Eurocurrency Borrowing**” or “**Term SOFR Borrowing**”) or by Class and Type (e.g., a “**Eurocurrency Global Borrowing**” or “**Term SOFR Global Borrowing**”).

Section 1.03. *Terms Generally.* The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.04. *Accounting Terms; GAAP.* Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time, with such adjustments thereto as are reflected in and consistent with the financial statements referred to in Section 3.04(a), but in any event without giving effect to principles of consolidation; *provided* that, if the Borrower Representative notifies the Administrative Agent that the Borrowers request an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower Representative that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

Section 1.05. *Exchange Rates; Currency Equivalents.* (a) The Administrative Agent shall determine the Spot Rates as of each Revaluation Date to be used for calculating U.S. Dollar Equivalent amounts of Borrowings and Outstanding Amounts denominated in Alternative Currencies.

Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur.

(b) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a Eurocurrency Loan an amount, such as a required minimum or multiple amount, is expressed in U.S. Dollars, but such Borrowing or Loan is denominated in an Alternative Currency, such amount shall be the relevant Other Currency Equivalent of such U.S. 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.

Section 1.06. *Additional Alternative Currencies.* (a) The Borrower Representative may from time to time request that Loans be made or Letters of Credit be issued in a currency other than those specifically listed in the definition of “**Alternative Currency**”; *provided* that such requested currency is a lawful currency (other than U.S. Dollars) that is readily available and freely transferable and convertible into U.S. Dollars. Any such request shall be subject to the approval of the Administrative Agent, the applicable Issuing Banks and the Lenders.

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m., ten Business Days prior to the date of the desired Borrowing (or such other time or date as may be agreed by the Administrative Agent, in its sole discretion). In the case of any such request, the Administrative Agent shall promptly notify each Issuing Bank and each Lender thereof. Each Issuing Bank and each Lender shall notify the Administrative Agent, not later than 11:00 a.m., five Business Days after receipt of such request, whether it consents, in its sole discretion, to the making of Loans or issuance of Letters of Credit in such requested currency.

(c) Any failure by an Issuing Bank or a Lender to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Issuing Bank or such Lender to permit Loans to be made or Letters of Credit to be issued in such requested currency. If the Administrative Agent, the applicable Issuing Banks and all the Lenders consent to making Loans or issuing Letters of Credit in such requested currency, the Administrative Agent shall so notify the Borrower Representative and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder. If the Administrative Agent shall fail to obtain consent to any request for an additional currency under this Section, the Administrative Agent shall promptly so notify the Borrower Representative.

Section 1.07. *Change of Currency.* (a) Each obligation of any Borrower to make a payment denominated in the national currency unit of any Participating Member State that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption (in accordance with the EMU Legislation). If, in relation to the currency of any such Participating 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 Participating Member State adopts the Euro as its lawful currency; *provided* that if any Borrowing in the currency of such Participating Member State is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Borrowing, at the end of the then current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent, acting at the direction of the Required Lenders, and the Borrower Representative may from time to time agree to be appropriate to reflect the adoption of the

Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent, acting at the direction of the Required Lenders, and the Borrower Representative may from time to time agree 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.

Section 1.08. *Interest Rates.* The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of “Eurocurrency Rate”, “Term SOFR”, “Term SOFR Reference Rate”, “Daily Simple SOFR”, “Alternate Base Rate” or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate, as it may or may not be adjusted pursuant to Section 2.13, will be similar to, or produce the same value or economic equivalence of, the Eurocurrency Rate “Term SOFR”, “Term SOFR Reference Rate”, “Daily Simple SOFR”, “Alternate Base Rate” or have the same volume or liquidity as did the London interbank offered rate or such other rate prior to its discontinuance or unavailability.

Section 1.09. *Divisions.* For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

## ARTICLE 2 THE CREDITS

Section 2.01. *Commitments.* Subject to the terms and conditions set forth herein, each Lender, severally and not jointly, agrees to make Global Loans to the Borrowers in U.S. Dollars or in one or more Alternative Currencies from time to time during the Availability Period in an aggregate principal amount that will not result in (i) such Lender’s Credit Exposure exceeding such Lender’s Commitment, or (ii) the sum of the total Credit Exposures exceeding the total Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Global Loans.

Section 2.02. *Loans and Borrowings.* (a) Each Global Loan shall be made as part of a Borrowing consisting of Global Loans made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; *provided* that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender’s failure to make Loans as required.

(b) Subject to Section 2.13, each Global Borrowing shall be comprised entirely of ABR Loans, Term SOFR Loans, Daily Simple SOFR Loans, Eurocurrency Loans, SONIA Loans, SARON Loans or TONA Loans as the Borrower Representative may request in accordance herewith. All ABR Loans shall be denominated in U.S. Dollars. Eurocurrency Loans may be denominated in an Alternative Currency. All Term SOFR Loans and Daily Simple SOFR Loans shall be denominated in U.S. Dollars ~~or an Alternative Currency~~. All SONIA Loans shall be denominated in Sterling. All SARON Loans shall be denominated in Swiss Francs. All TONA Loans shall be denominated in Yen. Each Swingline Loan

shall be an ABR Loan. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; *provided* that any exercise of such option shall not affect the obligation of the Borrowers to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Term SOFR Borrowing or Eurocurrency Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000. At the time that each ABR Borrowing, Daily Simple SOFR Borrowing, SONIA Borrowing, SARON Borrowing and TONA Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000; *provided* that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.05(e). Each Swingline Loan shall be in an amount that is an integral multiple of \$100,000 and not less than \$1,000,000. Borrowings of more than one Type and Class may be outstanding at the same time; *provided* that there shall not at any time be more than a total of ten Eurocurrency Borrowings and Term SOFR Borrowings outstanding.

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

Section 2.03. *Requests for Borrowings.* To request a Borrowing, the Borrower Representative shall notify the Administrative Agent of such request in the form of a Borrowing Request signed by the Borrower Representative not later than 11:00 a.m., New York City time, (a) in the case of a ~~Eurocurrency~~ Term SOFR Borrowing ~~denominated in U.S. Dollars~~, three Business Days before the date of the proposed Borrowing, (b) in the case of a ~~an~~ Eurocurrency Borrowing denominated in an Alternative Currency, four Business Days before the date of the proposed Borrowing, (c) in the case of a SONIA Borrowing denominated in Sterling, five Business Days before the date of the proposed Borrowing, (d) in the case of a SARON Borrowing denominated in Swiss Francs, five Business Days before the date of the proposed Borrowing, (e) in the case of a TONA Borrowing denominated in Yen, five Business Days before the date of the proposed Borrowing ~~or~~, (f) in the case of an ABR Borrowing, on the date of the proposed Borrowing or (g) in the case of a Daily Simple SOFR Borrowing, five Business Days before the date of the proposed Borrowing. Each such Borrowing Request shall be irrevocable. Each such Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the name of the Borrower;
- (ii) the aggregate amount of the requested Borrowing;
- (iii) the date of such Borrowing, which shall be a Business Day;
- (iv) whether such Borrowing is to be an ABR Borrowing, a Term SOFR Borrowing (or if a Benchmark Replacement with respect thereto has occurred or if applicable pursuant to Section 2.13(a)(i)(C), a Daily Simple SOFR Borrowing), a Eurocurrency Borrowing, a SONIA Borrowing, a SARON Borrowing or a TONA Borrowing;
- (v) in the case of a Term SOFR Borrowing or Eurocurrency Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of “**Interest Period**”;



(vi) the location and number of the applicable Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.06; and

(vii) in the case of a Eurocurrency Borrowing, the currency of such Borrowing.

Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04. *Swingline Loans.* (a) Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make Swingline Loans to the Borrowers from time to time during the Availability Period, in an aggregate principal amount at any time outstanding that will not result in (i) the aggregate principal amount of outstanding Swingline Loans exceeding \$50,000,000 or (ii) the sum of the total Credit Exposures exceeding the total Commitments; *provided* that the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Swingline Loans.

(b) To request a Swingline Loan, the Borrower Representative shall notify the Administrative Agent of such request by in the form of a Borrowing Request signed by the Borrower Representative, not later than 11:00 a.m., New York City time, on the day of a proposed Swingline Loan. Each such notice shall be irrevocable and shall specify the requested date (which shall be a Business Day) and amount of the requested Swingline Loan. The Administrative Agent will promptly advise the Swingline Lender of any such notice received by it. The Swingline Lender shall make each Swingline Loan available by means of a credit to the general deposit account of the applicable Borrower with the Swingline Lender or disbursement to such other account of the applicable Borrower as the Borrower Representative may specify in its Borrowing Request (or, in the case of a Swingline Loan made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e), by remittance to the Issuing Bank) on the requested date of such Swingline Loan.

(c) The Swingline Lender may by written notice given to the Administrative Agent not later than 10:00 a.m., New York City time, on any Business Day require the Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding. Such notice shall specify the aggregate amount of Swingline Loans in which Lenders will participate. Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each Lender, specifying in such notice such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Lenders. The Administrative Agent shall promptly notify the Borrower Representative of any participations in any Swingline Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the Borrowers in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds

of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interests may appear; *provided* that any such payment so remitted shall be repaid to the Swingline Lender or to the Administrative Agent, as applicable, if and to the extent such payment is required to be refunded to any Borrower for any reason. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrowers of any default in the payment thereof.

Section 2.05. *Letters of Credit.* (a) General. Subject to the terms and conditions set forth herein (including without limitation the conditions set forth in Section 4.02), the Borrower Representative may request the issuance of Letters of Credit for the account of the Borrowers (to support obligations of any Borrower or its Subsidiaries), in a form reasonably acceptable to the Administrative Agent and the applicable Issuing Bank, from time to time during the Availability Period. All Letters of Credit shall be denominated in U.S. Dollars or an Alternative Currency. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower Representative to, or entered into by any Borrower with, any Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Notwithstanding the foregoing, each Existing Letter of Credit shall be deemed to be a Letter of Credit under this Agreement and for all purposes of the Loan Documents.

(b) Notice of Issuance, Amendment, Renewal or Extension; Certain Conditions. (i) To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower Representative shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable Issuing Bank) to the applicable Issuing Bank and the Administrative Agent (at least five Business Days (or such shorter period of time as may be agreed by the Administrative Agent and such Issuing Bank) in advance of the requested date of issuance, amendment, renewal or extension) a notice (which shall include wording agreed with such Issuing Bank) requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the name of the account party (which may, at the option of the Borrower Representative, list any Loan Party or one or more Subsidiaries of any Borrower; *provided* that the listing of such Guarantor or Subsidiaries shall not create any obligations of such entity under this Agreement and the Borrowers shall remain at all times responsible for the obligations and agreements under the Loan Documents with respect to all Letters of Credit), the requested date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with Section 2.05(c), the amount of such Letter of Credit, the currency of denomination, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by an Issuing Bank, the Borrower Representative also shall submit a letter of credit application on such Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrower Representative shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (x) the LC Exposure shall not exceed \$250,000,000 and (y) the sum of the total Credit Exposures shall not exceed the total Commitments.

(ii) Promptly after receipt of a notice requesting the issuance, amendment, renewal or extension of a Letter of Credit, the applicable Issuing Bank will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such notice from the Borrower Representative and, if not, such Issuing Bank will provide the Administrative Agent with a copy thereof. Upon receipt by such Issuing Bank of

confirmation from the Administrative Agent that the requested issuance, amendment, renewal or extension is permitted in accordance with the terms hereof, then, subject to the terms and conditions hereof, such Issuing Bank shall, on the requested date, issue a Letter of Credit for the account of the Borrowers or enter into the applicable amendment, renewal or extension, as the case may be, in each case in accordance with such Issuing Bank's usual and customary business practices.

(c) Expiration Date. Each Letter of Credit shall expire at or before the close of business on the earlier of (i) the date that is one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension); *provided* that any Letter of Credit with a one-year tenor may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in clause (ii) below) and (ii) the date that is five Business Days prior to the Maturity Date.

(d) Participations. Effective on the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of any Issuing Bank or the Lenders, such Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. Pursuant to such participations, each Lender hereby absolutely and unconditionally agrees to pay in U.S. Dollars to the Administrative Agent, for the account of such Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Borrowers on the date due as provided in Section 2.05(e), or of any reimbursement payment required to be refunded to the Borrowers for any reason. Each Lender's obligation to acquire participations and make payments pursuant to this subsection is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or any reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If any Issuing Bank makes any LC Disbursement in respect of a Letter of Credit, it shall promptly notify the Borrower Representative and the Administrative Agent and the Borrowers shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 12:00 noon, New York City time, on the next Business Day of such notice; *provided* that the Borrower Representative may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 or 2.04 that such payment be financed with an ABR Borrowing or Swingline Loan in an equivalent amount and, to the extent so financed, the Borrowers' obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing or Swingline Loan. If the Borrowers fail to make such payment when due, the Administrative Agent shall notify each Lender and the Issuing Bank of the applicable LC Disbursement, the payment then due from the Borrowers in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrowers, in the same manner as is provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, *mutatis mutandis*, to such payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrowers pursuant to this paragraph, the Administrative Agent shall distribute such payment to the applicable Issuing Bank or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and such Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse any Issuing Bank for any LC Disbursement (other than the funding of ABR Loans or a Swingline Loan as

contemplated above) shall not constitute a Loan and shall not relieve the Borrowers of their obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrowers' obligation to reimburse LC Disbursements as provided in Section 2.05(e) shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by any Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrowers' obligations hereunder. None of the Lender Parties and their respective Related Parties shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of (x) any of the circumstances referred to in the preceding sentence or (y) the failure of any Issuing Bank to honor a drawing under any such Letter of Credit as a result of any Sanctions or any act or omission of any Governmental Authority), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of any Issuing Bank; *provided* that the foregoing shall not excuse any Issuing Bank from liability to the Borrowers to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrowers to the extent permitted by applicable law) suffered by the Borrowers that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of such Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, each Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents do not strictly comply with the terms of such Letter of Credit.

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

(h) Interim Interest. Unless the Borrowers reimburse an LC Disbursement in full on the date an LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the day on which such LC Disbursement is made to but excluding the day on which the Borrowers reimburse such LC Disbursement, at the rate per annum then applicable to ABR Loans; *provided* that, if the Borrowers fail to reimburse such LC Disbursement when due pursuant to Section 2.05(e), then Section 2.12(c) and Section 2.12(d) shall apply. Interest accrued pursuant to this subsection

shall be for the account of the applicable Issuing Bank, except that a pro rata share of interest accrued on and after the day that any Lender pursuant to Section 2.05(e) shall be for the account of such Lender.

(i) Issuing Banks. Any Issuing Bank may be replaced at any time by written agreement among the Borrower Representative, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement. At the time any such replacement becomes effective, the Borrowers shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.11(b). On and after the effective date of any such replacement, (A) the successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (B) references herein to the term “**Issuing Bank**” shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After an Issuing Bank is replaced, it will remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it before such replacement, but shall not be required to issue additional Letters of Credit.

(j) Cash Collateralization. If an Event of Default shall occur and be continuing, on the Business Day that the Borrower Representative receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposure representing more than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this subsection, the Borrowers shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in cash equal to 101% of the LC Exposure as of such date plus any accrued and unpaid interest thereon; *provided* that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to a Borrower described in clause (h) or (i) of Article 7. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Borrowers under this Agreement. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. The Administrative Agent shall invest and reinvest funds held by it on deposit in one or more Permitted Investments in accordance with the written instructions of the Required Lenders; *provided* that, in the absence of such written instructions, all funds shall remain uninvested on deposit in a non-interest bearing account in the commercial department of HSBC Bank USA, N.A. Investment instructions, which may be standing instructions, must be received by the Administrative Agent by 11:00 a.m. New York City time on the Business Day when such funds are to be invested. Instructions received after 11:00 a.m. New York City time will be treated as if received on the following Business Day. The Administrative Agent shall have no obligation to invest or reinvest any funds deposited with or received by the Administrative Agent after 11:00 a.m. New York City time on such day of deposit. Other than any interest earned on the investment of such deposits, which investments shall be made pursuant to the preceding sentence and at the Borrowers' risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse any Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrowers for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with LC Exposure representing more than 50% of the total LC Exposure), be applied to satisfy other obligations of the Borrowers under this Agreement. If the Borrowers are required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrowers within three Business Days after all Events of Default (including such Event of Default) have been cured or waived.

(k) Applicability of ISP 98. Unless otherwise agreed by the Borrower Representative and the applicable Issuing Bank, each Borrower agrees that any Issuing Bank may issue Letters of Credit hereunder subject to the International Standby Practices 1998, ICC Publication No. 590 or, at such Issuing Bank's option, such later revision thereof in effect at the time of issuance of any such Letter of Credit ("**ISP 98**"). Any Issuing Bank's privileges, rights and remedies under such ISP 98 shall be in addition to, and not in limitation of, its privileges, rights and remedies expressly provided for herein.

(l) Independence. Each Borrower acknowledges that the rights and obligations of each Issuing Bank under each Letter of Credit is independent of the existence, performance or nonperformance of any contract or arrangement underlying such Letter of Credit, including contracts or arrangements between any Issuing Bank and any Borrower and between such Borrower and the beneficiary.

Section 2.06. *Funding of Borrowings*. (a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 12:00 noon, New York City time (in the case of fundings to an account in New York City), or 12:00 noon, local time (in the case of fundings to an account in another jurisdiction), in each case to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; *provided* that (x) ABR Loans shall be made available by 2:00 p.m. New York City or local time, as the case may be, and (y) Swingline Loans shall be made as provided in Section 2.04. The Administrative Agent will make such funds available to the Borrowers by promptly crediting the amounts so received, in like funds, to an account of the applicable Borrower maintained in New York City or London or in the financial center of the country of the currency of such Loans and designated by the Borrower Representative in the applicable Borrowing Request; *provided* that ABR Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e) shall be remitted by the Administrative Agent to the applicable Issuing Bank.

(b) Unless the Administrative Agent receives notice from a Lender before the proposed date of any Borrowing that such Lender will not make its share of such Borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.06(a) and may, in reliance on such assumption, make available to the Borrowers a corresponding amount in the required currency. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrowers severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrowers to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, if such Borrowing is denominated in U.S. Dollars, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, and if such Borrowing is denominated in an Alternative Currency, a rate determined by the Administrative Agent to represent its cost of overnight or short-term funds in the relevant currency (which determination shall be conclusive absent manifest error), or (ii) in the case of the Borrowers, the interest rate applicable to such Borrowing (*provided* that in the case of a Borrowing denominated in U.S. Dollars, the interest rate applicable to ABR Loans). If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

Section 2.07. *Interest Elections*. (a) Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Term SOFR Borrowing or Eurocurrency Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower Representative may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Term SOFR Borrowing or Eurocurrency Borrowing, may

elect Interest Periods therefor, all as provided in this Section. The Borrower Representative may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. Notwithstanding the foregoing, the Borrower Representative may not (i) elect to convert the currency in which any Loans are denominated, (ii) elect an Interest Period for [Term SOFR Loans or Eurocurrency Loans](#) that does not comply with Section 2.02(d), (iii) elect to convert any ABR Loans to [Term SOFR Loans or Eurocurrency Loans](#) that would result in the number of [Term SOFR Borrowings or Eurocurrency Borrowings](#) exceeding the maximum number of [Term SOFR Borrowings or Eurocurrency Borrowings](#) permitted under Section 2.02(c), or (iv) elect an Interest Period for [Term SOFR Loans or Eurocurrency Loans](#) unless the aggregate outstanding principal amount of [Term SOFR Loans and Eurocurrency Loans](#) (including any [Term SOFR Loans or Eurocurrency Loans, as applicable](#), in the same currency made on the date that such Interest Period is to begin) to which such Interest Period will apply complies with the requirements as to minimum principal amount set forth in Section 2.02(c). This Section shall not apply to Swingline Loan Borrowings, which may not be converted or continued.

(b) To make an election pursuant to this Section, the Borrower Representative shall notify the Administrative Agent of such election in the form of an Interest Election Request signed by the Borrower Representative by the time that a Borrowing Request would be required under Section 2.03 if the Borrower Representative were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election; *provided* that in the case of a conversion of [Term SOFR Loans or Eurocurrency Loans](#) to ABR Loans, notice of such election must be delivered not later than 11:00 a.m., New York City time, three Business Days before the end of the current Interest Period for such [Term SOFR Loans or Eurocurrency Loans](#). Each such Interest Election Request shall be irrevocable.

(c) Each Interest Election Request shall specify the following information in compliance with Section 2.02 and Section 2.07(e):

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing, a [Term SOFR Borrowing \(or if a Benchmark Replacement with respect thereto has occurred, a Daily Simple SOFR Borrowing\)](#), a Eurocurrency Borrowing, a SONIA Borrowing, a SARON Borrowing or a TONA Borrowing; and

(iv) if the resulting Borrowing is to be a [Term SOFR Borrowing or Eurocurrency Borrowing](#), the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of “**Interest Period**”.

If an Interest Election Request requests a [Term SOFR Borrowing or Eurocurrency Borrowing](#) but does not specify an Interest Period, then the Borrower Representative shall be deemed to have selected an Interest Period of one month's duration.

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

(e) If the Borrower Representative fails to deliver a timely Interest Election Request with respect to a [Term SOFR Borrowing or Eurocurrency Borrowing](#) before the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be continued as a [Term SOFR Loan or Eurocurrency Loan](#) having an Interest Period of one month. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower Representative, then, so long as an Event of Default is continuing, no outstanding ABR Borrowing may be converted to a [Term SOFR Borrowing or Eurocurrency Borrowing](#).

Section 2.08. *Termination and Reduction of Commitments.* (a) Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Borrowers may at any time terminate, or from time to time reduce, the Commitments; *provided* that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 and (ii) the Borrowers shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.10, the sum of the Credit Exposures would exceed the total Commitments.

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

Section 2.09. *Repayment of Loans; Evidence of Debt.* (a) Each Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Global Loan on the Maturity Date and (ii) to the Swingline Lender the then unpaid principal amount of each Swingline Loan on the earlier of the Maturity Date and the first date after such Swingline Loan is made that is the 15<sup>th</sup> or last day of a calendar month and is at least two Business Days after such Swingline Loan is made; *provided* that on each date that a Global Borrowing is made, the Borrowers shall repay all Swingline Loans then outstanding.

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

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the currency, Class and Type thereof and the Interest Period (if any) applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and



payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to Section 2.09(b) or 2.09(c) shall be prima facie evidence of the existence and amounts of the obligations recorded therein; *provided* that any failure by any Lender or the Administrative Agent to maintain such accounts or any error therein shall not affect the obligation of any Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans of any Class made by it be evidenced by a promissory note. In such event, each Borrower shall prepare, execute and deliver promptly to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) substantially in the form of Exhibit H. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.10. *Prepayment of Loans; Collateralization of LC Exposure.* (a) Each Borrower shall have the right at any time to prepay any Borrowing in whole or in part, subject to the provisions of this Section.

(b) If the Administrative Agent notifies the Borrower Representative at any time that the aggregate Outstanding Amount of all Credit Exposure at such time exceeds an amount equal to 105% of the Commitments then in effect, then, within seven Business Days after receipt of such notice, the Borrowers shall prepay Loans or cash collateralize LC Exposure 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 Commitments 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.

(c) The Borrower Representative shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan, the Swingline Lender) by telephone (confirmed by teletype) of any prepayment hereunder (i) in the case of prepayment of a Eurocurrency Term SOFR Borrowing ~~denominated in U.S. Dollars~~, not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment, (ii) in the case of a Eurocurrency Borrowing denominated in an Alternative Currency, not later than 11:00 a.m., New York City time, three Business Days before the date of payment, (iii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the date of prepayment, (iv) in the case of prepayment of a SONIA Borrowing denominated in Sterling, not later than 11:00 a.m., New York City time, five Business Days before the date of prepayment, (v) in the case of prepayment of a SARON Borrowing denominated in Swiss Francs, not later than 11:00 a.m., New York City time, five Business Days before the date of prepayment, (vi) in the case of prepayment of a TONA Borrowing denominated in Yen, not later than 11:00 a.m., New York City time, five Business Days before the date of prepayment ~~or~~; (vii) in the case of prepayment of a Daily Simple SOFR Borrowing, not later than 11:00 a.m., New York City time, five Business Days before the date of prepayment or (viii) in the case of prepayment of a Swingline Loan, not later than 11:00 a.m., New York City time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; *provided* that such notice may state that the prepayment is conditioned upon the effectiveness of a refinancing or other events, in which case such notice may be revoked (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the contents thereof.

Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.12.

Section 2.11. *Fees.* (a) The Borrowers agree to pay to the Administrative Agent for the account of each Lender a facility fee, which shall accrue at the Applicable Rate on the daily amount of the Commitment of such Lender (whether used or unused) during the period from and including the Restatement Date to but excluding the date on which such Commitment terminates; *provided* that, if such Lender continues to have any Credit Exposure after its Commitment terminates, then such facility fee shall continue to accrue on the daily amount of such Lender's Credit Exposure from and including the date on which its Commitment terminates to but excluding the date on which such Lender ceases to have any Credit Exposure. Accrued facility fees shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof; *provided* that any facility fees accruing after the date on which the Commitments terminate shall be payable on demand. All facility fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Borrowers agree to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Rate used to determine the interest rate applicable to [Eurocurrency Term SOFR](#) Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Restatement Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to each Issuing Bank a fronting fee, which shall accrue at the rate of 0.125% per annum on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Restatement Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, as well as each Issuing Bank's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Restatement Date; *provided* that all such fees shall be payable on the date on which the Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to each Issuing Bank pursuant to this subsection shall be payable within 30 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) The Borrowers agree to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon in writing by the Borrower Representative and the Administrative Agent.

(d) All fees payable hereunder shall be paid on the dates due, in immediately available funds in U.S. Dollars, to the Administrative Agent (or to the applicable Issuing Bank, in the case of fees payable to it) for distribution, in the case of facility fees and participation fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

Section 2.12. *Interest.* (a) The Loans comprising each ABR Borrowing (including each Swingline Loan) shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each (i) Eurocurrency Borrowing shall bear interest at the Eurocurrency Rate for the Interest Period in effect for such Borrowing *plus* the Applicable Rate, (ii) SONIA Borrowing shall bear interest at Daily Simple SONIA in effect for such Borrowing *plus* the Applicable Rate *plus* the Applicable SONIA Adjustment, (iii) SARON Borrowing shall bear interest at Daily Simple SARON in effect for such Borrowing *plus* the Applicable Rate *plus* the Applicable SARON Adjustment ~~and~~, (iv) TONA Borrowing shall bear interest at Daily Simple TONA in effect for such Borrowing *plus* the Applicable Rate *plus* the Applicable TONA Adjustment; (v) Term SOFR Borrowing shall bear interest at the Term SOFR for the Interest Period in effect for such Borrowing *plus* the Applicable Rate and (vi) Daily Simple SOFR Borrowing shall bear interest at the Daily Simple SOFR plus the Applicable Rate.

(c) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by the Borrowers hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding subsections of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans.

(d) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Commitments; *provided* that (i) interest accrued pursuant to Section 2.12(c) shall be payable on demand, (ii) upon any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) upon any conversion of any Term SOFR Loan or Eurocurrency Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year) and interest in respect of Loans denominated in Alternative Currencies as to which market practice differs from the foregoing shall be computed in accordance with such market practice, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate, Term SOFR, Daily Simple SOFR, Eurocurrency Rate, SONIA Rate, SARON Rate or TONA Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

(f) In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use or administration of Term SOFR.

Section 2.13. *Effect of Benchmark Transition Event.*

(a) Benchmark Replacement.

(i) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Swap Contract shall be deemed not to be a “Loan Document” for purposes of this Section 2.13):

(A) ~~LIBOR Benchmark Replacement~~—On March 5, 2021 the Financial Conduct Authority (“FCA”), the regulatory supervisor of IBA, announced in a public statement the future cessation or loss of representativeness, as applicable, of each tenor setting of USD LIBOR and each other Relevant LIBOR. According to the FCA, IBA will permanently cease publication on a representative basis of (i) all GBP, EUR, CHF and JPY LIBOR settings, and the 1-week and 2-month USD LIBOR settings following the publication of such settings on December 31, 2021, and (ii) the overnight/Spot Next, 1-month, 3-month, 6-month and 12-month USD LIBOR settings, immediately following the publication of such settings on June 30, 2023. As a result, upon the occurrence of a LIBOR (Dollars), If a Benchmark Transition Event and its related Benchmark Replacement Date in respect of a Relevant LIBOR, the have occurred to any setting of the then-current Benchmark applicable Benchmark Replacement for Loans denominated in Dollars and for Loans denominated in the relevant Alternative Currency, as applicable, will replace the Relevant LIBOR for all purposes hereunder and under any other Loan Document in respect of any setting of the Relevant LIBOR (1) if the Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a)(1)(A) or clause (a)(1)(B) of the definition of “Benchmark Replacement”, on such LIBOR for such Benchmark Replacement Date and for all, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings ~~of the Relevant LIBOR~~ without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and ~~(2y) if the Benchmark Replacement is determined in accordance with clause (a)(1)(C) or clause (b2) of the definition of “Benchmark Replacement”;~~ for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided ~~by the Administrative Agent~~ to the Lenders ~~and the Borrower~~ without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. ~~For Loans denominated in Dollars, Sterling, Yen or Swiss Francs, if~~ if the Benchmark Replacement is Daily Simple SOFR, ~~Daily Simple SONIA, Daily Simple SARON or Daily Simple TONA, respectively,~~ all interest payments ~~on such Loans~~ will be payable on a quarterly basis.

(B) Future Benchmark Replacement (Alternative Currencies). If a Benchmark Transition Event occurs after the date hereof with respect to any then-current Benchmark and a Benchmark Replacement is determined in accordance with clause (b) of “Benchmark Replacement”, then such Benchmark Replacement will replace the relevant then-current Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th)

Business Day after the date notice of such Benchmark Replacement is provided by the Administrative Agent to the Lenders and the Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(C) Prior to Benchmark Replacement. At any time that the administrator of a then-current Benchmark has permanently or indefinitely ceased to provide ~~such a~~ Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, ~~until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark,~~ the Borrower may revoke any request for a Term SOFR Borrowing, Eurocurrency Borrowing, SARON Borrowing, SONIA Borrowing or TONA Borrowing, as applicable, of, conversion to or continuation of Term SOFR Loans, Eurocurrency Loans, SARON Loans, SONIA Loans or TONA Loans, as applicable, to be made, converted or continued that would bear interest by reference to such Benchmark ~~until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark~~ and, failing that, either (i) the Borrower will be deemed to have converted any such request for a ~~Eurocurrency~~Term SOFR Borrowing denominated in Dollars into a request for a ~~Eurocurrency~~ Borrowing of or conversion to Daily Simple SOFR Loans, or if Daily Simple SOFR is not available, ABR Loans or (ii) any Eurocurrency Borrowing, SARON Borrowing, SONIA Borrowing or TONA Borrowing, as applicable, denominated in an Alternative Currency shall be ineffective. During the period referenced in the foregoing sentence, the component of ABR based upon the applicable then-current Benchmark will not be used in any determination of ABR. Furthermore, if any Term SOFR Loan, Eurocurrency Loan, SARON Loan, SONIA Loan or TONA Loan, as applicable, ~~in an Alternative Currency~~ is outstanding on the date of the Borrower's receipt of ~~such a~~ notice from the Administrative Agent with respect to a then-current Benchmark applicable to such Term SOFR Loan, Eurocurrency Loan, SARON Loan, SONIA Loan or TONA Loan, as applicable, then until such time as a Benchmark Replacement for such then-current Benchmark is implemented pursuant to this Section 2.13, (i) if such ~~Eurocurrency~~ Loan is ~~denominated in Dollars~~ a Term SOFR Loan, then on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), such Loan shall be converted by the Administrative Agent to, and shall constitute, a Daily Simple SOFR Loan, or if Daily Simple SOFR is not available, an ABR Loan, in each case, denominated in Dollars on such day or (ii) if such Eurocurrency Loan, SARON Loan, SONIA Loan or TONA Loan, as applicable, is denominated in an Alternative Currency, then such Loan shall, on the last day of the Interest Period or on the Interest Payment Date, as applicable, applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), at the Borrower's election prior to such day: (A) be prepaid by the Borrower on such day or (B) solely for the purpose of calculating the interest rate applicable to such Eurocurrency Loan, such Eurocurrency Loan, SARON Loan, SONIA Loan or TONA Loan, as applicable, shall be deemed to be a ~~Eurocurrency~~Term SOFR Loan ~~denominated in Dollars~~ and shall accrue interest at the same interest rate applicable to ~~Eurocurrency~~Term SOFR Loans ~~denominated in Dollars~~ at such time.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation and administration of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document (other than as provided in the definition of Benchmark Replacement Conforming Changes).

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly (and in any event within five (5) Business Days) notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, and (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, the Borrower or any Lender (or group of Lenders) pursuant to this Section 2.13, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.13.

(d) Unavailability of Tenor of Benchmark. At any time (including in connection with the implementation of a Benchmark Replacement), (i) if a then-current Benchmark is a term rate (including Term SOFR ~~or a Relevant LIBOR~~), then the Administrative Agent may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) the Administrative Agent may reinstate any such previously removed tenor for such Benchmark (including Benchmark Replacement) settings.

Section 2.14. *Increased Costs*. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any reserve requirement contemplated by Section 2.14(e)) or Issuing Bank;

(ii) subject any Lender Party to any Taxes (other than (A) Indemnified Taxes, (B) Excluded Taxes and (C) Other Taxes) with respect to Daily Simple SOFR Loans, Term SOFR Loans or Eurocurrency Loans made by such Lender or any Letter of Credit or participation therein (including on its deposits, reserves, other liabilities or capital attributable thereto); or

(iii) impose on any Lender or such Issuing Bank or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement, Daily Simple SOFR Loans, Term SOFR Loans or Eurocurrency 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, continuing, converting to or maintaining any Daily Simple SOFR Loan, Term SOFR Loan or Eurocurrency Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or such Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or such Issuing Bank hereunder (whether of principal, interest or otherwise), then the Borrowers will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate it for such additional costs incurred or

reduction suffered, but only to the extent such Lender or such Issuing Bank is imposing such charges on borrowers (similarly situated to the Borrowers hereunder) under comparable syndicated credit facilities.

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

(c) A certificate of a Lender or an Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or such Issuing Bank or its holding company, as the case may be, as specified in Section 2.14(a) or 2.14(b) shall be delivered to the Borrower Representative and shall be conclusive absent manifest error. The Borrowers shall pay such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within 30 days after receipt thereof.

(d) Failure or delay by any Lender or any Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; *provided* that the Borrowers shall not be required to compensate a Lender or such Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 180 days before the date that such Lender or any Issuing Bank, as the case may be, notifies the Borrower Representative of the Change in Law giving rise to such increased cost or reduction and of such Lender's or such Issuing Bank's intention to claim compensation therefor; *provided, further* that, if the Change in Law giving rise to such increased cost or reduction is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(e) The Borrowers shall 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 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 [Term SOFR Loans or Eurocurrency 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 Borrower Representative 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 30 days from receipt of such notice.

(f) Except in the case of Section 2.14(a)(ii), this Section 2.14 shall not apply to matters covered by Section 2.16 relating to Taxes, including any Excluded Taxes.

Section 2.15. *Break Funding Payments.* In the event of (a) the payment of any principal of any Term SOFR Loan or Eurocurrency Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Term SOFR Loan or Eurocurrency Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Term SOFR Loan or Eurocurrency Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.10(c) and is revoked in accordance therewith) or (d) the assignment of any Term SOFR Loan or Eurocurrency Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower Representative pursuant to Section 2.18, then, in any such event, the Borrowers shall compensate each Lender for the loss, cost and expense directly attributable to such event. Such loss, cost and expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Term SOFR or Eurocurrency Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits in the relevant currency of a comparable amount and period from other banks in the relevant market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrowers and shall be conclusive absent manifest error. The Borrowers shall pay such Lender the amount shown as due on any such certificate within 30 days after receipt thereof.

Section 2.16. *Taxes.* (a) Any and all payments by or on account of any obligation of any Loan Party under the Loan Documents shall be made free and clear of and without deduction or withholding for any Taxes; *provided* that if a Loan Party shall be required by applicable law to deduct or withhold any Taxes from such payments, then (i) if such Taxes are Indemnified Taxes or Other Taxes the sum payable by such Loan Party shall be increased as necessary so that after making all required deductions and withholdings (including deductions and withholdings applicable to additional sums payable under this Section) each Lender Party receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) such Loan Party shall make such deductions and withholdings and (iii) such Loan Party shall pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law.

(b) Without limiting the provisions of subsection (a) above, each Loan Party shall, jointly and severally, indemnify each Lender Party, within 30 days after written demand therefor, for the full amount of any Indemnified Taxes imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under the Loan Documents (including amounts payable under this Section) or Other Taxes (together with any penalties, interest and reasonable expenses) payable or paid by such Lender Party or required to be withheld or deducted from a payment to such Lender Party, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to such Loan Party by a Lender Party on its own behalf, or by the Administrative Agent on behalf of a Lender Party, shall be conclusive absent manifest error.

(c) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by any Loan Party to a Governmental Authority, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment,



a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) (i) Any Lender that is entitled to an exemption from or reduction of withholding tax (including FATCA) under the law of a Relevant Jurisdiction, or any treaty to which such jurisdiction is a party, or under any law or treaty of any other jurisdiction in which payments may be made by a Borrower pursuant to this Agreement, with respect to payments under this Agreement, shall deliver to the Borrower Representative (with a copy to the Administrative Agent), at the time or times reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower Representative as will permit such payments to be made without withholding or at a reduced rate. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Each Lender shall promptly notify the Administrative Agent of any change in circumstances which would modify or render invalid any such claimed exemption or reduction. Notwithstanding anything to the contrary herein, the completion, execution and submission of such documentation (other than such documentation set forth in clauses (ii) and (iii) of this Section 2.16(d)) 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.

(ii) 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 Borrower Representative and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrower Representative or the Administrative Agent to comply with its obligations under FATCA, to determine that such Lender has or has not complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for the purposes of this Section 2.16(d), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower Representative 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 Borrower Representative 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 Non-U.S. Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower Representative 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 Non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Non-U.S. 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 or W-8BEN-E 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 or W-8BEN-E establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

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

(3) in the case of a Non-U.S. 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 G-1 to the effect that such Non-U.S. Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower Representative 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 or W-8BEN-E; or

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

(e) If a Lender Party determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by a Loan Party or with respect to which a Loan Party has paid additional amounts pursuant to this Section that in the good faith judgment of such Lender Party is allocable to such indemnity or additional amounts and is not subject to return, reassessment or other repayment, 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 such Loan Party under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of such Lender Party’s out-of-pocket expenses and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that such Loan Party, upon the request of such Lender Party, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Lender Party in the event such

Lender Party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will a Lender Party be required to pay any amount to a Loan Party pursuant to this paragraph (f) the payment of which would place the Lender Party in a less favorable net after-tax position than the Lender Party would have been in if the Tax giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section shall not be construed to require any Lender Party to make available its tax returns (or any other information relating to its taxes which it deems confidential) to any Loan Party or any other Person.

(f) Each Lender shall severally indemnify the Administrative Agent for any Taxes, including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section (but only to the extent that the Loan Parties have not already indemnified the Administrative Agent for such Taxes and without limiting the obligation, if any, of the Loan Parties to do so), in each case attributable to such Lender that are paid or payable by the Administrative Agent in connection with any Loan Document, whether or not such Taxes were correctly or legally imposed or asserted, and any reasonable expenses arising therefrom or with respect thereto. This indemnification shall be made within 15 days from the date the Administrative Agent makes demand therefor.

(g) For purposes of this Section 2.16, the term “applicable law” includes FATCA.

Section 2.17. *Payments Generally; Pro Rata Treatment; Sharing of Set-offs.* (a) Each Borrower shall make each payment required to be made by it under the Loan Documents (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.14, 2.15 or 2.16, or otherwise) before the time expressly required under the relevant Loan Document for such payment (or, if no such time is expressly required, before 12:00 noon, local time at the place of payment), on the date when due, in immediately available funds, without set off or counterclaim. Any amount received after such time on any day may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to such account of the Administrative Agent as the Administrative Agent shall specify by notice to the Borrower Representative, except payments to be made directly to any Issuing Bank or the Swingline Lender as expressly provided herein and except that payments pursuant to Sections 2.14, 2.15, 2.16 and 10.03 shall be made directly to the Persons entitled thereto and payments pursuant to other Loan Documents shall be made to the Persons specified therein. The Administrative Agent shall distribute any such payment received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment under any Loan Document shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, if such payment accrues interest, interest thereon shall be payable for the period of such extension. All payments hereunder of principal and interest in respect of any Loan (or of any breakage indemnity or payment under Section 2.15 in respect of any Loan) shall be made in the currency of such Loan; all other payments under each Loan Document shall be made in U.S. Dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) *first*, to pay ratably any unpaid fees, costs and expenses of the Administrative Agent, (ii) *second*, to pay interest and fees then due hereunder, ratably among the other Lender Parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (iii) *third*, to pay principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) If any Lender shall, by exercising any right of set off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Global Loans or participations in LC Disbursements or Swingline Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Global Loans or participations in LC Disbursements and Swingline Loans and accrued interest thereon than the proportion received by any other applicable Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Global Loans, LC Disbursements or Swingline Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Global Loans and participations in LC Disbursements and Swingline Loans; *provided* that (x) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (y) the provisions of this subsection shall not be construed to apply to any payment made by any Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to any Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this subsection shall apply). Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower Representative prior to the date on which any payment is due to the Administrative Agent for the account of one or more Lender Parties hereunder that such payment will not be made, 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 each relevant Lender Party the amount due. In such event, if such payment has not in fact been made, then each of Lender Party severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender Party 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, if such payment is denominated in U.S. Dollars, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, and, if such payment is denominated in an Alternative Currency, a rate determined by the Administrative Agent to represent its cost of overnight or short-term funds in the relevant currency (which determination shall be conclusive absent manifest error).

(e) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04(c), 2.05(d), 2.05(e), 2.06(b), 2.17(d) or 10.03(b), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

Section 2.18. *Mitigation Obligations; Replacement of Lenders.* (a) If any Lender requests compensation under Section 2.14, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.14 or 2.16, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be

disadvantageous to such Lender. The Borrowers agree to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If any Lender requests compensation under Section 2.14, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with paragraph (a) of this Section, or if any Lender becomes a Defaulting Lender, or if a Lender does not consent to a proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of each Lender and has been approved by the Required Lenders, then the Borrower Representative may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign, without recourse (in accordance with and subject to the restrictions contained in Section 10.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that (i) to the extent required under Section 10.04, the Borrower Representative shall have received the prior written consent of the Administrative Agent and the Issuing Banks, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.14 or payments required to be made pursuant to Section 2.16, such assignment will result in a material reduction in such compensation or payments. A Lender shall not be required to make any such assignment if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower Representative to require such assignment cease to apply. At any time prior to the effectiveness of such assignment, the Borrower Representative, in its sole discretion, may revoke the notice requiring such assignment. Each party hereto agrees that (i) an assignment required pursuant to this paragraph may be effected pursuant to an Assignment executed by the Borrower Representative, the Administrative Agent and the assignee and (ii) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; *provided* that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; *provided* that any such documents shall be without recourse to or warranty by the parties thereto.

Section 2.19. [Reserved].

Section 2.20. *Defaulting Lenders.* If any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

- (a) fees shall cease to accrue on the unused portion of the Commitment of such Defaulting Lender pursuant to Section 2.11(a);
- (b) the Commitment and Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification permitted to be effected by the Required Lenders pursuant to Section 10.02);
- (c) if any Swingline Exposure or LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) so long as no Event of Default has occurred and is continuing, the Swingline Exposure and LC Exposure of such Defaulting Lender shall be automatically reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent the sum of all non-Defaulting Lenders' Credit Exposures plus such Defaulting Lender's Swingline Exposure and LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrowers shall within three Business Days following notice by the Administrative Agent (a) *first* prepay such Swingline Exposure and (b) either (x) procure the reduction or termination of the Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) or (y) if requested in writing by the applicable Issuing Bank, cash collateralize for the benefit of such Issuing Bank only the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.05(j) for so long as such LC Exposure is outstanding;

(iii) if the Borrowers cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrowers shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.11(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) to the extent that the LC Exposures of the non-Defaulting Lenders are adjusted pursuant to clause (i) above, then the letter of credit fees payable to the Lenders pursuant to Section 2.11(b) shall to the same extent be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is not reallocated, reduced, terminated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of any Issuing Bank or any other Lender hereunder, all letter of credit fees payable under Section 2.11(b) with respect to such Defaulting Lender's LC Exposure shall be payable to such Issuing Bank until and to the extent that such LC Exposure is reallocated, reduced, terminated and/or cash collateralized; and

(d) so long as such Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swingline Loan and no Issuing Bank shall be required to issue, extend, renew or increase any Letter of Credit, unless it is satisfied that the related exposure and the Defaulting Lender's then outstanding LC Exposure after giving effect thereto will be 100% covered by the Commitments of the non-Defaulting Lenders and/or prepaid, reduced, terminated and/or cash collateralized to the extent requested by the applicable Issuing Bank in accordance with Section 2.20(c), and participating interests in any newly made Swingline Loan or newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.20(c)(i) (and such Defaulting Lender shall not participate therein).

If (i) with respect to any Lender, a Bankruptcy Event or a Bail-In Action with respect to any Person as to which such Lender is, directly or indirectly, a subsidiary, shall occur following the date hereof and for so long as such event shall continue or (ii) the Swingline Lender or any Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its funding obligations under one or more other agreements in which such Lender commits to extend credit, the Swingline Lender shall not be required to fund any Swingline Loan and no Issuing Bank shall be required to issue, extend, renew or increase any Letter of Credit, unless the Swingline Lender or such Issuing Bank, as the case may be, shall

have entered into arrangements with the Borrowers or such Lender, reasonably satisfactory to the Swingline Lender or such Issuing Bank, as the case may be, to defease any risk to it in respect of such Lender hereunder.

In the event that the Administrative Agent, the Borrower Representative, the Swingline Lender and the applicable Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swingline Exposure and the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders other than the Swingline Loans as the Administrative Agent shall determine is necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage; *provided* that there shall be no retroactive effect on fees adjusted or reallocated pursuant to Section 2.20(a) and Section 2.20(c)(iii), (iv) and (v).

Section 2.21. *Incremental Facilities.*

(a) The Borrower Representative may by written notice to the Administrative Agent elect to request the establishment of one or more increases in Commitments (the "**Incremental Commitments**"), by an aggregate amount that is an integral multiple of \$5,000,000 and not less than \$10,000,000 individually (or such lesser amount as may be approved by the Administrative Agent); *provided* that at no time shall the aggregate amount of Commitments, after giving effect to such Incremental Commitments effected pursuant to this Section, exceed \$1,500,000,000. Each such notice shall specify the date (each, an "**Incremental Effective Date**") on which the Borrower Representative proposes that the Incremental Commitments shall be effective. The Borrowers may approach any Lender or any other Person (other than a natural person) to provide all or a portion of the Incremental Commitments; *provided* that any Lender may elect or decline, in its sole discretion, to provide such Incremental Commitment. Each Incremental Commitment shall become effective as of the applicable Incremental Effective Date; *provided* that (i) the conditions set forth in Section 4.02 shall be satisfied (with all references in such Section to a Borrowing being deemed to be references to such Incremental Commitments) and the Administrative Agent shall have received a certificate to that effect dated such date and executed by an Authorized Officer, (ii) the Incremental Commitments shall be effected pursuant to one or more Lender Joinder Agreements executed and delivered by the Borrower Representative and the Administrative Agent, (iii) the Administrative Agent, the Swingline Lender and the Issuing Bank shall have consented (not to be unreasonably withheld or delayed) to any New Lender (as defined below) to the extent such consent, if any, would be required under Section 10.04 for an assignment of Loans or Commitments to such Person and (iv) the Borrowers shall make any payments required pursuant to Section 2.15 in connection with the Incremental Commitments, as applicable.

(b) On any Incremental Effective Date, subject to the satisfaction of the foregoing terms and conditions, (i) each of the Lenders with existing Commitments shall assign to each Lender with an Incremental Commitment (each, a "**New Lender**") and each of the New Lenders shall purchase from each of the Lenders with existing Commitments, at the principal amount thereof, such interests in the Loans outstanding on such Incremental Effective Date as shall be necessary in order that, after giving effect to all such assignments and purchases, the Loans will be held by existing Lenders and New Lenders ratably in accordance with their Commitments after giving effect to the addition of such Incremental Commitments to the Commitments, (ii) each Incremental Commitment shall be deemed for all purposes a Commitment and, each Loan made under an Incremental Commitment (a "**New Loan**") shall be deemed, for all purposes, Loans and (iii) each New Lender shall become a Lender with respect to the Incremental Commitment and all matters relating thereto.

(c) Incremental Commitments and New Loans shall be identical to the Commitments and the Loans.

(d) Each Lender Joinder Agreement may, without the consent of any other Lenders, effect technical and corresponding amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provision of this Section 2.21.

Section 2.22. *Extended Commitments and Extended Loans.*

(a) (i) The Borrower Representative may at any time and from time to time request that all or a portion of the Commitments, and/or any Extended Commitments, each existing at the time of such request (each, an “**Existing Commitment**” and any related revolving credit loans thereunder, “**Existing Loans**”) be converted to extend the termination date thereof and the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of Loans related to such Existing Commitments (any such Existing Commitments which have been so extended, “**Extended Commitments**” and any related Loans, “**Extended Loans**”) and to provide for other terms consistent with this Section 2.22(a). In order to establish any Extended Commitments, the Borrower Representative shall provide a notice (an “**Extension Request**”) to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders) setting forth the proposed terms of the Extended Commitments to be established, which shall not be materially more restrictive to the Loan Parties (as determined in good faith by the Borrower Representative), when taken as a whole, than the terms of the applicable Existing Commitments (the “**Specified Existing Commitment**”) unless (x) the Lenders providing Existing Loans receive the benefit of such more restrictive terms or (y) any such provisions apply after the Maturity Date, in each case, to the extent provided in the applicable Extension Amendment; *provided, however*, that (x) (A) the interest margins with respect to the Extended Commitments may be higher or lower than the interest margins for the Specified Existing Commitments and/or (B) additional fees and premiums may be payable to the Lenders providing such Extended Commitments in addition to or in lieu of any increased margins contemplated by the preceding clause (A) and (y) the facility fee with respect to the Extended Commitments may be higher or lower than the facility fee for the Specified Existing Commitment; *provided* that, notwithstanding anything to the contrary in this Section 2.22(a) or otherwise, (1) the borrowing and repayment of Extended Loans shall be made on a pro rata basis with all other Existing Loans so long as the Existing Commitments are outstanding and (2) assignments and participations of Extended Commitments and Extended Loans shall be governed by the same assignment and participation provisions applicable to Existing Commitments and Existing Loans as set forth in Section 10.04. Any Extension Request by the Borrower Representative shall be made to all Lenders holding the applicable Existing Commitments and Existing Loans, but no Lender shall have any obligation to agree to have any of its Loans or Commitments converted into Extended Loans or Extended Commitments pursuant to such Extension Request. Any Extended Commitments of any Extension Series shall constitute a separate series of revolving credit commitments from the Specified Existing Commitments and from any other Existing Commitments (together with any other Extended Commitments so established on such date).

(ii) Any Lender (an “**Extending Lender**”) wishing to have all or a portion of its Existing Commitments subject to such Extension Request converted into Extended Commitments shall notify the Administrative Agent (an “**Extension Election**”) on or prior to the date specified in such Extension Request of the amount of its Existing Commitments that it has elected to convert into Extended Commitments. Such Extended Commitment shall be treated identically to all other Commitments for purposes of the obligations of a Lender in respect of Swingline Loans under Section 2.04 and Letters of Credit under Section 2.05, except that the applicable Extension Amendment may provide that the maturity dates for Swingline Loans and Letters of Credit, as



applicable, may be extended and the related obligations to make Swingline Loans and issue Letters of Credit may be continued so long as the Swingline Lender and/or the applicable Issuing Bank, as applicable, have consented to such extensions in their sole discretion (it being understood that no consent of any other Lender shall be required in connection with any such extension).

(iii) Extended Commitments, as applicable, shall be established pursuant to an amendment (an “**Extension Amendment**”) to this Agreement executed by the Borrower Representative, the Administrative Agent and the Extending Lenders (and not any other Lenders). No Extension Amendment shall provide for any tranche of Extended Commitments in an aggregate principal amount that is less than \$10,000,000.

(iv) Notwithstanding anything to the contrary contained in this Agreement, (A) on any date on which any Existing Commitment or Existing Loan is converted to extend the related scheduled maturity date(s) in accordance with clause (i) above (an “**Extension Date**”), in the case of the Specified Existing Commitments of each Extending Lender, the aggregate principal amount of such Specified Existing Commitments shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Commitments so converted by such Lender on such date, and such Extended Commitments shall be established as a separate series of revolving credit commitments from any Existing Commitments and (B) if, on any Extension Date, any Loans of any Extending Lender are outstanding under the applicable Specified Existing Commitments, such Loans (and any related participations) shall be deemed to be allocated as Extended Loans (and related participations) and Existing Loans (and related participations) in the same proportion as such Extending Lender’s Specified Existing Commitments to Extended Commitments. Each Extended Commitment shall become effective as of the applicable Extension Date; *provided* that the conditions set forth in Section 4.02 shall be satisfied (with all references in such Section to a Borrowing being deemed to be references to such Extension Request) and the Administrative Agent shall have received a certificate to that effect dated such date and executed by an Authorized Officer,

(b) The Administrative Agent and the Lenders (other than the Swingline Lender and the Issuing Bank to the extent such consent is expressly required by this Section 2.22) hereby consent to the consummation of the transactions contemplated by this Section 2.22 (including payment of any interest, fees, or premium in respect of any Extended Commitments set forth in the relevant Extension Amendment) and hereby waive the requirements of any provision of this Agreement (including, without limitation, any pro rata payment or amendment section) or any other Loan Document that may otherwise prohibit or restrict any such extension or any other transaction contemplated by this Section 2.22.

### ARTICLE 3 REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, each Loan Party makes the following representations and warranties to the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit:

Section 3.01. *Organization; Powers.* Each Loan Party (a) is duly organized, validly existing and in good standing (if applicable) under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and (b) except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material

Adverse Effect, is qualified to do business in, and is in good standing (if applicable) in, every jurisdiction where such qualification is required.

Section 3.02. *Authorization; Enforceability.* The Transactions to be entered into by each Loan Party are within its organizational powers and have been duly authorized by all necessary organizational action. This Agreement has been duly executed and delivered by each Loan Party and constitutes, and each other Loan Document to which any Loan Party is to be a party, when executed and delivered by such Loan Party, will constitute, a legal, valid and binding obligation of such Loan Party, as the case may be, in each case enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.03. *Governmental Approvals; No Conflicts.* The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect or (ii) where the failure to obtain or make them would not reasonably be expected to have a Material Adverse Effect, (b) will not violate (i) the Constituent Documents of any Borrower Group Company or (ii) except where such violation would not reasonably be expected to have a Material Adverse Effect, any law or regulation applicable to any Borrower Group Company or any order of any Governmental Authority, (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon any Borrower Group Company or its assets, or give rise to a right thereunder to require any Borrower Group Company to make any payment except where the failure to do so, in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, and (d) will not result in the creation or imposition of any Lien on any asset of any Borrower Group Company, except where the failure to do so, in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 3.04. *Financial Condition; No Material Adverse Change.* (a) The Borrower Representative has heretofore furnished to the Administrative Agent statements of financial condition, results of operations, changes in equity and cash flows of the Public Company as of and for the (i) fiscal years ended December 31, 2018, December 31, 2019 and December 31, 2020 and (ii) fiscal quarter ended March 31, 2021. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Public Company, as of such dates and for such periods on a consolidated basis and in accordance with GAAP, except to the extent provided in the notes to said financial statements and in the case of the statements referred to in clause (ii) above, subject to year-end adjustments and the absence of footnotes.

(b) Except as disclosed in the financial statements referred to above or the notes thereto and except for the Disclosed Matters, after giving effect to the Transactions, none of the Loan Parties has, as of the Restatement Date, any liabilities and obligations, that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(c) As of the Restatement Date, there has been no material adverse change in the business, results of operations or financial condition of the Loan Parties, taken as a whole, since December 31, 2020.

Section 3.05. *Litigation and Environmental Matters.* (a) As of the Restatement Date, there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Loan Party, threatened in writing against or affecting any Borrower Group Company (i) as to which there is a reasonable possibility of adverse determinations that, in the

aggregate, would reasonably be expected to result in a Material Adverse Effect (other than the Disclosed Matters) or (ii) that involve any of the Loan Documents or the Transactions.

(b) Except for any matters that, in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, no Borrower Group Company (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) is subject to any Environmental Liability, (iii) has received written notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

Section 3.06. *Compliance with Laws.* Each Borrower Group Company is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 3.07. *Investment Company Status; Regulatory Restrictions on Borrowing.* No Loan Party is required to be registered as an “**investment company**” under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”).

Section 3.08. *Taxes.* Each Borrower Group Company has timely filed or caused to be filed all Tax returns required to have been filed by it and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the relevant Borrower Group Company has set aside on its books adequate reserves in accordance with GAAP or (b) to the extent that failures to do so, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. There is no proposed tax assessment against any Borrower Group Company that, if made, could reasonably be expected to have a Material Adverse Effect.

Section 3.09. *ERISA.* (a) No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. Each Borrower Group Company and its ERISA Affiliates are in compliance with those provisions of ERISA and the regulations and published interpretations thereunder which are applicable to it, except where noncompliance could not reasonably be expected to result in a Material Adverse Effect.

(b) Each International Plan has been maintained in compliance with its terms and with the requirements prescribed by applicable law (including any special provisions relating to qualified plans where such International Plan was intended to so qualify) and has been maintained in good standing with the applicable regulatory authorities, except where noncompliance would not result in a Material Adverse Effect. No unfunded liabilities, determined on the basis of actuarial assumptions which are reasonable in the aggregate, exist under all of the International Plans in the aggregate that could reasonably be expected to result in a Material Adverse Effect.

(c) Except as would not reasonably be expected to result in a Material Adverse Effect, no Plan or International Plan is a Multiemployer Plan and no Plan or International Plan is a multiple employer welfare arrangement as defined in Section 3(40) of ERISA which is subject to ERISA.

Section 3.10. *Disclosure.*

(a) None of the written information and written data furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or

any other Loan Document or delivered hereunder or thereunder (as modified or supplemented by other information so furnished), when taken as a whole, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein (taken as a whole), in the light of the circumstances under which they were made, not materially misleading at such time, it being understood and agreed that for purposes of this Section 3.10, such factual information and data shall not include pro forma information, projections, estimates (including financial estimates, forecasts, and other forward-looking information) or other forward-looking information and information of a general economic or general industry nature; *provided* that, with respect to any pro forma information or any projected financial information (including financial estimates, forecasts and other forward-looking information), each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

(b) As of the Restatement Date, the information included in each Beneficial Ownership Certification, if applicable, provided on or prior to the Restatement Date to any Lender in connection with this Agreement is true and correct in all material respects.

Section 3.11. *Compliance with Sanctions and Anti-Corruption Laws.* No Borrower, Guarantor or any of their respective Subsidiaries, or, to the knowledge of any Borrower, any of their respective directors, officers, employees or any of their respective agents that will receive any economic benefit from the credit facility established hereby, is a Person that is, or is 50% or more owned or controlled by Persons that are, the subject of Sanctions, including by being identified on a Sanctions List, or is located, organized or resident in a Sanctioned Country. The Borrowers, the Guarantors and their respective Subsidiaries are in compliance in all material respects with all applicable Sanctions and with the Foreign Corrupt Practices Act of 1977, as amended (the “FCPA”), and all other applicable anti-corruption laws and anti-money laundering laws, and have instituted and maintain policies and procedures reasonably designed to ensure compliance with applicable Sanctions, anti-corruption laws and anti-money laundering laws.

#### ARTICLE 4 CONDITIONS

Section 4.01. *Effectiveness.* This Agreement shall become effective on the date that each of the following conditions shall have been satisfied (or waived in accordance with Section 10.02):

(a) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence reasonably satisfactory to the Administrative Agent (which may include telecopy transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) The Administrative Agent shall have received written opinions (addressed to the Administrative Agent and the Lenders party to this Agreement as of the Restatement Date and dated the Restatement Date) of each of Simpson Thacher & Bartlett LLP, counsel to the Loan Parties, Maples and Calder (Cayman) LLP, special Cayman Islands counsel to KKR Group Partnership L.P., Willkie Farr & Gallagher LLP, special Investment Company Act counsel to the Loan Parties, and David J. Sorkin, general counsel of the Public Company, in form and substance reasonably satisfactory to the Administrative Agent and covering such matters relating to the Loan Parties, the Loan Documents and the Transactions as the Administrative Agent shall

reasonably request. The Borrower Representative hereby requests such counsel to deliver such opinions.

(c) The Administrative Agent shall have received such documents and certificates as the Administrative Agent may reasonably request relating to the organization, existence and good standing of each Loan Party, the authorization of the Transactions and any other legal matters relating to such Loan Party, the Loan Documents or the Transactions, all in form and substance reasonably satisfactory to the Administrative Agent, or, in each case, confirmation that such documentation or authorization has not been modified, waived or rescinded since it was delivered in connection with the Existing Credit Agreement and remains in full force and effect on the Restatement Date.

(d) The Administrative Agent shall have received or shall concurrently receive reasonably satisfactory evidence that the outstanding interest under the Existing Credit Agreement as of the Restatement Date shall have been paid in full.

(e) The Administrative Agent shall have received a certificate, dated the Restatement Date and signed by an Authorized Officer of the Borrower Representative, confirming compliance with the conditions set forth in clauses (a) and (b) of Section 4.02.

(f) The Administrative Agent shall have received payment in full of (i) fees due on the Restatement Date pursuant to the Fee Letter, and (ii) to the extent invoiced in reasonable detail at least three Business Days prior to the Restatement Date, reimbursement or payment of all out of pocket expenses required to be reimbursed or paid by any Loan Party hereunder.

(g) The Lenders shall have received, to the extent requested by the Lenders at least 10 days prior to the Restatement Date, on or before the date which is five Business Days prior to the Restatement Date, all documentation and other information with respect to the Loan Parties required by bank regulatory authorities under applicable “**know your customer**” and anti-money laundering rules and regulations including the USA PATRIOT Act.

(h) To the extent the any Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, at least 10 days prior to the Restatement Date, any Lender that has requested, in a written notice to the Borrower Representative, a Beneficial Ownership Certification in relation to any Borrower shall have received such Beneficial Ownership Certification.

The Administrative Agent shall notify the Borrower Representative and the Lenders of the Restatement Date, and such notice shall be conclusive and binding. On the Restatement Date, the Existing Credit Agreement will be automatically amended and restated in its entirety to read as set forth herein. On and after the Restatement Date the rights and obligations of the parties hereto shall be governed by this Agreement; *provided* that the rights and obligations of the parties hereto with respect to the period prior to the Restatement Date shall continue to be governed by the provisions of the Existing Credit Agreement. Credit Exposures outstanding under the Existing Credit Agreement on the Restatement Date shall be adjusted as set forth in Schedule 2.01 hereto.

Section 4.02. *Each Credit Event.* The obligation of each Lender to make any Loan, and of each Issuing Bank to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) The representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable (except where such representations and

warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date); *provided* that, any representation and warranty that is qualified as to “materiality,” “Material Adverse Effect” or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates.

(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, no Default shall have occurred and be continuing.

(c) In the case of a Borrowing to be denominated in an Alternative Currency, there shall not have occurred any significant 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 Lenders would make it impracticable for such Borrowing to be denominated in the relevant Alternative Currency.

Each Borrowing and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrowers, on the date thereof as to the matters specified in clauses (a) and (b) of this Section.

#### ARTICLE 5 AFFIRMATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees and any other amounts payable under the Loan Documents (other than Contingent Obligations) have been paid in full and all Letters of Credit have expired or been cancelled and all LC Disbursements have been reimbursed, each of the Loan Parties covenants and agrees with the Lenders that:

Section 5.01. *Financial Statements; Other Information.* The Borrower Representative will furnish to the Administrative Agent:

(a) as soon as available and in any event on or before the date that is five days after the date on which consolidated financial statements of the Public Company are required to be filed with the SEC (after giving effect to any permitted extensions; and if such consolidated financial statements are not required to be filed with the SEC, on or before the date that is 120 days after the end of each fiscal year of the Public Company), (i) the consolidated statements of financial condition, operations, changes in equity and cash flows as of the end of and for such year, in each case for the Public Company and (ii) management’s segment financial information as set forth in the consolidated financial statements and notes thereto of the Public Company, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, and, in each case, certified by independent certified public accountants of recognized national standing whose opinion shall not be qualified as to the scope of audit or as to the status of the Public Company or any of the Material Subsidiaries (or group of Subsidiaries that together would constitute a Material Subsidiary) as a going concern (other than any exception, explanatory paragraph or qualification, that is expressly solely with respect to, or expressly resulting solely from, (i) an upcoming maturity date under any Indebtedness occurring within one year from the time such opinion is delivered or (ii) any potential inability to satisfy a financial maintenance covenant on a future date or in a future period);

(b) as soon as available and in any event on or before the date that is five days after the date on which consolidated financial statements of the Public Company are required to be filed with the SEC

with respect to each of the first three fiscal quarters (commencing with the fiscal quarter ending June 30, 2021) of each fiscal year of the Public Company (after giving effect to any permitted extensions; and if such consolidated financial statements are not required to be filed with the SEC, on or before the date that is 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Public Company), (i) the consolidated statements of financial condition, operations, changes in equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, in each case for the Public Company and (ii) management's segment financial information as set forth in the consolidated financial statements and notes thereto of the Public Company, setting forth in each case in comparative form the figures for the corresponding period or periods of the previous fiscal year;

(c) no later than the date that the financial statements or other information is required to be delivered under clause (a) or (b) above, a duly completed Compliance Certificate of an Authorized Officer of the Borrower Representative (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.05 and (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the financial statements referred to in Section 3.04 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate; and

(d) promptly following any request therefor, (i) such other information regarding the operations, business affairs and financial condition of any Borrower Group Company, or compliance with the terms of any Loan Document, as the Administrative Agent (or the Administrative Agent on behalf of the Required Lenders) may reasonably request and (ii) such other information reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money laundering rules and, as applicable, the Beneficial Ownership Regulation (including any information that would result in a change to the list of beneficial owners identified in a Beneficial Ownership Certification).

Documents required to be delivered pursuant to Section 5.01 (other than Section 5.01(c)) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the earliest date on which (i) such documents are posted on the Public 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) or (ii) such financial statements and/or other documents are posted on the SEC's EDGAR website on the Internet; *provided* that the Borrower Representative shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents on any website described in this paragraph and upon request by the Administrative Agent, provide to the Administrative Agent by electronic mail electronic versions (*i.e.*, soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrowers with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Each Borrower hereby acknowledges that (a) the Administrative Agent may make available to the Lenders and the Issuing Banks materials and/or information provided by or on behalf of the Borrowers hereunder (collectively, "**Borrower Materials**") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "**Platform**"), so long as the access to such Platform (i) is limited to the Administrative Agent, the Lenders and assignees or prospective assignees and their respective advisors and (ii) remains subject to the confidentiality requirements set forth in Section 10.12, and (b) certain of the Lenders may be "public-side" Lenders (*i.e.*, Lenders that do not wish to receive material non-public information with respect to the Loan Parties or their securities) (each, a "**Public**

**Lender**”). The Borrower Representative hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked “PUBLIC” which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof; (x) by marking Borrower Materials “PUBLIC,” the Borrower Representative shall be deemed to have authorized the Administrative Agent, the Issuing Banks and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrowers or their respective 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 10.12); (y) all Borrower Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated “Public Investor;” and (z) the Administrative Agent 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 Investor.” Notwithstanding the foregoing, the Borrower Representative shall be under no obligation to mark any Borrower Materials “PUBLIC.”

Section 5.02. *Notices of Material Events.* The Borrower Representative will furnish to the Administrative Agent (which will promptly thereafter furnish to the Lenders) prompt written notice of the following:

- (a) the occurrence of any Default or Event of Default;
- (b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting any Borrower Group Company or any Affiliate thereof that could reasonably be expected to be adversely determined and, if so determined, would reasonably be expected to result in a Material Adverse Effect; and
- (c) any other development that results in, or would reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of the Authorized Officer of the Borrower Representative setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03. *Existence; Conduct of Business.* Each Loan Party will, and will cause each of its Material Subsidiaries to, take all actions necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect; *provided* that the foregoing shall not prohibit any merger, consolidation, liquidation, dissolution, change in jurisdiction or conversion of organizational form permitted by Section 6.02.

Section 5.04. *Payment of Taxes.* Each Loan Party will pay and discharge, and will cause each of its Subsidiaries to pay and discharge, all tax obligations before the same shall become delinquent or in default and before penalties accrue thereon, except where (a) (i) the validity or amount thereof is being contested in good faith by appropriate proceedings, (ii) such Loan Party has set aside on its books adequate reserves with respect thereto (in the good faith judgment of the management of such Loan Party) in accordance with GAAP, and (iii) such contest effectively suspends collection of the contested obligation and the enforcement of any Lien securing such obligation or (b) the failure to make payment pending such contest would not reasonably be expected to result in a Material Adverse Effect.

Section 5.05. *Maintenance of Properties; Insurance.* Each Loan Party will, and will cause each of its Subsidiaries to, (a) keep and maintain all property material to the conduct of its business



in good working order and condition, ordinary wear and tear excepted, except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect and (b) maintain insurance in such amounts and against such risks as, in the good faith judgment of the management of such Loan Party, is reasonable and prudent to be maintained by companies of the same size and nature of business operating in the same or similar locations and in light of the availability of insurance on a cost-effective basis.

Section 5.06. *Books and Records; Inspection Rights.* Each Loan Party will, and will cause each of its Subsidiaries to, keep books of record and account with respect to its assets and business and will permit any representatives designated by the Administrative Agent or the Required Lenders, upon reasonable prior notice, to visit and inspect its properties, to examine its books and records, and to discuss its affairs, finances and condition with its officers, all at such reasonable times and as often as reasonably requested; *provided* that (x) excluding any such visits and inspections during the continuation of an Event of Default, (i) only the Administrative Agent on behalf of the Required Lenders may exercise the rights of the Administrative Agent and the Lenders under this Section and (ii) the Administrative Agent may not exercise such rights more than once in any calendar year, and (y) when an Event of Default exists, the Administrative Agent or any representative of the Required Lenders (or any of its respective representatives or independent contractors) may do any of the foregoing at the expense of the applicable Borrower Group Company at any time during normal business hours and upon reasonable advance notice. Notwithstanding anything to the contrary in this Section 5.06, none of the Loan Parties will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discuss, any document, information or other matter that (a) constitutes non-financial trade secrets or non-financial proprietary information, (b) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or agents) is prohibited by law or any agreement binding on a third party (not created in contemplation thereof) or (c) in any Loan Party's reasonable judgment, would compromise any attorney-client privilege, privilege afforded to attorney work product or similar privilege, *provided* that such Borrower Group Company shall make available redacted versions of requested documents or, if unable to do so consistent with the preservation of such privilege, shall make commercially reasonable efforts to disclose information responsive to the requests of the Administrative Agent, any Lender or any of their respective representatives and agents, in a manner that will protect such privilege.

Section 5.07. *Compliance with Laws.* Each Loan Party will, and will cause each Subsidiary to, comply with all laws, rules, regulations and orders of any Governmental Authority (including, without limitation, Environmental Laws and applicable Sanctions and the FCPA and all other applicable anti-corruption laws, and the rules and regulations promulgated thereunder) applicable to it or its property, except where failures to do so, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrowers, the Guarantors and their respective Subsidiaries will maintain policies and procedures designed to ensure compliance with applicable Sanctions and anti-corruption laws.

Section 5.08. *Use of Proceeds and Letters of Credit.* The proceeds of the Loans and Letters of Credit will be used for general corporate purposes (including any transaction not prohibited by the Loan Documents); *provided* that no part of the proceeds of any Loan, and no Letter of Credit, will be used, whether directly or indirectly, for any purpose that entails a violation of Regulation U or X of the Board.

Section 5.09. *Further Assurances.* If any Person (i) becomes an Additional Group Partnership after the Restatement Date, the Borrower Representative will, within 60 days after such Person becomes an Additional Group Partnership (or such longer period of time as reasonably agreed by the Administrative Agent) notify the Administrative Agent (on behalf of the Lenders) thereof and, with

the approval of (x) the Administrative Agent acting at the direction of the Required Lenders (not to be unreasonably withheld or conditioned) for any Additional Group Partnership organized under the laws of the United States or any state thereof, Cayman Islands or Luxembourg and (y) the Administrative Agent and each Lender for any Additional Group Partnership organized in any foreign jurisdiction other than Cayman Islands or Luxembourg, upon request, deliver to the Lenders all documentation and other information with respect to such Additional Group Partnership required by bank regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations including the USA PATRIOT Act and the Beneficial Ownership Regulation and cause such Additional Group Partnership to become a Borrower by delivering to the Administrative Agent a Loan Party Joinder Agreement executed by such Additional Group Partnership and the Borrower Representative, and upon such delivery (and the delivery in connection therewith of written opinions of counsel and documents and certificates as the Administrative Agent may reasonably require), such Additional Group Partnership shall for all purposes of this Agreement be a Borrower and a party to this Agreement or (ii) is required to be a Guarantor after the Restatement Date, the Borrower Representative will cause such Person to become a Guarantor pursuant to the terms of Section 11.07. The Borrower Representative shall not be required to comply with this Section 5.09 in case the Administrative Agent acting at the direction of the Required Lenders or each Lender, as the case may be, does not approve such Additional Group Partnership to become a Borrower under this Agreement.

ARTICLE 6  
NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees and any other amounts payable under the Loan Documents (other than Contingent Obligations) have been paid in full and all Letters of Credit have expired or been cancelled and all LC Disbursements have been reimbursed, each of the Loan Parties covenants and agrees with the Lenders that:

Section 6.01. *Liens.* The Loan Parties shall not create, assume, incur or guarantee any Indebtedness for money borrowed that is secured by a Lien (other than Permitted Liens) on any voting stock or profit participating equity interests of their respective Subsidiaries (to the extent of their ownership of such voting stock or profit participating equity interests) or any entity that succeeds (whether by merger, consolidation, sale of assets or otherwise) to all or any substantial part of the business of any of such Subsidiaries, without providing that the Obligations hereunder (together with, if the Loan Parties shall so determine, any other Indebtedness of (including any Guarantee of Indebtedness by) the Loan Parties ranking equally with the Obligations and existing as of the Restatement Date or thereafter incurred) will be secured equally and ratably with or prior to all other Indebtedness secured by such Lien on the voting stock or profit participating equity interests of any such entities. This Section 6.01 shall not limit the ability of the Loan Parties to incur Indebtedness or other obligations secured by Liens on assets other than the voting stock or profit participating equity interests of their respective Subsidiaries.

Section 6.02. *Fundamental Changes.* No Loan Party shall be a party to a Substantially All Merger or participate in a Substantially All Sale, unless:

(i) such Loan Party is the surviving Person, the Person formed by or surviving such Substantially All Merger or to which such Substantially All Sale has been made or resulting from a Substantially All Reorganization (the “**Successor Person**”) is organized under the laws of the United States or any state thereof, Canada, Cayman Islands, Ireland, Luxembourg or any country in the United Kingdom (collectively, the “**Permitted Jurisdictions**”), and is either (x) an

existing Loan Party or (y) has expressly assumed, by a Loan Party Joinder Agreement, all of the obligations of such Loan Party under the Loan Documents;

(ii) immediately after giving effect to such transaction, no Default or Event of Default has occurred and is continuing;

(iii) the Lenders shall have received all documentation and other information with respect to the Successor Person required by bank regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations including the USA PATRIOT Act;

(iv) at least 10 days prior to the effective date of the applicable Loan Party Joinder Agreement, any Lender that has requested, in a written notice to the Borrower Representative, a Beneficial Ownership Certification shall have received such Beneficial Ownership Certification; and

(v) such Loan Party shall have delivered to the Administrative Agent a customary opinion of counsel with respect to the Successor Person and the Loan Party Joinder Agreement and a certificate on behalf of such Loan Party signed by one of its Authorized Officers stating that all conditions provided in this Section 6.02 relating to such transaction have been satisfied.

Section 6.03. *Use of Proceeds; Sanctions; Anti-Corruption Laws.* (a) No Borrower will use the proceeds of the Loans or Letters of Credit, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person which will use such proceeds, in each case for the purpose of directly, or to its knowledge indirectly, funding activities or business (i) of or with any Person, that at the time of such funding is (A) identified on a Sanctions List, (B) owned, directly or indirectly, 50% or more by one or more Persons identified on a Sanctions List, or (C) located, organized or resident in a Sanctioned Country or (ii) in any country, that at the time of such funding, is a Sanctioned Country, in each case of clauses (i) and (ii), in violation of applicable Sanctions or if such use of proceeds would be in violation of applicable Sanctions if conducted by a U.S. Person.

(b) No part of the proceeds of the Loans will be used, directly or indirectly, for the purpose of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the FCPA or any other applicable anti-corruption law or anti-money laundering law.

Section 6.04. *Fiscal Year.* The Public Company shall not change its fiscal year-end from December 31.

Section 6.05. *Financial Covenants.*

(a) Fee Paying Assets Under Management, calculated on the last day of any fiscal quarter, commencing September 30, 2021, shall not be less than \$100,000,000,000; and

(b) The Leverage Ratio, calculated on the last day of any fiscal quarter, commencing September 30, 2021, shall not be greater than 4.0 to 1.0.

ARTICLE 7  
EVENTS OF DEFAULT

If any of the following events (“**Events of Default**”) shall occur:

- (a) the Borrowers shall fail to pay any principal of any Loan when the same shall become due and payable;
- (b) the Borrowers shall fail to pay any interest on any Loan or any fee, any reimbursement obligation in respect of any LC Disbursement or any other amount (other than an amount referred to in (a) of this Article) payable under any Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five days;
- (c) any representation, warranty, or certification made or deemed made by or on behalf of any Loan Party in any Loan Document or any certificate furnished pursuant to any Loan Document, shall prove to have been incorrect in any material respect when made or deemed made;
- (d) the Borrowers shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), 5.03 (with respect to the existence of any Loan Party), 5.08 or in Article 6;
- (e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in any Loan Document (other than those specified in clause (a), (b) or (d) of this Article), and such failure shall continue unremedied for a period of 30 days after written notice thereof from the Administrative Agent or the Required Lenders to the Borrower Representative;
- (f) any Borrower Group Company shall fail to make any payment in respect of any Material Indebtedness (whether of principal or interest or, in the case of Swap Contracts, payment required as a result of termination events of such Swap Contracts and that is not otherwise being contested in good faith), when the same shall become due and payable (after giving effect to all applicable grace period and delivery of all required notices, if any, provided in the instrument or agreement under which such Material Indebtedness was created), whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;
- (g) any event or condition occurs (other than, with respect to Indebtedness in respect of Swap Contracts, termination events (such as illegality, force majeure or tax events) or equivalent events that are not events of default pursuant to the terms of such Swap Contracts) (after giving effect to all applicable grace period and delivery of all required notices) that results in any Material Indebtedness becoming due before its scheduled maturity or that enables or permits the holder or holders of such Material Indebtedness or any trustee or agent on its or their behalf to cause Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, before its scheduled maturity; *provided* that this clause (g) shall not apply to secured Indebtedness that becomes due as a result of the sale, transfer or other disposition (including as a result of the casualty or condemnation event) of the property securing such Indebtedness;
- (h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Loan Party or Material Subsidiary or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Loan Party or Material Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue

undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) any Loan Party or Material Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Loan Party or Material Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) any Loan Party shall admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in an aggregate amount in excess of \$100,000,000 (after giving effect to amounts payable by insurance) shall be rendered against any Loan Party or Material Subsidiary and shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any asset of any Loan Party or Material Subsidiary to enforce any such judgment;

(l) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect;

(m) an International Plan shall fail to comply with applicable local law, which, in the aggregate, would reasonably be expected to result in a Material Adverse Effect;

(n) a Change of Control shall occur; or

(o) the Loan Party Guaranty shall at any time fail to constitute a valid and binding agreement of (i) the Public Company or (ii) any other Guarantor party thereto (in the case of clause (ii), in any material respects) or any party shall so assert in writing;

then, and in every such event (other than an event with respect to any Borrower described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent may with the consent of the Required Lenders and shall, at the request of the Required Lenders, by notice to the Borrower Representative, take any or all of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately or (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are waived by each Borrower to the extent permitted by applicable law; *provided, however*, that the Administrative Agent shall not be obligated to follow any direction by Required Lenders if Administrative Agent reasonably determines that such direction is in conflict with any provisions of any applicable law, and the Administrative Agent shall not, under any circumstances, be liable to any Lenders, Issuing Banks, the Borrowers, the Guarantors or any other person or entity for following the

direction of Required Lenders. At all times, if the Administrative Agent acting at the direction of the Required Lenders advises the Lenders that it wishes to proceed in good faith with respect to any enforcement action, each of the Lenders will cooperate in good faith with respect to such enforcement action and will not unreasonably delay the enforcement of the Loan Documents; and in case of any event with respect to any Borrower described in clause (h) or (i) of this Article, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are waived by each Borrower to the extent permitted by applicable law.

ARTICLE 8  
THE ADMINISTRATIVE AGENT

Section 8.01. *Appointment and Authorization.* Each Lender Party hereby irrevocably appoints the Administrative Agent as its agent 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 of the Loan Documents, together with such actions and powers as are reasonably incidental thereto.

Section 8.02. *Rights and Powers as a Lender.* The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and 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 bank and its Affiliates may accept deposits from, lend money to, act as financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, any Loan Party or Affiliate thereof as if it were not the Administrative Agent hereunder and without duty to account therefor to the Lenders or the Issuing Banks.

Section 8.03. *Limited Parties and Responsibilities.* The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required in writing to exercise as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.02); *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 such Administrative Agent to liability, if the Administrative Agent is not indemnified to its satisfaction, or that is contrary to any Loan Document or applicable law, and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for any failure to disclose, any information relating to any Loan Party that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it (x) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.02), (y) in the absence of its own gross negligence or willful misconduct (as finally determined by a court of competent jurisdiction) or (z) by reason of any occurrence beyond the control of the Administrative Agent (including but not limited to any act or provision of any present or future law or regulation of any Governmental Authority, any act of God or

war, civil unrest, local or national disturbance or disaster, any act of terrorism, or the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility). The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower Representative or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article 4 or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent. The Administrative Agent will notify the Lenders and Issuing Banks of its receipt of any such notice. The Administrative Agent shall take such action with respect to such default or event of default as may be directed by the Required Lenders in accordance with the terms of this Agreement; *provided, however* that unless and until the Administrative Agent has received any such direction by Required Lenders, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to any such default or event of default as it shall deem advisable or in the best interest of the Lenders and Issuing Banks. Nothing in this Agreement shall oblige the Administrative Agent to carry out any “know your customer”, Beneficial Ownership Regulation or other checks in relation to any person on behalf of any Lender and each Lender confirms to the Administrative Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Administrative Agent. In no event shall the Administrative Agent be required to expend or risk any of its own funds or otherwise incur any liability, financial or otherwise, in the performance of its duties under the Loan Documents or in the exercise of any of its rights or powers under this Agreement.

Section 8.04. *Authority to Rely on Certain Writings, Statements and Advice.* The Administrative Agent shall be entitled to rely on, and shall not incur any liability for relying on, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely on any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, the Administrative Agent may presume that such condition is satisfactory to such Lender or Issuing Bank unless the Administrative Agent receives notice to the contrary from such Lender or Issuing Bank 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 a Loan Party), 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.

Section 8.05. *Sub-Agents and Related Parties.* The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by it. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding Sections 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.

Section 8.06. *Resignation; Successor Administrative Agent.* (a) Subject to the appointment and acceptance of a successor Administrative Agent as provided in this Section, the

Administrative Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Borrower Representative. Upon any such resignation, the Required Lenders shall have the right, in consultation with the Borrower Representative, to appoint a successor. If no 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, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. Upon acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower Representative to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed by the Borrower Representative and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 10.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

(b) Notwithstanding clause (a) above, any entity into which the Administrative Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Administrative Agent in its individual capacity shall be a party, or any corporation to which substantially all of the corporate trust business of the Administrative Agent in its individual capacity may be transferred, shall succeed the Administrative Agent and assume the obligations of the Administrative Agent, without any further action; *provided* that the Administrative Agent shall notify the Borrower Representative and the Lenders of such merger, conversion, consolidation or transfer.

(c) Notwithstanding paragraph (a) of this Section, in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders, the Issuing Banks and the Borrower Representative, whereupon, on the date of effectiveness of such resignation stated in such notice, (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (ii) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; *provided* that (A) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person and (B) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall directly be given or made to each Lender and each Issuing Bank. Following the effectiveness of the Administrative Agent's resignation from its capacity as such, the provisions of this Article and Section 10.03, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 8.07. *Credit Decisions by Lenders.* Each Lender acknowledges that it has, independently and without reliance on the Administrative Agent, the Arranger or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance on the Administrative Agent, the Arranger or any other Lender 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 on this Agreement, any other Loan Document or related agreement or any document furnished hereunder or thereunder.

Section 8.08. *Arranger*. The Arranger shall have no duty or obligation whatsoever under this Agreement.

Section 8.09. *Withholding Taxes*. To the extent required by any applicable law, the Administrative Agent shall be entitled to deduct withholding from any payment to any Lender as required under applicable law and shall have no obligation to gross-up any payment hereunder or to pay any additional amount as a result of such withholding. If the Internal Revenue Service or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify the Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, or if Administrative Agent reasonably determines that a payment was made to a Lender pursuant to this Agreement without deduction of applicable withholding Tax from such payment, such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties or interest and together with all expenses (including legal expenses, allocated internal costs and out-of-pocket expenses) incurred.

Section 8.10. *Administrative Agent May File Proofs of Claim*. In case of any bankruptcy or other insolvency proceeding involving any Loan Party (a, "**Bankruptcy Proceeding**"), the Administrative Agent shall be entitled but not obligated to intervene in such Bankruptcy Proceeding to (a) file and prove a claim for the whole amount of principal, interest and unpaid fees in respect of the Loans, issued Letters of Credit and all other Obligations that are owing and unpaid under the terms of this Agreement and other Loan Documents and to file such documents as may be necessary or advisable in order to have the claims of the Lenders, Issuing Banks and Administrative Agent (including any claim for reasonable compensation, expenses, disbursements and advances of any of the foregoing entities and their respective agents, counsel and other advisors) allowed in such Bankruptcy Proceedings; and (b) to collect and receive any monies or other property payable or deliverable on account of any such claims and to distribute the same to the Lenders and Issuing Banks under the terms of this Agreement. Further, any custodian, receiver, assignee, trustee, liquidator or similar official in any such Bankruptcy Proceeding is (i) authorized to make payments or distributions in a Bankruptcy Proceeding directly to the Administrative Agent on behalf of all of the Lenders or Issuing Banks to whom any amounts are owed under this Agreement and other loan documents, unless the Administrative Agent expressly consents in writing to the making of such payments or distributions directly to such Lenders and Issuing Banks; and (ii) required 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 this Agreement and other loan documents.

## ARTICLE 9 MULTIPLE BORROWERS

Section 9.01. *Joint and Several*. Each Borrower agrees that the representations and warranties made by, and the liabilities, obligations and covenants of and applicable to, any and all of the Borrowers under this Agreement, shall be in every case (whether or not specifically so stated in each such case herein) joint and several in all circumstances; *provided* that the maximum liability of each Borrower hereunder and under the other Loan Documents shall in no event exceed the amount which can be incurred by such Borrower under applicable laws relating to the insolvency of debtors. Each Borrower accepts, as co-debtor and not merely as surety, such joint and several liability with the other Borrowers and hereby waives any and all suretyship defenses that it might otherwise have hereunder. If

and to the extent that any of the Borrowers shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then in each such event the other Borrowers will make such payment with respect to, or perform, such Obligation. Without limiting the generality of the foregoing, each Borrower agrees that the obligations of such Borrower hereunder and under the other Loan Documents shall be enforceable against such Borrower notwithstanding that this Agreement or any other Loan Document may be unenforceable in any respect against any other Borrower or that any other Borrower may have commenced bankruptcy, reorganization, liquidation or similar proceedings.

Section 9.02. *No Subrogation.* Notwithstanding any payment or payments made by any of the Borrowers hereunder or any set-off or application of funds of any of the Borrowers by any Lender, the Borrowers shall not be entitled to be subrogated to any of the rights of the Administrative Agent or any Lender against any Borrower or any Guarantor or other guarantor or any collateral security or guaranty or right of offset held by the Administrative Agent or any Lender for the payment of the Obligations, nor shall the Borrowers seek or be entitled to seek any contribution or reimbursement from any Borrower or any Guarantor or other guarantor in respect of payments made by any Borrower hereunder, until all amounts owing to the Administrative Agent and the Lenders by the Borrowers on account of the Obligations (other than Contingent Obligations) are paid in full and the Commitments are terminated. If any amount shall be paid to any Borrower on account of such subrogation or contribution rights at any time when all of the Obligations shall not have been paid in full or the Commitments shall not have been terminated, such amount shall be held by such Borrower in trust for the Administrative Agent and the Lenders, segregated from other funds of such Borrower, and shall, promptly upon receipt by such Borrower, be turned over to the Administrative Agent in the exact form received by such Borrower (duly indorsed by such Borrower to the Administrative Agent, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Administrative Agent may determine.

Section 9.03. *Full Knowledge.* Each Borrower acknowledges, represents and warrants that such Borrower has had a full and adequate opportunity to review the Loan Documents. Each Borrower represents and warrants that such Borrower fully understands the remedies the Administrative Agent (on behalf of the Lenders) may pursue against such Borrower and each other Borrower in the event of a default under the Loan Documents and such Borrower's and each other Borrower's financial condition and ability to perform under the Loan Documents. Each Borrower agrees to keep itself fully informed regarding all aspects of such Borrower's and each other Borrower's financial condition and the performance of such Borrower's and each other Borrower's obligations under this Agreement and the other Loan Documents. Each Borrower agrees that neither the Administrative Agent nor any Lender has any duty, whether now or in the future, to disclose to any Borrower any information pertaining to such Borrower, any other Borrower, any Guarantor or other guarantor or any collateral security or guaranty.

Section 9.04. *Reinstatement.* Each Borrower's obligations hereunder shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, administration, dissolution, liquidation or reorganization of any Borrower or any Guarantor or other guarantor, or upon or as a result of the appointment of a receiver, administrative receiver, administrator, intervenor or conservator of, or trustee or similar officer for, any Borrower or any Guarantor or other guarantor or any substantial part of the property of such Borrower, Guarantor or other guarantor, or otherwise, all as though such payments had not been made.

Section 9.05. *Borrower Representative.* Each Loan Party and, if applicable, the general partners (or general partners of those general partners, as the case may be) of such Loan Party, hereby designates Kohlberg Kravis Roberts & Co. L.P. as its representative and agent (in such capacity,

the “**Borrower Representative**”) for all purposes under the Loan Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of financial reports, requests for waivers, amendments or other accommodations, actions under the Loan Documents (including in respect of compliance with covenants), and all other dealings with the Administrative Agent, any Issuing Bank, the Swingline Lender or any Lender. Kohlberg Kravis Roberts & Co. L.P. hereby accepts such appointment as Borrower Representative. The Administrative Agent, the Issuing Banks, the Swingline Lender and the Lenders shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any notice of borrowing) delivered by the Borrower Representative on behalf of any Borrower. The Administrative Agent, the Issuing Banks, the Swingline Lender and the Lenders may give any notice or communication with a Borrower hereunder to the Borrower Representative on behalf of such Borrower. Each of the Administrative Agent, Issuing Banks, the Swingline Lender and the Lenders shall have the right, in its discretion, to deal exclusively with the Borrower Representative for any or all purposes under the Loan Documents. Each Borrower agrees that any notice, election, communication, representation, agreement or undertaking made on its behalf by the Borrower Representative shall be binding upon and enforceable against it.

ARTICLE 10  
MISCELLANEOUS

Section 10.01. *Notices.* (a) Unless otherwise expressly provided herein, all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile transmission) and shall be delivered by hand or overnight courier service, mailed by certified or registered mail, sent by telecopy or sent by electronic mail, as follows:

(i) If to any Loan Party, to it in care of the Borrower Representative at 30 Hudson Yards, New York, New York 10001 (Email: James.Rudy@kkr.com; Attention: Chief Financial Officer; *provided* that a copy of all such notices and other communications shall be delivered to (x) Borrower Representative at 30 Hudson Yards, New York, New York 10001 (Email: James.Rudy@kkr.com), Attention: General Counsel and (y) Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017 (Telecopy No. (212) 455-2502), Attention: Justin Lungstrum.

(ii) If to the Administrative Agent, to HSBC Bank USA, National Association, Corporate Trust and Loan Agency, 452 5<sup>th</sup> Avenue (8E6), New York, New York 10018, Attention of Corporate Trust and Loan Agency (Telecopy No. (917) 229-6659; Electronic Mail Address: ctlaney.loanagency@us.hsbc.com, CTLANY.TransactionManagement@us.hsbc.com).

(iii) If to HSBC Bank USA, National Association, in its capacity as the Issuing Bank, to HSBC Bank USA, National Association, 2 Hanson Place – 14<sup>th</sup> Floor, Brooklyn, New York, Attention of Global Trade and Receivable Finance (Telecopy No. (718) 488-4902; Electronic Mail Address: sharon.adamo@us.hsbc.com, loly.marte@us.hsbc.com, stella.fung@us.hsbc.com).

(iv) If to the Swingline Lender, to HSBC Bank USA, National Association, 452 5<sup>th</sup> Avenue (8E6), New York, New York 10018, Attention of Corporate Trust and Loan Agency (Telecopy No. (917) 229-6659; Electronic Mail Address: ctlaney.loanagency@us.hsbc.com, CTLANY.TransactionManagement@us.hsbc.com).

(v) If to any other Lender, to it at its address (or telecopy number or electronic mail address) set forth in its Administrative Questionnaire.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or any Borrower may, in its discretion, agree to accept notices and other communications to it or in its care hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

(c) Any party hereto may change its address, telecopy number or electronic mail address for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt, which shall be deemed to occur in the case of courier service, mail, telecopy or electronic mail as follows:

- (i) if by way of courier service or mail, when it has been received at the relevant address in an envelope addressed to such party at that address; or
- (ii) if by way of telecopy, when received in legible form;
- (iii) if by way of electronic mail, when received;

and, if a particular department or officer is specified as part of its address details provided pursuant to this Section, if addressed to that department or officer; *provided* that (x) any communication to be made or delivered to the Administrative Agent will be effective only when actually received by the Administrative Agent and then only if it is expressly marked for the attention of the department or officer specified by the Administrative Agent for this purpose, and (y) it is understood that any communication made or delivered to the Borrower Representative in accordance with this Section will be deemed to have been made or delivered to each of the Loan Parties.

Section 10.02. *Waivers; Amendments.* (a) No failure or delay by any Lender Party in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Lender Parties under the Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by Section 10.02(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(b) Subject to Section 2.13(~~b~~), no Loan Document or provision thereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower Representative and the Required Lenders or by the Borrower Representative and the Administrative Agent with the consent of the Required Lenders; *provided* that no such agreement shall

- (i) increase the Commitment without the written consent of each Lender directly and adversely affected thereby,
- (ii) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce any fee payable hereunder, without the written consent of each Lender Party directly and adversely affected thereby,
- (iii) postpone the scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any date for the payment of any interest or any fee payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender Party directly and adversely affected thereby,
- (iv) change Section 2.17(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender directly and adversely affected thereby,
- (v) change any provision of this Section or the definition of “**Required Lenders**” or any other provision of any Loan Document specifying the number or percentage of Lenders required to take any action thereunder, without the written consent of each Lender,
- (vi) release all or substantially all of the Guarantors from the Loan Party Guaranty (except as expressly provided hereunder or under such Loan Document), or limit the liability of all or substantially all of the Guarantors in respect thereof, without the written consent of each Lender, or
- (vii) amend Section 1.06 or the definition of “**Alternative Currency**” without the written consent of each Lender;

*provided, further* that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Issuing Bank or the Swingline Lender hereunder without the prior written consent of the Administrative Agent, the Issuing Bank or the Swingline Lender, as the case may be.

Notwithstanding the foregoing, in addition to any credit extensions and related Lender Joinder Agreement(s) effectuated without the consent of Lenders in accordance with Section 2.21 or Section 2.22, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrower Representative (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and other definitions related to such new Loans.

Notwithstanding anything in this Agreement (including, without limitation, this Section 10.02) or any other Loan Document to the contrary, (i) this Agreement and the other Loan Documents may be amended to effect an incremental facility pursuant to Section 2.21 or extension facility pursuant to Section 2.22 (and the Administrative Agent and the Borrower Representative may effect such amendments to this Agreement and the other Loan Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower Representative, to effect the terms of any such incremental facility or extension facility) and (ii) any provision of this Agreement or any other Loan Document may be amended by an agreement in writing

entered into by the Borrower Representative and the Administrative Agent, in accordance with the procedures described below in this clause to (x) cure any ambiguity, omission, mistake, defect or inconsistency (as reasonably determined by the Administrative Agent and the Borrower Representative) and (y) effect administrative changes of a technical or immaterial nature (including to effect changes to the terms and conditions applicable solely to an Issuing Bank in respect of issuances of Letters of Credit) and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five Business Days' prior written notice of such change and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment.

Section 10.03. *Expenses; Indemnity; Damage Waiver.* (a) The Borrowers shall, on a joint and several basis, pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the credit facilities provided for herein, the preparation and administration of the Loan Documents and any amendments, supplements, modifications or waivers of the provisions thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented out-of-pocket expenses incurred by any Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable and documented out-of-pocket expenses incurred by any Lender Party, including the fees, charges and disbursements of any counsel for any Lender Party (which shall be limited to one counsel for all Lender Parties, except (x) solely in the case of an actual or perceived conflict of interest where the Indemnitee affected by such conflict notifies the Borrower Representative of any existence of such conflict, one additional counsel in each relevant jurisdiction (which may include a single special counsel acting in multiple jurisdictions) and (y) to the extent that the Administrative Agent notifies the Borrower Representative of the need for specialized legal skills and thereafter, after receipt of the consent of the Borrower Representative (which consent shall not be unreasonably withheld or delayed) has retained its own counsel), in connection with the enforcement or protection of its rights in connection with the Loan Documents, including its rights under this Section, or in connection with the 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.

(b) The Borrowers shall, on a joint and several basis, indemnify each of the Lender Parties and their respective Related Parties (without duplication) (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities (including Environmental Liabilities) and related expenses, including the reasonable and documented fees, charges and disbursements of any counsel for any Indemnitee (which shall be limited to one counsel for all Indemnitees, except (x) solely in the case of an actual or perceived conflict of interest where the Indemnitee affected by such conflict notifies the Borrower Representative of any existence of such conflict, one additional counsel in each relevant jurisdiction (which may include a single special counsel acting in multiple jurisdictions) and (y) to the extent that the Indemnitee notifies the Borrower Representative of the need for specialized legal skills and thereafter, after receipt of the consent of the Borrower Representative (which consent shall not be unreasonably withheld or delayed) has retained its own counsel), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Loan Document or any other agreement or instrument contemplated hereby, the performance by the parties to the Loan Documents of their respective obligations thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit) or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the

foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee or any Loan Party is a party thereto or whether or not such claim, litigation, investigation or proceeding is brought by any Loan Party or any other Person; *provided* that such indemnity shall not be available to any Indemnitee to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from such Indemnitee's or any of its Related Parties' bad faith, gross negligence or willful misconduct or from a material breach of the obligations of such Indemnitee or any of its Related Parties under the Credit Agreement or (y) arise out of, or in connection with, any actual or threatened litigation, investigation or proceeding that does not involve an act or omission by the any Loan Party or any of its Affiliates and that is brought by one Indemnitee against another Indemnitee.

(c) To the extent that the Borrowers fail to pay any amount required to be paid by it to the Administrative Agent, the Issuing Banks or the Swingline Lender under Section 10.03(a) or (b), each Lender severally agrees to pay to the Administrative Agent, the Issuing Banks or the Swingline Lender, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Issuing Banks or the Swingline Lender in its capacity as such. For purposes hereof, a Lender's "**pro rata share**" shall be determined based on its share of the sum of the total Credit Exposures and unused Commitments at the time.

(d) To the extent permitted by applicable law, no Loan Party nor any Indemnitee shall have any liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof; *provided* that nothing contained in this Section 10.03(d) shall limit any Borrower's indemnity obligations with respect to third party claims. No Indemnitee referred to in paragraph (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, except to the extent that such damages are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from such Indemnitee's or any of its Related Parties' willful misconduct or gross negligence.

(e) Each Indemnitee shall provide prompt notice of any claim; *provided* that the failure to give such notice shall not affect any Indemnitee's rights to indemnity under this Section 10.03. All amounts due under this Section shall be payable within 30 days after written demand therefor; *provided, however*, that any Indemnitee shall promptly refund an indemnification payment received hereunder to the extent that there is a final judicial determination that such Indemnitee was not entitled to indemnification with respect to such payment pursuant to this Section 10.03.

(f) The Borrower Representative is entitled to assume and control the defense and settlement of any claim so long as the Borrowers confirm their obligation to indemnify such Indemnitee in accordance with this Section 10.03. No such Indemnitee may settle a claim without the prior written consent of the Borrower Representative, which may not be unreasonably withheld or delayed; *provided* that without the prior written consent of an Indemnitee (which consent shall not be unreasonably withheld or delayed), the Borrower Representative shall not effect any settlement of any pending or threatened proceeding against an Indemnitee in respect of which indemnity could have been sought hereunder by such Indemnitee unless (i) such settlement includes an unconditional release of such Indemnitee from all liability or claims that are the subject matter of such proceeding and (ii) such

settlement does not include any statement as to any admission of fault, culpability, wrongdoing or failure to act by such Indemnitee.

(g) This Section 10.03 shall not apply with respect to Taxes, other than any Taxes that represent losses, claims, damages, liabilities, obligations, penalties, actions, judgments, suits, costs, expenses or disbursements arising from any non-Tax claim.

Section 10.04. *Successors and Assigns.* (a) The provisions of this Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (i) except as permitted under Section 6.02, no Borrower or Guarantor may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by any Borrower or Guarantor without such consent shall be null and void), and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of the Lender Parties) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent of:

(A) the Borrower Representative (such consent not to be unreasonably withheld or delayed if the assignee is a bank or other depository institution), *provided* that no consent of the Borrower Representative shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default under Article 7(a), (b), (h) or (i) has occurred and is continuing, any other assignee, unless, in each case, such assignment is to an Alternative Asset Investment Firm, in which case such assignment shall require the consent of the Borrower Representative in its sole discretion;

(B) the Administrative Agent (such consent not to be unreasonably withheld or delayed), *provided* that no consent of the Administrative Agent shall be required for an assignment of any Commitment to an assignee that is a Lender with a Commitment immediately prior to giving effect to such assignment;

(C) the Issuing Bank (such consent not to be unreasonably withheld or delayed); and

(D) the Swingline Lender (such consent not to be unreasonably withheld or delayed).

Notwithstanding the foregoing, no such assignment shall be made to a natural Person, to any Borrower or any Affiliate of any Borrower or Defaulting Lender.

(ii) Assignments shall be subject to the following additional conditions:



(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$10,000,000 unless each of the Borrower Representative and the Administrative Agent otherwise consent, *provided* that no such consent of the Borrower Representative shall be required if an Event of Default under Section 7(a), (b), (h) or (i) has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment, together with a processing and recordation fee of \$3,500;

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent tax forms required pursuant to Section 2.16(d) and a completed Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Loan Parties and their related parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including federal and state securities laws; and

(E) the Administrative Agent shall not be obligated to consent to an assignment hereunder until it is satisfied it has complied with all necessary "know your customer", Beneficial Ownership Regulation or other similar checks under all applicable laws and regulations in relation to the assignment to the assignee, and an assignment will only be effective after performance by the Administrative Agent of all "know your customer", Beneficial Ownership Regulation or other checks relating to any Person that it is required to carry out in relation to such assignment, the completion of which the Administrative Agent shall promptly notify to the assigning Lender and the assignee.

For the purposes of this Section 10.04(b), the term "**Approved Fund**" has the following meaning:

"**Approved Fund**" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to subsection (b)(iv) of this Section, from and after the effective date specified in each Assignment the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment, 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, be released from its obligations under this Agreement (and, in the case of an Assignment covering all of the assigning Lender's

rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14, 2.15, 2.16 and 10.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 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 subsection (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrowers, shall maintain at one of its offices a copy of each Assignment delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amounts of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the “**Register**”). The entries in the Register shall be conclusive, absent manifest error, and the parties hereto may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by any party hereto, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment executed by an assigning Lender and an assignee, the assignee’s completed Administrative Questionnaire and applicable tax forms (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in subsection (b)(ii)(C) of this Section and any written consent to such assignment required by subsection (b) of this Section, the Administrative Agent shall accept such Assignment and record the information contained therein in the Register; *provided* that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.04(c), 2.05(d) or (e), 2.06(b), 2.17(d) or 10.03(b), the Administrative Agent shall have no obligation to accept such Assignment and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment, whether or not evidenced by a promissory note, shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this subsection.

(c) (i) Any Lender may, without the consent of any Loan Party or other Lender Party, sell participations to one or more banks or other entities (other than a natural Person, any Borrower or any Affiliate or Subsidiary of any Borrower) (a “**Participant**”) in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); *provided* that (A) such Lender’s obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrowers and the other Lender Parties shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce the Loan Documents and to approve any amendment, modification or waiver of any provision of the Loan Documents; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.02(b) that affects such Participant. Subject to subsection (c)(ii) of this Section, each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.14, 2.15 and 2.16 (subject to the requirements and limitations therein, including the requirements under Section 2.16(d) (it being understood that the documentation required under Section 2.16(d) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. Each Lender that sells a participation, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall 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 this

Agreement (the “Participant Register”); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant’s interest in any Commitments, Loans or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan 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, each Loan Party and the Administrative Agent shall treat each person whose name is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.14 or Section 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant (except to the extent that such entitlement to receive greater payments results from a Change in Law that occurs after the Participant acquired the applicable participation), unless the sale of the participation to such Participant is made with the Borrower Representative’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 2.16 unless the Borrower Representative is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrowers, to comply with Section 2.16(d) as though it were a Lender.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank having jurisdiction over such Lender, and this Section shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 10.05. *Survival.* All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to the Loan Documents shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that any Lender Party may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as any principal of or accrued interest on any Loan or any fee or any other amount payable under the Loan Documents (other than Contingent Obligations) is outstanding and unpaid or any Letter of Credit is outstanding or any Commitment has not expired or terminated. The provisions of Sections 2.14, 2.15, 2.16 and 10.03 and Article 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

Section 10.06. *Counterparts; Integration; Effectiveness.* This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. The Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received

counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.07. *Severability.* If any provision of any Loan Document is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of the Loan Documents shall remain in full force and effect in such jurisdiction and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 10.08. *Right of Setoff.* If an Event of Default shall have occurred and be continuing, each Lender Party and each Affiliate of the Administrative Agent is authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender Party or Affiliate of the Administrative Agent to or for the credit or the account of a Loan Party against any of and all the obligations of a Loan Party now or hereafter existing under this Agreement held by such Lender Party, irrespective of whether or not such Lender Party shall have made any demand under this Agreement and although such obligations may be unmatured. The rights of each Lender Party under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender Party may have. Each Lender Party agrees promptly to notify the Loan Parties and the Administrative Agent after any such set-off and application made by such Lender Party or Affiliate of the Administrative Agent; *provided* that the failure to give such notice shall not affect the validity of such set-off and application.

Section 10.09. *Governing Law; Jurisdiction; Consent to Service of Process.* (a) This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the laws of the State of New York.

(b) Each party hereto irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any court of the State of New York and of any Federal court, in each case located in the Borough of Manhattan in connection with any action or proceeding arising out of or relating to any Loan Document, and each party hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding shall be heard and determined in such New York State or, to the extent permitted by law, in such Federal court.

(c) Each party hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to any Loan Document in any court referred to Section 10.09(b). Each party hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(d) Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in any Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Each Loan Party irrevocably appoints the Borrower Representative (the “**Process Agent**”) as its agent to receive on behalf of such Loan Party and its properties service of copies of the summon and complaint and any other process which may be served in any such action or proceeding. Such service may be made by mailing or delivering a copy of such process to such Loan Party in care of the Process Agent at the Process Agent’s above address, and each such Loan Party hereby irrevocably authorizes and directs the Process Agent to accept such service on its behalf.

Section 10.10. *Waiver of Jury Trial.* EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY 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 ANY LOAN DOCUMENT OR ANY TRANSACTION CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) AND FOR ANY COUNTERCLAIM THEREIN. EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 10.11. *Headings.* Article and Section headings and the Table of Contents herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 10.12. *Confidentiality.* (a) Each Lender Party agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its and its Affiliates’ directors, officers, employees and agents, including accountants, legal counsel, other advisors and any sub-agent appointed pursuant to Section 8.05 (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), (ii) to the extent requested by any regulatory authority (in which case such Lender Party agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (iii) to the extent required by applicable laws or regulations or by any subpoena or similar legal process (in which case such Lender Party agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (iv) to any other party to this Agreement, (v) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to any Loan Document or the enforcement of any right thereunder, (vi) subject to an agreement containing provisions substantially the same as those of this Section, to (x) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (y) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Loan Party and its obligations, *provided* that (i) the disclosure of any such Information to any assignee or Participant, or any prospective assignee or Participant, or any actual or prospective counterparty (or its advisors) referred to above shall only be made after the acknowledgment and acceptance by such assignee, Participant, prospective assignee or Participant, or any actual or prospective counterparty (or its advisors) that such Information is being disseminated on a confidential basis (on substantially the terms set forth in this Section 10.12 or confidentiality provisions at least as restrictive as those set forth in this Section 10.12), in each case for the benefit of the Loan Parties, in

accordance with the standard syndication processes of such Lender Party or customary market standards for dissemination of such type of information, which shall in any event require “click through” or other affirmative actions on the part of recipient to access such Information, (vii) with the consent of the Borrower Representative, (viii) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to any Lender Party on a nonconfidential basis from a third party that is not, to such Lender Party’s knowledge, subject to confidentiality obligations owing to the Borrowers. For the purposes of this Section, “**Information**” means all information received from the Loan Parties relating to the Loan Parties or their business, other than any such information that is available to any Lender Party on a nonconfidential basis prior to disclosure by the Loan Parties. 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.

(b) EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 10.12(a) FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWERS AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

(c) ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE LOAN PARTIES OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWERS AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER REPRESENTATIVE AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

Section 10.13. *Interest Rate Limitation.* Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the “**Charges**”), shall exceed the maximum lawful rate (the “**Maximum Rate**”) that may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of payment, shall have been received by such Lender.

Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrowers an amount in excess of the maximum permitted by any applicable law, rule or regulation, then the Borrowers shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement from that Lender in an amount equal to such excess, and

pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to the Borrowers.

Section 10.14. *USA PATRIOT Act.* Each Lender that is subject to the USA PATRIOT Act 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, it is required to obtain, verify and record information that identifies the Loan Parties, which information includes the name and address of the Loan Parties and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Loan Parties in accordance with the USA PATRIOT Act.

Section 10.15. *Judgment Currency.* (a) The Borrowers' obligations hereunder and under the other Loan Documents to make payments in a specified currency (the "**Obligation Currency**") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Obligation Currency, except to the extent that such tender or recovery results in the effective receipt by the Administrative Agent or a Lender or an Issuing Bank of the full amount of the Obligation Currency expressed to be payable to the Administrative Agent or such Lender or such Issuing Bank under this Agreement or the other Loan Documents. If, for the purpose of obtaining or enforcing judgment against any Loan Party in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Obligation Currency (such other currency being hereinafter referred to as the "**Judgment Currency**") an amount due in the Obligation Currency, the conversion shall be made, at the rate of exchange 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 (such Business Day being hereinafter referred to as the "**Judgment Currency Conversion Date**").

(b) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, the Borrowers covenant and agree to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c) For purposes of determining any rate of exchange or currency equivalent for this Section, such amounts shall include any premium and costs payable in connection with the purchase of the Obligation Currency.

Section 10.16. *No Fiduciary Duty.* The Administrative Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Loan Parties, their stockholders and/or their affiliates. Each Loan Party agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Loan Party, its stockholders or its affiliates, on the other. The Loan Parties acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Loan Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Loan Party, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Loan Party, its stockholders or its Affiliates on other matters) or any other obligation to any Loan Party except the obligations expressly set forth in

the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Loan Party, its management, stockholders, creditors or any other Person. Each Loan Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Loan Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Loan Party, in connection with such transaction or the process leading thereto.

Section 10.17. *Acknowledgment And Consent To Bail-In of Affected Financial Institutions.* Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 10.18. *No Waiver; Cumulative Remedies; Enforcement.* No failure by any Lender, any Issuing Bank 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 Article 7 for the benefit of all the Lenders and the Issuing Banks; *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 Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.17) or (c) 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 Bankruptcy Proceeding; 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 Article 7 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 2.17, 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.

ARTICLE 11  
LOAN PARTY GUARANTY

Section 11.01. *Guaranty.* (a) Subject to the provisions of paragraph (b), each Guarantor hereby unconditionally and irrevocably guarantees to the Administrative Agent, for the benefit of the Lender Parties and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance by each Borrower when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations.

(b) This Loan Party Guaranty is a guaranty of payment when due and not of collectability and this Loan Party Guaranty is a primary obligation of each Guarantor and not merely a contract of surety.

(c) Anything herein or in any other Loan Document to the contrary notwithstanding, the maximum liability of each Guarantor hereunder and under the other Loan Documents shall in no event exceed the amount which can be guaranteed by such Guarantor under applicable laws relating to the insolvency of debtors.

(d) Each Guarantor agrees that the Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing this Loan Party Guaranty or affecting the rights and remedies of the Administrative Agent or any other Lender Party hereunder.

(e) No payment or payments made by any Borrower, any Guarantor, any other guarantor or any other Person or received or collected by the Administrative Agent or any other Lender Party from any Borrower, any Guarantor, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder, which shall, notwithstanding any such payment or payments other than payments made by such Guarantor in respect of the Obligations or payments received or collected from such Guarantor in respect of the Obligations, remain liable for the Obligations up to the maximum liability of such Guarantor hereunder until the Obligations are paid in full (other than Contingent Obligations) and the Commitments are terminated.

(f) Any and all payments by or on account of any obligation of any Guarantor under this Article 11 shall be governed by the terms set forth in Section 2.16 of this Agreement.

Section 11.02. *Right of Contribution.* Each Guarantor hereby agrees that, to the extent that any Guarantor shall have paid more than its proportionate share of any payments made in respect of the Loan Party Guaranty, such Person shall be entitled to seek and receive contribution from and against the Guarantors hereunder. Each Guarantor's right of contribution shall be subject to the terms and conditions of Section 11.03 hereof. The provisions of this Section 11.02 shall in no respect limit the obligations and liabilities of any Guarantor to the Administrative Agent and the Lenders, and each Guarantor shall remain liable to the Administrative Agent and the Lenders for the full amount guaranteed by such Person under the Loan Party Guaranty.

Section 11.03. *No Subrogation.* Notwithstanding any payment or payments made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by any Lender, the Guarantors shall not be entitled to be subrogated to any of the rights of the Administrative Agent or any Lender against any Borrower or any other guarantor or any collateral security or guarantee or right of offset held by the Administrative Agent or any Lender for the payment of the Obligations, nor shall the Guarantors seek or be entitled to seek any contribution or reimbursement from any Borrower or any other guarantor in respect of payments made by any Guarantor hereunder, until all amounts owing to the Administrative Agent and the Lenders by the Borrowers on account of the Obligations are paid in full (other than Contingent Obligations) and the Commitments are terminated. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Obligations shall not have been paid in full or the Commitments shall not have been terminated, such amount shall be held by such Guarantor in trust for the Administrative Agent and the Lenders, segregated from other funds of such Guarantor, and shall, promptly upon receipt by such Guarantor, be turned over to the Administrative Agent in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Administrative Agent, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Administrative Agent may determine.

Section 11.04. *Guaranty Absolute and Unconditional.* Each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon this Loan Party Guaranty or acceptance of this Loan Party Guaranty, the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon this Loan Party Guaranty; and all dealings between the Borrowers (or any of them) and the Guarantors (or any of them), on the one hand, and the Administrative Agent and the Lenders, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon this Loan Party Guaranty. Each Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon any Borrower or any other Guarantor or other guarantors with respect to the Obligations. Each Guarantor understands and agrees that this Loan Party Guaranty shall be construed as a continuing, absolute and unconditional guaranty of payment without regard to (a) the validity, regularity or enforceability of this Agreement, any other Loan Document, any Letter of Credit, any of the Obligations or any collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any Lender, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by any Guarantor against any Borrower, the Administrative Agent, any Issuing Bank or any Lender, or (c) any other circumstance whatsoever (with or without notice to or knowledge of any Borrower, any Guarantor or other guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of any Borrower for the Obligations, of any Guarantor under this Loan Party Guaranty or of any other guarantor, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against the Guarantor, the Administrative Agent and any Lender may, but shall be under no obligation to, pursue such rights and remedies as it may have against any Borrower, any Guarantor any other guarantor or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any Lender to pursue such other rights or remedies or to collect any payments from any such Borrower, Guarantor or other guarantor or other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of any such Borrower, Guarantor or other guarantor or other Person or any such collateral security, guarantee or right of offset, shall not relieve the Guarantors of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent and the Lenders against the Guarantors. This Loan Party Guaranty shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon the Guarantors and the respective successors and assigns thereof, and shall inure to the benefit of the Administrative Agent and the Lenders, and their respective

successors, indorsees, transferees and assigns, until all the Obligations and the obligations of the Guarantors under this Loan Party Guaranty (other than Contingent Obligations) shall have been satisfied by payment in full and the Commitments shall be terminated, notwithstanding that from time to time during the term of the Credit Agreement any Borrower may be free from any Obligations.

Section 11.05. *Reinstatement.* This Loan Party Guaranty shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, administration, dissolution, liquidation or reorganization of any Borrower or any Guarantor or other guarantor, or upon or as a result of the appointment of a receiver, administrative receiver, administrator, intervenor or conservator of, or trustee or similar officer for, any Borrower or any Guarantor or other guarantor or any substantial part of the property of such Borrower, Guarantor or such other guarantor, or otherwise, all as though such payments had not been made.

Section 11.06. *Payments.* Each Guarantor hereby guarantees that payments hereunder will be paid to the Administrative Agent without set-off or counterclaim in the relevant currency at the administrative office specified by the Administrative Agent.

Section 11.07. *Additional Guarantors.* From time to time subsequent to the Restatement Date, each entity which is required to be a Guarantor pursuant to the definition thereof shall become a Guarantor, with the same force and effect as if originally named as a Guarantor herein, for all purposes of this Agreement, upon execution and delivery by such entity of a Loan Party Joinder Agreement (and the delivery in connection therewith of written opinions of counsel and documents and certificates as the Administrative Agent may reasonably require). The execution and delivery of any instrument adding an additional Guarantor as a party to this Agreement shall not require the consent of any other party hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Agreement.

*[Remainder of page intentionally left blank.]*

CERTAIN INFORMATION, IDENTIFIED BY, AND REPLACED WITH, A MARK OF “[\*\*]”, HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Execution Version

### FIRST AMENDMENT TO CREDIT AGREEMENT

**FIRST AMENDMENT TO CREDIT AGREEMENT** (this “**Amendment**”), entered into as of September 23, 2022, among GLOBAL ATLANTIC FINANCIAL LIMITED, , an exempted company incorporated and existing under the laws of Bermuda (“**Holdings**”), GLOBAL ATLANTIC (FIN) COMPANY, a Delaware corporation and a wholly-owned subsidiary of Holdings (the “**Borrower**”), the Lenders party hereto and WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent for the Lenders (the “**Administrative Agent**”).

#### RECITALS:

A. Holdings, the Borrower, the Lenders party thereto, the Administrative Agent and the other agents and arrangers party thereto are parties to that certain Credit Agreement, dated as of August 4, 2021 (as amended, supplemented, modified or waived from time to time, the “**Credit Agreement**”). Each capitalized term used but not defined herein has the meaning assigned to such term in the Credit Agreement.

B. The Borrower has requested that certain provisions of the Credit Agreement be amended as hereinafter set forth. Subject to conditions contained herein, each Lender is willing to agree to such amendments to the Credit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. **Amendment.** Effective as of the Amendment Effective Date, (i) the Credit Agreement (excluding the Schedules and Exhibits thereto) is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the blackline attached as Exhibit A hereto and (ii) Exhibits C-1 (Form of Loan Notice), C-3 (Form of Conversion/Continuation Notice) and J (Form of Prepayment Notice) to the Credit Agreement are hereby amended and restated in their entirety as set forth in Exhibit B hereto.

SECTION 2. **Representations and Warranties.** Each Credit Party represents and warrants to the Administrative Agent and the Lenders on behalf of itself and its Subsidiaries that after giving effect to this Amendment, on the Amendment Effective Date the following statements are true and correct:

(a) the execution, delivery and performance by such Credit Party of this Amendment, and the consummation of the transactions contemplated hereby, (i) are within such Credit Party’s corporate or other organizational powers, (ii) have been duly authorized by all necessary corporate or other organizational action on the part of such Credit Party, (iii) require no consent or approval of or action by or in respect of, or registration or filing with, any Governmental Authority, except such as have been obtained or made and are in full force and effect, (iv) do not contravene the Organization Documents of such Credit Party, (v) do not result in any breach, violation or contravention of, or result in or require the creation of any Lien under, any Material Indebtedness to which such Credit Party or any of its Restricted Subsidiaries is a party; or (vi) violate any Requirement of Law or any order, injunction, writ or decree of any Governmental

Authority to which such Credit Party or any of its Restricted Subsidiaries or its property is subject, except to the extent that such violations, in the aggregate, could not reasonably be expected to have a Material Adverse Effect;

(b) this Amendment has been duly executed and delivered by such Credit Party and is the legal, valid and binding obligation of such Credit Party, enforceable against such Credit Party in accordance with its terms, except as enforceability hereof may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principals relating to enforceability;

(c) all of the representations and warranties contained in the Credit Agreement (other than the representations and warranties contained in Sections 5.05 and 5.11 of the Credit Agreement) or in any Loan Document are true and correct in all material respects on and as of the Amendment Effective Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and

(d) no Default or Event of Default has occurred and is continuing on the Amendment Effective Date.

SECTION 3. **Conditions to Effectiveness of this Amendment.** This Amendment shall become effective on the date that the following shall have occurred (such date, the "**Amendment Effective Date**"), the Administrative Agent shall have received counterparts of this Amendment executed by Holdings, the Borrower, each Lender party to the Credit Agreement and the Administrative Agent.

SECTION 4. **Existing LIBOR Rate Loans.**

(a) Notwithstanding anything herein or in Exhibit A hereto to the contrary, any LIBOR Rate Loan outstanding as of the Amendment Effective Date (an "Existing LIBOR Rate Loan") shall remain a Loan which pays interest with reference to the LIBOR Rate (without giving effect to the changes to the Credit Agreement made by this Amendment) until the end of the applicable Interest Period (such date, the "Conversion Date"). Any Existing LIBOR Rate Loan shall automatically convert to a SOFR Loan in the amount of such Existing LIBOR Rate Loan and with an Interest Period having the Available Tenor with the nearest length to such existing Interest Period on the last day of the Interest Period applicable to such Loan.

(b) Pursuant to Section 2.04(a) of the Credit Agreement, at least three (3) Business Days prior to the Conversion Date, the Borrower shall deliver a Conversion/Continuation Notice to the Administrative Agent.

SECTION 5. **Acknowledgment and Consent.** Each Credit Party hereby acknowledges that it has reviewed the terms and provisions of this Amendment and consents to the amendments set forth herein. Each Credit Party hereby confirms that each Loan Document to which it is a party and all Collateral encumbered thereby will continue to guarantee or secure, as the case may be, to

the fullest extent possible in accordance with the Loan Documents the payment and performance of all Obligations under each of the Loan Documents to which it is a party. Each Credit Party acknowledges and agrees that each of the Loan Documents to which it is a party shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Amendment.

SECTION 6. *Miscellaneous.*

(a) On and after the Amendment Effective Date, each reference in the Credit Agreement to “this Amendment”, “hereunder”, “hereof”, “herein” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to the “Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement after giving effect to this Amendment. This Amendment shall be deemed to be a Loan Document for all purposes.

(b) Except as specifically amended or waived by this Amendment, the Credit Agreement and the other Loan Documents shall remain unchanged and in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and performance of this Amendment shall not constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of the Administrative Agent or any Lender under, the Credit Agreement or any of the other Loan Documents, except as specifically provided herein.

(d) The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted by the Credit Agreement.

(e) This Amendment shall become effective upon the execution of a counterpart hereof by each of the parties hereto. This Amendment may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument.

(f) Delivery of an executed counterpart of a signature page of this Amendment by telecopy, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment and any other document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, 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 nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its

prior written consent, provided that, the Administrative Agent hereby agrees to accept, and hereby consents to the use of, electronic signatures to this Amendment from all parties hereto.

(g) If any provision of this Amendment is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of this Amendment shall remain in full force and effect in such jurisdiction and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

(h) This Amendment shall be construed in accordance with and governed by the law of the State of New York.

(i) This Amendment, together with the Credit Agreement and the other Loan Documents, embodies the entire agreement and understanding among the parties with respect to the subject matter hereof and thereof and supersedes all other prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof.

(j) The provisions of Section 1.02 (Other Interpretative Provisions) of the Credit Agreement are incorporated herein mutatis mutandis.

*[Signature Pages Follow.]*

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

**GLOBAL ATLANTIC FINANCIAL LIMITED**, as Holdings and a Guarantor

By:                     /s/ Kim Lee                    

Name: Kim Lee

Title: Chief Financial Officer

**GLOBAL ATLANTIC (FIN) COMPANY**, as  
Borrower

By:                     /s/ Kim Lee                    

Name: Kim Lee

Title: Chief Financial Officer

[Signature page to Amendment]

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**WELLS FARGO BANK, NATIONAL ASSOCIATION,**  
as Administrative Agent and as Lender

By:           /s/ William R. Goley          

Name: William R. Goley  
Title: Managing Director

[Signature page to Amendment]

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**Royal Bank of Canada,**  
as Lender

By:           /s/ Tim Stephens          

Name: Tim Stephens

Title: Authorized Signatory

[Signature page to Amendment]

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**U.S. BANK NATIONAL ASSOCIATION,**  
as Lender

By:           /s/ Kyle Rinderle          

Name: Kyle Rinderle

Title: Assistant Vice President

[Signature page to Amendment]

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**BANK OF MONTREAL,**  
as Lender

By:           /s/ Brij Grewal          

Name: Brij Grewal

Title: Managing Director

[Signature page to Amendment]

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**JP MORGAN CHASE BANK, N.A.,**  
as Lender

By:           /s/ Austin Bennett          

Name: Austin Bennett  
Title: Vice President

[Signature page to Amendment]

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**KEY BANK NATIONAL ASSOCIATION,**  
as Lender

By:           /s/ Suzannah Valdivia          

Name: Suzannah Valdivia

Title: Senior Vice President

[Signature page to Amendment]

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**THE BANK OF NOVA SCOTIA,**  
as Lender

By:           /s/ Marilena Devcic

Name: Marilena Devcic  
Title: Director

[Signature page to Amendment]

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**BARCLAYS BANK PLC,**  
as Lender

By:                     /s/ Koruthu Mathew                    

Name: Koruthu Mathew  
Title: VP

[Signature page to Amendment]

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**Citibank, N.A.,**  
as Lender

By:                   /s/ Justine O'Connor

Name: Justine O'Connor

Title: Managing Director & Vice President

[Signature page to Amendment]

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**COMMERZBANK AG New York Branch,**  
as Lender

By:           /s/ Michael McCarthy            
Name: Michael McCarthy  
Title: Managing Director

By:           /s/ John Geremia            
Name: John Geremia  
Title: Managing Director

[Signature page to Amendment]

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**CREDIT SUISSE AG, NEW YORK BRANCH,**  
as Lender

By:           /s/ Doreen Barr          

Name: Doreen Barr  
Title: Authorized Signatory

By:           /s/ Michael Dieffenbacher          

Name: Michael Dieffenbacher  
Title: Authorized Signatory

[Signature page to Amendment]

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**Goldman Sachs Lending Partners LLC,**  
as Lender

By:                   /s/ Keshia Leday

Name: Keshia Leday

Title: Authorized Signatory

[Signature page to Amendment]

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**MORGAN STANLEY BANK, N.A.,**  
as Lender

By:           /s/ David White          

Name: David White

Title: Authorized Signatory

[Signature page to Amendment]

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

By:           /s/ Chris Choi          

Name: Chris Choi

Title: Managing Director

[Signature page to Amendment]

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**ASSOCIATED BANK, N.A.,**  
as Lender

By:           /s/ Daniel R. Raynor          

Name: Daniel R. Raynor

Title: Senior Vice President

[Signature page to Amendment]

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EXHIBIT A TO FIRST AMENDMENT TO CREDIT AGREEMENT

CREDIT AGREEMENT

Dated as of August 4, 2021

among

GLOBAL ATLANTIC FINANCIAL LIMITED,  
as Holdings,

GLOBAL ATLANTIC (FIN) COMPANY,  
as Borrower,

THE GUARANTORS PARTY HERETO,  
as Guarantors,

WELLS FARGO BANK, N.A.,  
as Administrative Agent,

and

THE LENDERS PARTY HERETO

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WELLS FARGO SECURITIES, LLC,  
RBC CAPITAL MARKETS

and

U.S. BANK NATIONAL ASSOCIATION,  
as Joint Lead Arrangers and Joint Bookrunners

ROYAL BANK OF CANADA

and

U.S. BANK NATIONAL ASSOCIATION,

as Syndication Agents

BMO HARRIS BANK N.A.,  
KEYBANK NATIONAL ASSOCIATION,  
THE BANK OF NOVA SCOTIA

and

JPMORGAN CHASE BANK, N.A.,  
as Documentation Agents

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## CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of August 4, 2021 by and among GLOBAL ATLANTIC FINANCIAL LIMITED, an exempted company incorporated and existing under the laws of Bermuda (“**GAFL**”), GLOBAL ATLANTIC (FIN) COMPANY, a Delaware corporation and a wholly-owned subsidiary of Holdings (the “**Borrower**”), certain other subsidiaries of Holdings from time to time as Guarantors hereunder, the lenders from time to time party to this Agreement (collectively, the “**Lenders**”; individually, each, a “**Lender**”), WELLS FARGO BANK, N.A., as administrative agent for the Lenders (the “**Administrative Agent**”) and the other agents and arrangers party hereto.

### RECITALS:

WHEREAS, the Borrower has requested that the Lenders establish a revolving credit facility for the Borrower, and the Lenders are willing to establish a revolving credit facility for the Borrower upon the terms and conditions set forth herein;

WHEREAS, the Borrower intends to use the proceeds of the revolving credit facility for working capital and general corporate purposes of Holdings and the Subsidiaries;

WHEREAS, the Guarantor party to this Agreement on the Effective Date is willing to guarantee the obligations of the Borrower, as provided in the Guarantee Agreement; and

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein, the parties agree as follows:

### ARTICLE 1 DEFINITIONS

Section 1.01 *Certain Defined Terms*. The following terms have the following meanings:

**“Adjusted Term SOFR” means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.**

“**Administrative Agent**” has the meaning specified in the introduction to this Agreement, and includes its successors and permitted assigns in such capacity.

“**Administrative Agent’s Office**” means the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 10.02 or such other address or account as the Administrative Agent may from time to time specify.

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

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“**Affiliate**” means, as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with, such Person. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power (a) to vote 10% or more of the securities (on a fully diluted basis) having ordinary voting power for the election of directors or managing general partners of the other Person or (b) to direct or cause the direction of the management and policies of the other Person, whether through the ownership of voting securities, membership interests, by contract or otherwise.

“**Agent-Related Persons**” means the initial Administrative Agent and any successor Administrative Agent, in each case together with their respective Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates.

“**Agents**” means the Administrative Agent, the Arrangers, the Bookrunners, the Syndication Agents and the Documentation Agents.

“**Agreement**” means this Credit Agreement, as amended, restated, modified or supplemented from time to time in accordance with the terms hereof.

“**A.M. Best**” means A.M. Best Company.

“**Annual Statement**” means the annual statutory financial statement of any Insurance Subsidiary required to be filed with the insurance commissioner (or similar authority) of its jurisdiction of incorporation, which statement shall be in the form required by such Insurance Subsidiary’s jurisdiction of incorporation or, if no specific form is so required, in the form of financial statements permitted by such insurance commissioner (or such similar authority) to be used for filing annual statutory financial statements and shall contain the type of information permitted or required by such insurance commissioner (or such similar authority) to be disclosed therein, together with all exhibits or schedules filed therewith.

“**Anti-Corruption Laws**” means any and all laws, judgments, orders, executive orders, decrees, ordinances, rules, regulations, statutes, case law or treaties related to corruption or bribery and including the Foreign Corrupt Practices Act (15 U.S.C. §§ 78dd-1, et seq.) and the Bribery Act 2016 of Bermuda.

“**Anti-Money Laundering Laws**” means any and all laws, judgments, orders, executive orders, decrees, ordinances, rules, regulations, statutes, case law or treaties related to terrorism financing or money laundering including any applicable provision of the PATRIOT Act (as defined below) and The Currency and Foreign Transactions Reporting Act (also known as the “Bank Secrecy Act”, 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

“**Applicable Margin**”, “**Applicable Revolving Commitment Fee Percentage**” and “**Applicable Non-Collateralized Letter of Credit Fee**” mean a percentage, per annum, determined by reference to the Debt Ratings in effect from time to time, as set forth in the table below:

<u>Pricing Level</u>	<u>Debt Ratings</u> S&P / Moody’s /	<u>Applicable</u> <u>Non-Collateral</u>	<u>Applicable</u> <u>Margin for</u>	<u>Applicable</u> <u>Margin for</u>	<u>Applicable</u> <u>Revolving</u>
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	Fitch	zed Letter of Credit Fee	Base Rate Loans	LIBOR Rate SOFR Loans	Commitment Fee Percentage
1	• A-/A3/A-	[**]%	[**]%	1.125%	0.125%
2	BBB+/Baa1/BBB+	[**]%	[**]%	[**]%	[**]%
3	BBB/Baa2/BBB	[**]%	[**]%	[**]%	[**]%
4	BBB-/Baa3/BBB-	[**]%	[**]%	[**]%	[**]%
5	• BB+/Ba1/BB+	[**]%	[**]%	2.00%	0.325%

Initially, the Applicable Margin, Applicable Revolving Commitment Fee Percentage and Applicable Non-Collateralized Letter of Credit Fee shall be set at Pricing Level 3. No change in the Applicable Margin, Applicable Revolving Commitment Fee Percentage or Applicable Non-Collateralized Letter of Credit Fee shall be effective until one (1) Business Day after the date of the public announcement of a change in any of the Debt Ratings. Within one (1) Business Day of the date of the public announcement of a change in any of the Debt Ratings, the Administrative Agent shall give the Borrower and each Lender notice of the Applicable Margin, the Applicable Revolving Commitment Fee Percentage and the Applicable Non-Collateralized Letter of Credit Fee in effect from such date.

~~“Applicable Reserve Requirement” means, at any time, for any determination of the LIBOR Rate, the maximum rate, expressed as a decimal, at which reserves (including any basic marginal, special, supplemental, emergency or other reserves) are required to be maintained with respect thereto against “Eurocurrency liabilities” (as such term is defined in Regulation D of the FRB) under regulations issued from time to time by the FRB or other applicable banking regulator. Without limiting the effect of the foregoing, the Applicable Reserve Requirement shall reflect any other reserves required to be maintained by such member banks with respect to (i) any category of liabilities which includes deposits by reference to which the applicable LIBOR Rate is to be determined, or (ii) any category of extensions of credit or other assets which include LIBOR Rate Loans. A Loan bearing interest at an interest rate based on the LIBOR Rate shall be deemed to constitute Eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefits of credit for proration, exceptions or offsets that may be available from time to time to the applicable Lender. The rate of interest on a Loan bearing interest at an interest rate based on the LIBOR Rate shall be adjusted automatically on and as of the effective date of any change in the Applicable Reserve Requirement.~~

“Approved Electronic Communications” means any notice, demand, communication, information, document or other material that any of Holdings or any of its Subsidiaries provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein, which is distributed to the Administrative Agent or Lenders by means of electronic communications pursuant to Section 10.02(b).

“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, collectively, WFS, RBCCM and US Bank.

[\*\*] = Certain information contained in this document, marked by “[\*\*]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

“**Assignment and Assumption**” means an assignment and assumption entered into by a Lender and an Eligible Assignee substantially in the form of Exhibit D or in another form reasonably acceptable to the Administrative Agent.

“**Attorney Costs**” means and includes all reasonable fees, expenses and disbursements of any law firm or other external legal counsel.

“**Available Tenor**” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (a) if ~~the then-current~~such Benchmark is a ~~future-looking~~ term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an ~~Interest Period or (b) if clause (a) does not apply~~interest period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark, ~~as applicable, pursuant to this Agreement as of such date. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.~~ (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 3.05(d).

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“**Bail-In Legislation**” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“**Bankruptcy Code**” means Title 11 of the United States Code entitled “Bankruptcy,” as now and hereafter in effect, or any successor statute.

“**Base Rate**” means ~~for, at~~ any day time, a fluctuating rate *per annum* equal to the highest of (a) the ~~Federal Funds~~Prime Rate ~~plus 1/2 of 1%~~, (b) the ~~rate of interest per annum~~ determined by the Administrative Agent from time to time as its prime commercial lending rate for Dollar loans in the United States for such day, and (c) the LIBOR Rate for an Interest Period of one month beginning on such day (or if such day is not a Business Day, the Business Day immediately preceding such day) ~~plus 1.00% per annum; provided that, if such rate per annum is less than zero, the Base Rate will be deemed to be zero for purposes of this Agreement.~~ Federal Funds Rate plus 0.50% per annum and (c) Adjusted Term SOFR for a one-month tenor in effect on such day plus 1.00% per annum; each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Rate or Adjusted Term SOFR, as applicable (provided that clause (c) shall not be

applicable during any period in which Adjusted Term SOFR is unavailable or unascertainable). Notwithstanding the foregoing, in no event shall the Base Rate be less than 0%.

“**Base Rate Loan**” means a Revolving Loan that bears interest based on the Base Rate.

“Base Rate Term SOFR Determination Day” has the meaning assigned thereto in the definition of “Term SOFR”.

“**Benchmark**” means, initially, ~~USD LIBOR~~the Term SOFR Reference Rate; provided that if a ~~replacement for the applicable~~ Benchmark Transition Event has occurred ~~pursuant to Section 3.05 with respect to the Term SOFR Reference Rate or the then-current Benchmark~~, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.05(a).

~~“Benchmark Replacement” means, for any Available Tenor:~~

~~(a) for purposes of clause (a)(i)(A) of Section 3.05:~~

~~the first alternative set forth in the order below that can be determined by the Administrative Agent:~~

~~(A) the sum of: (i) Term SOFR and (ii) the related Benchmark Replacement Adjustment;~~

~~(B) the sum of: (i) Daily Simple SOFR and (ii) the related Benchmark Replacement Adjustment; or~~

~~(C) “Benchmark Replacement” means, with respect to any Benchmark Transition Event, the sum of: (i) the alternate benchmark rate and (ii) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such then-current Benchmark giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body for U.S. for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities denominated in Dollars at such time that are substantially similar to the credit facilities under this Agreement; and~~

~~and (b) the related Benchmark Replacement Adjustment; (b) for purposes of clause (a)(i)(B) of Section 3.05, the sum of: (i) the alternate benchmark rate and (ii) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such~~

~~then-current Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body for U.S. syndicated credit facilities denominated in Dollars at such time that are substantially similar to the credit facilities under this Agreement;~~

~~provided that, in the case of clause (a)(A), if the Administrative Agent decides that Term SOFR is not administratively feasible for the Administrative Agent, then Term SOFR will be deemed unable to be determined for purposes of this definition. If if such Benchmark Replacement as so determined pursuant to clause (a) or (b) above would be less than the Floor, the such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents; provided, further, that, in the case of clause (b) above, such adjustment shall not be in the form of an increase of the Applicable Margin.~~

~~“Benchmark Replacement Adjustment” means, with respect to any replacement of anythe then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:~~

~~(1) for purposes of clause (a)(A) of the definition of “Benchmark Replacement” and clause (a)(ii) of Section 3.05, an amount equal to (A) 0.11448% (11.448 basis points) for an Available Tenor of one-month’s duration; (B) 0.26161% (26.161 basis points) for an Available Tenor of three-months’ duration and (C) 0.42826% (42.826 basis points) for an Available Tenor of six-months’ duration;~~

~~(2) for purposes of clause (a)(B) of the definition of “Benchmark Replacement,” an amount equal to 0.26161% (26.161 basis points); and~~

~~(3) for purposes of clause (a)(C) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (ia) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Available Tenor of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable LIBOR Replacement Date or (iib) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Available Tenor of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities denominated in the currency applicable to such Benchmark;~~

~~“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:~~

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

~~(b) provided that, (x) in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion in accordance with the then-prevailing market conventions and (y) if the then-current Benchmark is a term rate, more than one tenor of such Benchmark is available as of the applicable LIBOR Replacement Date and the applicable Unadjusted Benchmark Replacement that will replace such Benchmark in accordance with Section 3.05(a) will not be a term rate, the Available Tenor of such Benchmark for purposes of this definition of "Benchmark Replacement Adjustment" shall be deemed to be, with respect to each Unadjusted Benchmark Replacement having a payment period for interest calculated with reference thereto, the Available Tenor that has approximately the same length (disregarding business day adjustments) as such payment period; c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.~~

~~"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent, in consultation with the Borrower, decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent, in consultation with the Borrower, decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents); provided that, notwithstanding anything herein to the contrary, no "Benchmark Replacement Conforming Changes" shall result in (i) any material effect on the timing or amount of payments or borrowings or (ii) a deemed exchange of any Loan under Section 1001 of the Code, in each case, without the prior written consent of the Borrower (other than any such consent previously provided in accordance with Section 3.05 hereof).~~

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

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

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

(b) ~~“Benchmark Transition Event” means with respect to the then-current Benchmark (other than USD LIBOR) the occurrence of a public statement or publication of information by or on behalf of the administrator of such then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark; the Board of Governors of the Federal Reserve System, (or the published component used in the calculation thereof), the FRB, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored;~~ (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

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

“Benchmark Transition Start Date” means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.05(a) and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.05(a).

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Bookrunners” means, collectively, WFS, RBCCM and US Bank.

“Borrower” has the meaning specified in the introduction to this Agreement.

“Borrower Materials” has the meaning specified in Section 6.02.

“Borrowing Date” means the date of a Credit Extension (other than a conversion or continuation of a Loan).

“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 is located or New York City ~~and, if such day relates to any LIBOR Rate Loan, means any such day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.~~

“Capital Adequacy Regulation” means any guideline, request or directive of any central bank or other Governmental Authority, or any other law, rule or regulation, whether or not having the force of law, in each case, regarding capital adequacy or liquidity of any bank or of any corporation controlling a bank.

“Capital and Surplus” means, as to any Insurance Subsidiary, as of any date, the total amount shown on (i) line 38, page 3, column 1 and (ii) line 24.1, page 3 (or such other line on which the equivalent information is provided on any other such Annual Statement) of the Annual Statement of such Insurance Subsidiary as of such date, or an amount determined in a consistent manner for any date other than one as of which an Annual Statement is prepared.

“Capital Stock” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all shares (of whatever class) in the capital of a Bermuda exempted company, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and

any and all warrants, rights or options to purchase any of the foregoing; *provided* that, for the avoidance of doubt, Capital Stock shall not be deemed to include debt convertible or exchangeable for any of the foregoing.

“**Capitalized Lease Liabilities**” means, with respect to any Person, all monetary obligations of such Person under any leasing or similar arrangement that, in accordance with GAAP, would be classified as a capitalized lease, *provided* that, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP, and the stated maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty. For purposes of this definition, whenever in this Agreement it is necessary to determine whether a lease is a capital lease or an operating lease, such determination shall be made on the basis of GAAP as in effect on January 1, 2015.

“**Cash**” means Dollars and any overnight or other investment money market funds of the Custodian with which a Collateralized L/C Collateral Account is maintained (or an Affiliate of such Custodian).

“**Cash Collateralize**” means, in respect of an Obligation, to provide and pledge (as a first priority perfected security interest) cash collateral in Dollars, at a location and pursuant to documentation in form and substance satisfactory to the Administrative Agent (and “**Cash Collateralization**” and “**Cash Collateralized**” have corresponding meanings). “**Cash Collateral**” shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“**Cash Equivalents**” means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of twelve months or less from the date of acquisition issued by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than \$500,000,000 and a short-term deposit rating of at least A-1 by S&P and P-1 by Moody’s, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally; (c) commercial paper of an issuer rated at least A-2 by S&P and P-2 by Moody’s at the time of acquisition thereof, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within nine months from the date of acquisition; (d) repurchase obligations of any Lender or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than thirty (30) days, with respect to securities issued or fully guaranteed or insured by the United States government; (e) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P and A2 by Moody’s; (f) securities with maturities of one year or less from the date of acquisition backed by



standby letters of credit issued by any Lender or any commercial bank satisfying the requirements of clause (b) of this definition; or (g) shares of money market mutual or similar funds that invest exclusively in assets satisfying the requirements of clauses (a) through (f) of this definition.

“**Cash Management Obligations**” means obligations owed in respect of any overdraft and related liabilities arising from treasury, depository and cash management services or any automated clearing house transfers of funds or in respect of any credit card or similar services.

“**CBOs**” means notes or other instruments (other than CMOs) secured by collateral consisting primarily of debt securities and/or other types of debt obligations, including loans.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

“**Change of Control**” means (a) from and after the IPO, any acquisition, directly or indirectly, by any person or group (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, of beneficial ownership (within the meaning of Rule 13d-3 of the SEC under the Exchange Act) of a percentage, on a fully diluted basis, of the outstanding shares of Voting Stock of the IPO Entity that is both (i) equal to or greater than 35% and (ii) greater than the percentage, on a fully diluted basis, of the outstanding shares of Voting Stock of the IPO Entity that is beneficially owned, directly or indirectly, by the Permitted Holders; (b) from and after the IPO, any person or group (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, shall obtain, directly or indirectly, the power (whether or not exercised) to elect a majority of the members of the board of directors (or similar governing body) of the IPO Entity (other than additional direct power of GAFGL to elect a majority of the members of the board of directors (or similar governing body) of GAFGL); (c)(i) prior to the IPO, the Permitted Holders shall cease to beneficially own and control, directly or indirectly, at least 50.1% on a fully diluted basis of the outstanding shares of Voting Stock of GAFGL or (ii) Holdings shall cease to beneficially own and control, directly or indirectly, 100% on a fully diluted basis of the outstanding shares of Voting Stock of the Borrower; or (d) the occurrence of a “change of control” (howsoever defined) in any instrument governing any Indebtedness of Holdings or its Restricted Subsidiaries with an aggregate outstanding amount in excess of \$75,000,000 that constitutes an “event of default” under such other debt instrument or would constitute an “event of default” after notice or passage of time under such other debt instrument. For the avoidance of doubt, (A) the IPO will not constitute a Change of Control and (B) no change in ownership or control of KKR Management LLP, or indirect change in ownership or control of KKR solely as a result of a change in ultimate ownership or control of KKR Management LLP, is or will constitute a Change of Control.

“**Class**” means (i) with respect to Lenders, Lenders having Revolving Exposure, and (ii) with respect to Loans, Revolving Loans. Until the consummation of an Extension pursuant to Section 2.13, there will be only one Class hereunder.

“**CMOs**” means notes or other instruments secured by collateral consisting primarily of mortgages, mortgage-backed securities and/or other types of mortgage-related obligations.

“Code” means the Internal Revenue Code of 1986, and regulations promulgated thereunder.

“Collateralized L/C Aggregate Collateral Amount” means, subject to the immediately succeeding paragraph, the sum of the Collateralized L/C Collateral Amounts of all Cash and Eligible Securities that are held in Collateralized L/C Collateral Accounts and subject to a first priority perfected security interest in favor of the Administrative Agent securing the Obligations with respect to Collateralized Letters of Credit.

Notwithstanding the foregoing, (a) if the aggregate fair market value of Eligible Securities of any single corporate issuer (or any Affiliate thereof) that are held in Collateralized L/C Collateral Accounts represents more than 10% of the aggregate fair market value of all Cash and Eligible Securities that are held in Collateralized L/C Collateral Accounts, the excess over 10% will be excluded from the Collateralized L/C Aggregate Collateral Amount, (b) the weighted average rating of all Agency Securities (as described in Appendix B) constituting Eligible Securities and held in Collateralized L/C Collateral Accounts must at all times be at least (i) AA+ from S&P or (ii) Aa1 from Moody’s, (c) if the aggregate fair market value of Asset-Backed Securities (as described in Appendix B) (including CMBS) held in Collateralized L/C Collateral Accounts represents more than 20% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 20% will be excluded from the Collateralized L/C Aggregate Collateral Amount, (d) if the aggregate fair value of Asset-Backed Securities constituting CMBS held in Collateralized L/C Collateral Accounts represents more than 10% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 10% will be excluded from the Collateralized L/C Aggregate Collateral Amount, (e) if the aggregate value of OECD Government Securities (as described in Appendix B) held in Collateralized L/C Collateral Accounts represents more than 20% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 20% will be excluded from the Collateralized L/C Aggregate Collateral Amount, and (f) if the aggregate value of Supranational Securities (as described in Appendix B) held in Collateralized L/C Collateral Accounts represents more than 20% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 20% will be excluded from the Collateralized L/C Aggregate Collateral Amount. For the avoidance of doubt, (x) any Cash or Eligible Securities that are not held in Collateralized L/C Collateral Accounts or subject to a first priority perfected security interest in favor of the Administrative Agent securing the Obligations with respect to Collateralized Letters of Credit or (y) any Eligible Securities for which an ISIN has not been issued, in each case, will not be included in the Collateralized L/C Aggregate Collateral Amount.

“Collateralized L/C Collateral” means, collectively, all property of whatever kind and nature subject or purported to be subject from time to time to a Lien under any Collateralized L/C Security Document.

“Collateralized L/C Collateral Account” means any deposit account or securities account maintained by the Borrower with a Custodian in respect of which a Collateralized L/C Security and Control Agreement is in effect.

“**Collateralized L/C Collateral Amount**” means, at any time, with respect to Cash or any category of Eligible Securities, the product of (a)(i) the amount of such Cash or (ii) the fair market value of such Eligible Securities, in each case, that is held in a Collateralized L/C Collateral Account at such time and subject to a first priority perfected security interest in favor of the Administrative Agent securing the Obligations with respect to Collateralized Letters of Credit, *multiplied by* (b) the Collateralized L/C Collateral Rate therefor, in each case, determined as of the close of business on the immediately preceding Business Day. The fair market value of Eligible Securities will be determined by reference to a generally recognized source selected by the applicable Custodian (or the most recent bid quotation from such source). With respect to any Eligible Securities having a fair market value denominated in a currency other than Dollars, the Dollar equivalent thereof (using a method selected by the applicable Custodian) will be used for purposes of determining the value of such Eligible Securities.

“**Collateralized L/C Collateral Certificate**” means a certificate substantially in the form of Exhibit K executed by a Responsible Officer of the Borrower.

“**Collateralized L/C Collateral Deficiency**” has the meaning specified in Section 2.02(l)(vi).

“**Collateralized L/C Collateral Deficiency Correction Date**” has the meaning specified in Section 2.02(l)(vi).

“**Collateralized L/C Collateral Rate**” means, for Cash or any category of obligation or investment specified in Appendix B in the column entitled “Cash and Eligible Securities” (other than Cash, the “**Eligible Securities**”), the percentage set forth opposite such category of Cash or Eligible Securities in Appendix B in the column entitled “Collateralized L/C Collateral Rate” and, in each case, subject to the term to maturity criteria set forth therein.

“**Collateralized L/C Collateral Requirement**” means the requirement that:

(a) ~~(a)~~ the Administrative Agent shall have received a counterpart to a Collateralized L/C Security and Control Agreement with respect to each Collateralized L/C Collateral Account, duly executed and delivered by the Borrower and the Custodian with which such Collateralized L/C Collateral Account is maintained;

(b) ~~(b)~~ all documents and instruments, including Uniform Commercial Code financing statements, required by law or reasonably requested by the Administrative Agent to be filed, registered or recorded to create the Liens intended to be created by the Collateralized L/C Security Documents and perfect or record such Liens to the extent, and with the priority, required by the Collateralized L/C Security Documents, shall have been filed, registered or recorded or delivered to the Administrative Agent for filing, registration or recording;

(c) ~~(c)~~ the Borrower shall have obtained all consents and approvals required to be obtained by it in connection with the execution and delivery of all Collateralized L/C Security Documents to which it is a party, the performance of its obligations thereunder and the granting of the Liens granted by it thereunder; and

(d) (4) the Borrower shall have taken all other action required under the Collateralized L/C Security Documents to perfect, register and/or record the Liens granted by it thereunder.

“**Collateralized L/C Disbursement**” means a payment made by a Lender pursuant to a Collateralized Letter of Credit.

“**Collateralized L/C Liens**” means the Liens granted or to be granted by the Borrower under the Collateralized L/C Security Documents.

“**Collateralized L/C Security and Control Agreement**” means, with respect to any Collateralized L/C Collateral Account, a Security and Control Agreement substantially in the form of Exhibit E-2 and duly executed and delivered by the Administrative Agent, the Borrower and the Custodian with which such Collateralized L/C Collateral Account is maintained.

“**Collateralized L/C Security Documents**” means the Collateralized L/C Security and Control Agreements and each other security agreement, instrument or document executed and delivered pursuant thereto or pursuant to Section 2.02(1), or Section 6.13, to secure any of the Secured Obligations (as defined in the Collateralized L/C Security and Control Agreements).

“**Collateralized L/C Security Invalidity**” means, at any time, (a) any provision of any Collateralized L/C Security 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 Obligations, shall cease to be in full force and effect or (b) any Lien purported to be created under any Collateralized L/C Security Document that is required to be in effect at such time (in accordance with the Collateralized L/C Collateral Requirement) shall cease to be, or shall be asserted by any Credit Party or any Restricted Subsidiary of Holdings not to be, a valid and perfected Lien on any Collateralized L/C Collateral covered thereby, with the priority required by the applicable Collateralized L/C Security Document (except as a result of the Administrative Agent’s failure to maintain possession of any stock certificates, promissory notes or other documents or possessory collateral delivered to it under any Collateralized L/C Security Document).

“**Collateralized L/C True-Up Amount**” means, as of any date of determination, with respect to each Letter of Credit that is a Collateralized Letter of Credit, an amount equal to the difference between (a) the total letter of credit fees referred to in Section 2.08(a)(ii) that would have accrued in respect of such Letter of Credit (if such Letter of Credit was a Non-Collateralized Letter of Credit) from the date of issuance thereof to such date and (b) the total letter of credit fees referred to in Section 2.08(a)(iii) that have accrued in respect of such Letter of Credit from the date of issuance thereof to such date.

“**Collateralized Letter of Credit**” means a Letter of Credit the Obligations with respect to which are secured by a first priority perfected security interest in favor of the Administrative Agent in all Cash and Eligible Securities that are held in the Collateralized L/C Collateral Accounts.

“**Collateralized Letter of Credit Fee**” means **[\*\*]**% *per annum*.

*[\*\*] = Certain information contained in this document, marked by “[\*\*]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

“**Collateralized Letter of Credit Usage**” means, as at any date of determination, the sum of (i) the maximum aggregate amount which is, or at any time thereafter may become, available for drawing under all Collateralized Letters of Credit then outstanding *plus* (ii) the aggregate amount of all Collateralized L/C Disbursements made by the Lenders and not theretofore reimbursed by or on behalf of the Borrower.

“**Commitment Letter**” means that certain commitment letter, dated as of June 23, 2021, by and among the Borrower, Wells Fargo, WFS, RBC, RBCCM and US Bank, as amended, restated, supplemented or otherwise modified from time to time.

“**Commitment Termination Date**” means the earliest to occur of (i) the fifth anniversary of the Effective Date, (ii) the date the Revolving Commitments are permanently reduced to zero pursuant to [Section 2.06](#), and (iii) the date of the termination of the Revolving Commitments pursuant to [Section 8.02](#).

“**Compensation Period**” has the meaning specified in [Section 2.10\(c\)\(ii\)](#).

“**Compliance Certificate**” means a certificate substantially in the form of [Exhibit A](#) executed by a Responsible Officer of Holdings.

“**Confirming Bank**” means, as provided in [Section 2.14](#) with respect to any Non-NAIC Approved Bank, any Person (including any Lender) that is an NAIC Approved Bank and that has agreed in a written agreement to confirm Letters of Credit with respect to which such Non-NAIC Approved Bank is an issuer, which agreement shall be in form and substance reasonably satisfactory to the Administrative Agent (such an agreement, a “**Confirming Bank Agreement**”).

“**Confirming Changes**” means, with respect to [either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes \(including changes to the definition of “Base Rate,” the definition of “U.S. Government Securities Business Day” and “Business Day,” the definition of “Interest Period” or any similar or analogous definition \(or the addition of a concept of “interest period”\), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of \[Section 3.04\]\(#\) and other technical, administrative or operational matters\)](#) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of [any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice \(or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents\)](#).

“**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 Total Assets**” means, with respect to any Person, the total assets which would appear on a consolidated balance sheet of such Person and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP.

“**Contingent Obligation**” means, without duplication, any agreement, undertaking or arrangement by which any Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the debt, obligation or other liability of any other Person (other than by endorsements of instruments in the course of collection or indemnities or other similar obligations under contracts entered into in the ordinary course of business and not in respect of Indebtedness or the issuance of Capital Stock), or guarantees the payment of dividends or other distributions upon the shares of any other Person; *provided* that the obligations of any Person under or in connection with insurance policies, under or in connection with Reinsurance Agreements, or in connection with Investments of Insurance Subsidiaries or Subsidiaries of Insurance Subsidiaries permitted by the applicable Department shall not be deemed Contingent Obligations of such Person. The amount of any Contingent Obligation of any Person shall (subject to any limitation set forth therein) 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 Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

“**Contractual Obligation**” means, as to any Person, any provision of any security issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, deed of trust or other instrument, document or agreement to which such Person is a party or by which it or any of its property is bound.

“**Conversion/Continuation Notice**” means a notice of conversion or continuation of a Revolving Loan substantially in the form of [Exhibit C-3](#).

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

“**Covered Party**” has the meaning specified in [Section 10.24\(a\)](#).

“**Credit Extension**” means (a) the making, conversion or continuation of a Loan or (b) the issuance, renewal or extension of a Letter of Credit.

“**Credit Parties**” means the Borrower and the Guarantors.

“**Custodian**” means (a) US Bank and (b) any other bank or financial institution that is (i)(A) with respect to any deposit account, a “bank” within the meaning of Section 9-102(a)(8) of the Uniform Commercial Code, and (B) with respect to any securities account, a “securities

intermediary” within the meaning of Section 8-102(a)(14) of the Uniform Commercial Code, (ii) located in the United States of America and (iii) satisfactory to the Administrative Agent.

“CWA” means Commonwealth Annuity and Life Insurance Company, a Massachusetts life insurance company.

~~“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion, which shall be consistent with the then-prevailing market conventions.~~

“Debt Ratings” means, as of any date of determination, the public long-term issuer credit ratings as determined by at least two of S&P, Moody’s and Fitch of any Credit Party; *provided* that (a) if more than one Credit Party has Debt Ratings, then the Debt Ratings of the Credit Party with the highest Debt Rating shall apply, (b) if the respective Debt Ratings of the applicable Credit Party issued by the foregoing rating agencies differ by one level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Ratings for Pricing Level 1 being the highest and the Debt Ratings for Pricing Level 5 being the lowest) and (c) if there is a split in Debt Ratings of the applicable Credit Party of more than one level, then the Pricing Level that is one level higher than the Pricing Level of the lower Debt Rating shall apply.

“Debt to Total Capitalization Ratio” means, as of any date of determination, without duplication, the ratio of (a) the principal amount of, and accrued but unpaid interest on, all consolidated Indebtedness (other than Operating Indebtedness, Indebtedness in respect of undrawn letters of credit, Non-Recourse Insurance Subsidiary Indebtedness or Intercompany Indebtedness) of any Person and its Restricted Subsidiaries outstanding on such date to (b) Total Capitalization of such Person and its Restricted Subsidiaries on such date.

“Debtor Relief Laws” means the Bankruptcy Code, 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, including state or other insurance insolvency laws.

“Default” means any event or circumstance that constitutes an Event of Default or that, with the giving of notice, the lapse of time, or both, would (if not cured or otherwise remedied during such time) constitute an Event of Default.

“Defaulting Lender” means, subject to Section 2.12(b), any Lender that (a) has failed to (i) fund all or any portion of its Revolving Loans within two (2) Business Days of the date such Revolving Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (which conditions precedent, together with the applicable default, if any, shall be specifically identified in such writing) has

not been satisfied, or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent 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 Lenders' obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with the applicable default, if any, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent or the 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), (d) the Administrative Agent has received notification that such Lender is, or has a direct or indirect parent company that is (i) insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors or (ii) the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, intervenor or sequestrator or the like has been appointed for such Lender or its direct or indirect parent company, or such Lender or its direct or indirect parent company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment, (e) ceases to be a NAIC Approved Bank and has failed to comply with its obligations under Section 2.14, or (f) is subject of any Bail-In Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Capital Stock 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 or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

**"Department"** means, with respect to any Insurance Subsidiary, the Governmental Authority of such Insurance Subsidiary's state or other jurisdiction of domicile with which such Insurance Subsidiary is required to file its Annual Statement.

**"Designated Subsidiary"** means (a) the Borrower, (b) each Restricted Subsidiary of Holdings that directly or indirectly owns any Capital Stock of the Borrower and (c) each Restricted Subsidiary of Holdings (other than an Insurance Subsidiary) that directly or indirectly owns any Capital Stock of any Insurance Subsidiary (including any such Restricted Subsidiary of Holdings that is itself owned by an Insurance Subsidiary) that (i) as of the Effective Date, has incurred, created, assumed, suffered to exist, guaranteed or at any time become directly or indirectly liable with respect to, any Indebtedness in an aggregate principal amount exceeding \$50,000,000 (other than Intercompany Indebtedness), or (ii) after the Effective Date, incurs, creates, assumes, suffers to exist, guarantees or at any time becomes directly or indirectly liable with respect to, any Indebtedness in an aggregate principal amount exceeding \$50,000,000 (other than Intercompany Indebtedness). Nothing contained in this definition shall be deemed to limit



the ability of any Guarantor (other than Holdings) to merge, consolidate, amalgamate or sell all or substantially all of its assets in accordance with Section 7.06.

“**Disposition**” means the sale, assignment, leasing, transfer, contribution, conveyance, or other disposal of, any of a Person’s assets (other than cash) (including a sale and leaseback transaction and, in the case of any Restricted Subsidiary, the issuance or sale of its Capital Stock). The terms “**Dispose of**” and “**Disposed of**” shall have correlative meaning.

“**Disqualified Lender**” means (i) certain insurance companies that have been identified in writing by GAFL to the Arrangers on or prior to August 4, 2021 and (ii) certain additional insurance companies or insurance company holding companies that have become competitors or clients of the Borrower or any Guarantor or any of their Subsidiaries after August 4, 2021 identified in writing by Holdings to the Arrangers and the Administrative Agent, *provided* that any Person (x) that is a Lender or that enters into a binding agreement to assume rights and obligations under this Agreement or (y) that is a Participant or that enters into a binding agreement to purchase a participation in all or a portion of a Lender’s rights and/or obligations under this Agreement and, in the case of either clause (x) or (y), subsequently becomes a Disqualified Lender (but was not a Disqualified Lender on the Effective Date or at the time it became a Lender or a Participant or entered into an agreement of such type, as applicable) shall be deemed to not be a Disqualified Lender hereunder. The list of Disqualified Lenders shall be made available to all Lenders by posting such list to IntraLinks or another similar electronic system.

“**Documentation Agents**” means, collectively, of BMO Harris Bank N.A., KeyBank National Association, The Bank of Nova Scotia, ~~BMO~~ and ~~Wells Fargo~~ JPMorgan Chase Bank, N.A. and their respective successors and assigns in such capacity.

“**Dollars**,” “**dollars**” and “**\$**” each mean lawful money of the United States.

~~“**Early Opt-in Effective Date**” means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from the Lenders constituting the Required Lenders.~~

~~“**Early Opt-in Election**” means, if the then-current Benchmark is USD LIBOR, the occurrence of:~~

~~(+) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding syndicated credit facilities substantially similar to the credit facilities under this Agreement at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as the then-current benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and~~

~~(2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.~~

“**Economic Sanctions Laws**” means any and all laws, judgments, orders, executive orders, decrees, ordinances, rules, regulations, statutes, case law or treaties relating to economic sanctions and terrorism financing, including any applicable provisions of each of the Trading with the Enemy Act (50 U.S.C. App. §§ 5(b) and 16, as amended), the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706, as amended) and Executive Order 13224 (effective September 24, 2001), as amended.

“**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.

“**Effective Date**” means August 4, 2021, or, if later, the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 10.01.

“**Electronic Signature**” means an electronic sound, symbol or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“**Eligible Assignee**” means (a) a Lender; (b) an Affiliate of a Lender; (c) an Approved Fund; and (d) any other Person (other than a Natural Person) approved by (i) the Administrative Agent and (ii) unless an Event of Default under Section 8.01(a), (f) or (g) has occurred and is continuing, the Borrower (each such approval not to be unreasonably withheld or delayed); *provided* that (x) notwithstanding the foregoing, “Eligible Assignee” shall not include Holdings, the Borrower or any of its Affiliates (other than Goldman Sachs & Co. LLC and any lending affiliates thereof, but excluding Holdings and its Subsidiaries) or any Disqualified Lender, (y) each Eligible Assignee must be a NAIC Approved Bank and (z) the Borrower shall be deemed to have approved an assignee unless it shall object thereto by written notice to the Administrative Agent within fifteen (15) Business Days after having received notice thereof.

“**Eligible Securities**” has the meaning set forth in the definition of “Collateralized L/C Collateral Rate”.

“**Embargoed Person**” means any Person that (i) is publicly identified on the most current list of “Specially Designated Nationals and Blocked Persons” published by the United States

Treasury's Office of Foreign Assets Control ("OFAC"), the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority, or is located, resides, is organized or chartered or has a place of business in a country, region or territory subject to sanctions administered or enforced from time to time by the U.S. government, including those administered by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority or (ii) is publicly identified as prohibited from doing business with the United States under the International Emergency Economic Powers Act, the Trading With the Enemy Act or any other Requirement of Law.

"**Entitled Person**" has the meaning set forth in [Section 10.22\(b\)](#).

"**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 Claims**" means all written claims, complaints or notices, by any Governmental Authority or other Person alleging potential liability or responsibility for violation of any Environmental Law, or for release or injury to the Environment or threat to public health, personal injury (including sickness, disease or death), property damage, natural resources damage, or otherwise alleging liability or responsibility for damages (punitive or otherwise), cleanup, removal, remedial or response costs, restitution, civil or criminal penalties, injunctive relief or other type of relief, resulting from or based upon the presence, placement, or Release (including intentional or unintentional, negligent or non-negligent, sudden or non-sudden or accidental or non-accidental placement, spills, leaks, discharges, emissions or releases) of any Hazardous Material at, in, under or from property, whether or not owned by Holdings or any of its Restricted Subsidiaries, excluding, in any case, liabilities or claims arising under any insurance contract or policy, reinsurance agreement or retrocession agreement relating to any of the foregoing where Holdings or any of its Restricted Subsidiaries is the insurer.

"**Environmental Laws**" means all Requirements of Law relating to pollution or protection of the Environment, health and safety.

"**Environmental Liability**" means any liability, contingent or otherwise (including any liability for damages, costs of remediation, fines, penalties or indemnities), of Holdings, any other Credit Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage or treatment 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.

"**ERISA**" means the Employee Retirement Income Security Act of 1974 and the regulations promulgated thereunder.

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) under common control with Holdings or any of its Subsidiaries 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 Single Employer Pension Plan; (b) with respect to any Single Employer Pension Plan, the failure to satisfy the minimum funding standard under Sections 412 or 430 of the Code and Sections 302 or 303 of ERISA, whether or not waived, the failure to make by its due date a required installment under Section 430(j) of the Code or Section 303 of ERISA with respect to any Single Employer Pension Plan or the failure to make a required contribution to a Multiemployer Plan; (c) a withdrawal by Holdings, any of its Subsidiaries or any ERISA Affiliate from a Single Employer Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations which is treated as such a withdrawal under Section 4062(e) of ERISA; (d) a complete or partial withdrawal by Holdings, any of its Subsidiaries or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent; (e) the filing of a notice of intent to terminate, the treatment of a plan amendment as a termination under Section 4041 or 4041A of ERISA or the commencement of proceedings by the PBGC to terminate a Single Employer Pension Plan or Multiemployer Plan; (f) an event or condition that would reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Single Employer Pension Plan or Multiemployer Plan; (g) the imposition of any liability under Title IV of ERISA, other than required plan contributions and PBGC premiums due but not delinquent under Section 4007 of ERISA, upon Holdings, any of its Subsidiaries or any ERISA Affiliate; (h) the engagement by Holdings, any of its Subsidiaries or any ERISA Affiliate in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; (i) a Multiemployer Plan is determined to be in “critical” or “endangered” status under Section 432 of the Code or Section 305 of ERISA, or, with respect to any Single Employer Pension Plan, a determination that it is “at risk” under Section 430 of the Code or Section 303 of ERISA; or (j) the imposition of a Lien under Section 430(k) of the Code or Section 303(k) or 4068 of ERISA.

**“Erroneous Payment”** has the meaning assigned thereto in [Section 9.14\(a\)](#).

**“Erroneous Payment Deficiency Assignment”** has the meaning assigned thereto in [Section 9.14\(d\)](#).

**“Erroneous Payment Impacted Class”** has the meaning assigned thereto in [Section 9.14\(d\)](#).

**“Erroneous Payment Return Deficiency”** has the meaning assigned thereto in [Section 9.14\(d\)](#).

**“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.

**“Event of Default”** has the meaning specified in [Section 8.01](#).

“**Exchange Act**” means the Securities Exchange Act of 1934 and the regulations promulgated thereunder.

“**Excluded Taxes**” means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Credit Party under any Loan Document, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender (other than an assignee pursuant to a request by the Borrower under [Section 3.07](#) or [10.14](#)) (i) any United States federal withholding Tax that is imposed on amounts payable to such Lender under any laws in effect at the time such Lender becomes a party hereto (or designates a new lending office), except to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding Tax pursuant to [Section 3.01\(a\)](#) or (ii) any Tax that is attributable to such Lender’s failure to comply with [Section 3.01\(e\)](#) and (c) any United States federal withholding Tax that is imposed pursuant to FATCA.

“**Existing Credit Agreement**” means the Second Amended and Restated Credit Agreement dated as of May 21, 2018 (as amended, restated, amended and restated, modified or supplemented, waived or otherwise modified from time to time prior to the Effective Date), by and among GAFL, the Borrower, the guarantors party thereto, the lenders party thereto and RBC, as the administrative agent.

“**Extended Revolving Commitments**” has the meaning specified in [Section 2.13\(c\)\(ii\)](#).

“**Extended Revolving Loans**” has the meaning specified in [Section 2.13\(c\)\(ii\)](#).

“**Extended Termination Date**” has the meaning specified in [Section 2.13\(a\)](#).

“**Extension**” has the meaning specified in [Section 2.13\(a\)](#).

“**Extension Amendment**” has the meaning specified in [Section 2.13\(f\)](#).

“**Extension Offer**” has the meaning specified in [Section 2.13\(a\)](#).

“**Facility**” means, collectively, the Revolving Loans and Revolving Commitments therefor.

“**FATCA**” means current Sections 1471 through 1474 of the Code and any amended or successor version that is substantively comparable and not materially more onerous to comply with (including any current or future United States Treasury Regulations or other official administrative guidance promulgated thereunder), any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices

adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the Code.

“FCA” has the meaning assigned thereto in Section 1.06.

“**Federal Funds Rate**” means, for any day, the greater of (i) the rate 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 and (ii) 0%; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

“**Fee Letter**” means any fee letter agreement entered into pursuant to Section 2.08(d).

“**Fiscal Quarter**” means any fiscal quarter of a Fiscal Year.

“**Fiscal Year**” means any period of twelve consecutive calendar months ending on December 31.

“**Fitch**” means Fitch Ratings Limited, together with any Person succeeding thereto by merger, consolidation or acquisition of all or substantially all of its assets, including substantially all of its business of rating securities.

“**Floor**” means ~~the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to USD LIBOR~~ a rate of interest equal to 0%.

“**Foreign Lender**” means any Lender that is not a “United States Person” within the meaning of Section 7701(a)(30) of the Code.

“**Foreign Subsidiary**” means a Subsidiary (which may be a corporation, limited liability company, partnership or other legal entity) organized under the laws of a jurisdiction outside the United States.

“**FRB**” means the Board of Governors of the Federal Reserve System and any Governmental Authority succeeding to any of its principal functions.

“**Fund**” means any Person (other than a Natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“**GA Bermuda**” means Global Atlantic Re Limited, a Bermuda exempted company registered under the Insurance Act 1978 of Bermuda as a Class 3A and long-term Class C insurer.

“**GAAP**” means generally accepted accounting principles set forth from time to time 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 agencies with similar functions of comparable stature and authority within the U.S. accounting profession), that are applicable to the circumstances as of the date of determination.

“**GAFGL**” means Global Atlantic Financial Group LLC, a limited liability company incorporated and existing under the laws of Bermuda.

“**GAFL**” has the meaning specified in the introduction to this Agreement.

“**GAFLL**” means Global Atlantic Financial Life Limited, an exempted company incorporated and existing under the laws of Bermuda.

“**Governmental Act**” means any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

“**Governmental Authority**” means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial or regulatory functions of or pertaining to government, including any board of insurance, insurance department or insurance commissioner.

“**Guarantee**” has the meaning specified in the Guarantee Agreement.

“**Guarantee Agreement**” means the Guarantee Agreement, dated as of the Effective Date, among the Guarantors and the Administrative Agent, substantially in the form of Exhibit E-1.

“**Guarantee Requirement**” means the requirement that the Administrative Agent shall have received from Holdings, the Borrower and each other Designated Subsidiary either (a) a counterpart to this Agreement and the Guarantee Agreement, duly executed and delivered on behalf of such Person, or (b) in the case of any Person that becomes a Designated Subsidiary after the Effective Date, a supplement to this Agreement and the Guarantee Agreement, in the form specified in the Guarantee Agreement or otherwise reasonably acceptable to the Administrative Agent, duly executed and delivered on behalf of such Designated Subsidiary.

“**Guaranteed Obligations**” has the meaning specified in the Guarantee Agreement.

“**Guaranteed Parties**” has the meaning specified in the Guarantee Agreement.

“**Guaranteed Swap Contract**” means any Swap Contract entered into by a Credit Party with any Person that, at the time such Swap Contract is entered into, is the Administrative Agent, any Arranger, any Bookrunner or any Lender (or an Affiliate of the Administrative Agent, any

Arranger, any Bookrunner or any Lender) to hedge interest rate risk of such Credit Party with respect to the Facility.

“**Guarantors**” means each of Holdings and each other Designated Subsidiary that is a party to the Guarantee Agreement. Nothing contained in this definition shall be deemed to limit the ability of any Guarantor (other than Holdings) to merge, consolidate, amalgamate or sell all or substantially all of its assets in accordance with [Section 7.06](#).

“**Hazardous Material**” means: (a) any “hazardous substance,” as defined by CERCLA; (b) any “hazardous waste,” as defined by the Resource Conservation and Recovery Act; (c) petroleum and any petroleum product; or (d) any other pollutant, contaminant, chemical, material, waste or substance in any form that is subject to regulation or, as to which, liability or standards of conduct can be imposed under any Environmental Law.

“**Historical Financial Statements**” means, as of the Effective Date, the audited consolidated balance sheets and the related consolidated statements of income, stockholders’ equity and cash flows of Holdings for the Fiscal Years ended December 31, 2019 and December 31, 2020.

“**Historical Statutory Statements**” has the meaning specified in [Section 5.11\(b\)](#).

“**Holdings**” means (a) prior to the IPO, GAFL, and (b) upon and after the IPO, the IPO Entity.

“**Hybrid Securities**” means, at any time, trust preferred securities, deferrable interest subordinated debt securities, mandatory convertible debt or other hybrid securities issued by the Borrower or any Restricted Subsidiary that is accorded at least some equity treatment by S&P or Moody’s at the time of issuance thereof.

“**IBA**” has the meaning assigned thereto in [Section 1.06](#).

“**Increase Amount**” means, at any time, the amount equal to (a) \$250,000,000 less (b) the aggregate amount of all New Revolving Commitments effected at or prior to such time. On the Effective Date, the Increase Amount is \$250,000,000.

“**Increased Amount Date**” has the meaning specified in [Section 2.15\(a\)](#).

“**Indebtedness**” means, with respect to any Person, without duplication: (a) all indebtedness of such Person for borrowed money or in respect of loans or advances; (b) all indebtedness of such Person evidenced by bonds, debentures, notes or other similar instruments; (c) all indebtedness in respect of letters of credit, whether or not drawn (*provided* that, solely for purposes of [Section 7.09](#), indebtedness in respect of letters of credit that are not drawn and unpaid shall not constitute “Indebtedness”), and bankers’ acceptances and letters of guaranty issued for the account or upon the application or request of such Person; (d) all Capitalized Lease Liabilities of such Person; (e) the liabilities (if any) of such Person in respect of Swap Contracts as determined by reference to the Swap Termination Value thereof; (f) all obligations of such Person to pay the deferred purchase price of property or services that are included as liabilities in accordance with GAAP (other than accrued expenses incurred and trade accounts payable in



each case in the ordinary course of business) and all obligations secured by a Lien on property owned or being purchased by such Person, but only to the extent of the lesser of the obligations secured or the value of the property to which such Lien is attached (including obligations arising under conditional sales or other title retention agreements); (g) any obligations of a partnership of the kind referred to in clauses (a) through (f) above or clause (h) or (i) below in which such Person is a general partner; (h) solely for purposes of Section 7.09, all obligations in respect of Hybrid Securities (other than Hybrid Securities (or the greatest portion thereof) that are treated as equity by S&P or Moody's) of such Person; and (i) all Contingent Obligations of such Person in connection with Indebtedness or obligations of others of the kinds referred to in clauses (a) through (h) above; *provided*, that obligations under the Tax Benefit Payment Agreement shall not constitute Indebtedness.

**"Indemnified Liabilities"** has the meaning specified in Section 10.05(a).

**"Indemnified Persons"** has the meaning specified in Section 10.05(a).

**"Indemnified Taxes"** means (a) Taxes, other than Excluded Taxes imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document, and (b) to the extent not otherwise described in clause (a) of this definition, Other Taxes.

**"Insolvency Proceeding"** means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, conservation, rehabilitation, receivership, dissolution, winding-up or relief of debtors or (b) any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, compromise with creditors or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in any case, undertaken under U.S. Federal, state or foreign law, including Title 11 of the United States Code and the Companies Act 1981 of Bermuda.

**"Insurance Investments"** means Investments by an Insurance Subsidiary or any Subsidiary of an Insurance Subsidiary for its investment portfolio (other than such Person's Investments in its Restricted Subsidiaries engaged in insurance lines of business) in the ordinary course of business consistent with the policies and procedures approved by the board of directors or the investment committee (or other applicable committee) of such Insurance Subsidiary or any Subsidiary of an Insurance Subsidiary.

**"Insurance Subsidiary"** means any Subsidiary of Holdings that is or is required to be licensed as an insurer or reinsurer.

**"Intercompany Indebtedness"** means Indebtedness owed by Holdings or a Restricted Subsidiary to Holdings or a Restricted Subsidiary; *provided* that all such Indebtedness of any Credit Party owed to any Restricted Subsidiary that is not a Credit Party is unsecured and subject to the Intercompany Subordination Provisions.

**"Intercompany Subordination Provisions"** means the terms and conditions set forth on Exhibit I.

“**Interest Payment Date**” means (a) with respect to any Base Rate Loan, the last Business Day of each calendar quarter and (b) with respect to any ~~LIBOR~~ ~~Rate~~ SOFR Loan, the last day of each Interest Period applicable to the Credit Extension of which such Revolving Loan is a part; *provided* that if any Interest Period for a ~~LIBOR~~ ~~Rate~~ SOFR Loan exceeds three months, the date that falls three months after the beginning of such Interest Period and after each Interest Payment Date thereafter is also an Interest Payment Date (but in each case, subject to the definition of “Interest Period”).

“**Interest Period**” means, with respect to any ~~LIBOR~~ ~~Rate~~ SOFR Loan, the period beginning on the date of the applicable Credit Extension and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the Borrower may elect; *provided* that:

(a) ~~(a)~~ if any Interest Period would otherwise end on a day that is not a Business Day, that Interest Period shall be extended to the following Business Day unless the result of such extension would be to carry such Interest Period into another calendar month, in which event such Interest Period shall end on the preceding Business Day;

(b) ~~(b)~~ any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (c) of this definition, end on the last Business Day of the calendar month at the end of such Interest Period; ~~and~~

(c) ~~(c)~~ no Interest Period with respect to any portion of any Class of Revolving Loans shall extend beyond such Class’s Commitment Termination Date; ~~;~~  
and

(d) no tenor that has been temporarily removed from this definition pursuant to Section 3.05(d) shall be available for specification in any Loan Notice during such time that such tenor is unavailable.

For purposes hereof, the date of a Credit Extension initially shall be the date on which such Credit Extension is made and thereafter shall be the effective date of the most recent continuation of such Credit Extension.

“**Interest Rate Determination Date**” means, with respect to any Interest Period, the date that is two (2) Business Days prior to the first day of such Interest Period.

“**Interest Type**” means, when used with respect to any Revolving Loan, whether the rate of interest on such Revolving Loan is determined by reference to ~~the~~ ~~LIBOR~~ ~~Rate~~ Adjusted Term SOFR or the Base Rate.

“**Investment**” means any advance, loan, extension of credit (by way of guaranty or otherwise) or capital contribution to, or purchase (including purchases financed with equity) of any Capital Stock, bonds, notes, obligations, debentures or other debt securities of, or any other investment in, any Person.

“**IPO**” means the consummation of the initial public offering of common Capital Stock in (a) GAFL or (b) any Person (i) that is a Wholly-Owned Subsidiary of GAFL immediately prior to

the IPO and (ii) of which (A) the Borrower, (B) CwA, (C) GA Bermuda, (D) each Person that is an Insurance Subsidiary of GAFL immediately prior to the IPO and (E) each Person that, immediately prior to the IPO, is a Subsidiary of GAFL that directly or indirectly owns any Capital Stock of any Insurance Subsidiary of GAFL (including each such Subsidiary that is itself owned by an Insurance Subsidiary of GAFL), in the case of each of clauses (A) through (E), is a Wholly-Owned Subsidiary (GAFL or such Person, as the case may be, the “**IPO Entity**”), in each case pursuant to an effective registration statement filed with the SEC pursuant to the Securities Act.

“**IRS**” means the Internal Revenue Service or any Governmental Authority succeeding to any of its principal functions under the Code.

~~“**ISDA Definitions**” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.~~

“**Issuance Notice**” means a notice substantially in the form of Exhibit C-2.

“**Joinder Agreement**” means an agreement substantially in the form of Exhibit L.

“**Judgment Currency**” has the meaning set forth in Section 10.22(b).

“**KKR**” means KKR & Co. Inc.

“**Knowledge**” means, with respect to any Person, the actual knowledge of the facts, circumstances or condition by a Responsible Officer, including the chief financial officer, president, chief executive officer, treasurer, senior vice president or vice president, of such Person involved in negotiating the Transactions.

“**Latest Maturity Date**” means, at any date of determination, the latest maturity or expiration date applicable to any Revolving Loan or Revolving Commitment hereunder at such time, including the latest maturity or expiration date of any Extended Revolving Commitments or Extended Revolving Loans, in each case as extended in accordance with this Agreement from time to time.

“**L/C Disbursement**” means a payment made by a Lender pursuant to a Letter of Credit.

“**L/C Exposure**” means at any time the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time and (b) the aggregate amount of all payments or disbursements made by the Lenders pursuant to a Letter of Credit that have not yet been reimbursed by or on behalf of the Borrower at such time. The L/C Exposure of any Revolving Lender at any time shall equal its Pro Rata Share of the aggregate L/C Exposure at such time.

“**Lenders**” has the meaning specified in the introduction to this Agreement and includes any other Person that shall have become a party hereto pursuant to an Assignment and Assumption in accordance with Section 10.07, other than any such Person that ceases to be a

party hereto pursuant to an Assignment and Assumption. As the context requires, the term “Lenders” includes each Limited Fronting Lender and each Participating Lender.

“**Lending Office**” means, as to any Lender, the office or offices of such Lender specified as its “Lending Office” or “Domestic Lending Office” ~~or “LIBOR Lending Office”;~~ as the case may be, in its administrative questionnaire delivered to the Administrative Agent, or such other office or offices or office of a third party or sub-agent, as appropriate, as such Lender may from time to time notify the Borrower and the Administrative Agent.

“**Letter of Credit**” means a standby letter of credit issued or to be issued by the Lenders pursuant to this Agreement. Each Letter of Credit will be a Syndicated Letter of Credit.

“**Letter of Credit Sublimit**” means \$500,000,000.

“**Letter of Credit Usage**” means, as at any date of determination, the sum of (i) the maximum aggregate amount which is, or at any time thereafter may become, available for drawing under all Letters of Credit then outstanding *plus* (ii) the aggregate amount of all L/C Disbursements made by the Lenders and not theretofore reimbursed by or on behalf of the Borrower.

~~“**LIBOR Rate**” means for any Interest Period with respect to a LIBOR Rate Loan: the rate *per annum* obtained by dividing (i) (a) the rate *per annum* equal to the rate determined by the Administrative Agent to be the London interbank offered rate administered by the ICE Benchmark Administration (or any other person which takes over the administration of that rate) for deposits (for delivery on the first day of such period) with a term equivalent to such period in Dollars displayed on page LIBOR 01 of the Reuters Screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date; or (b) in the event the rate referenced in the preceding clause (a) is not available, the rate *per annum* determined by the Administrative Agent as the rate of interest equal to the offered quotation rate to major banks in the offshore Dollar market at their request by the Administrative Agent’s London Branch for deposits (for delivery on the first day of the relevant period) in Dollars of amounts in same day funds comparable to the principal amount of the Revolving Loan, for which the LIBOR Rate is then being determined with maturities comparable to such period as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date; by (ii) an amount equal to (a) one *minus* (b) the Applicable Reserve Requirement; *provided that, if such rate per annum is less than zero, the LIBOR Rate will be deemed to be zero for purposes of this Agreement.*~~

~~“**LIBOR Replacement Date**” means, if the then-current Benchmark is USD LIBOR the earliest to occur of:~~

~~(1) the date on which IBA has permanently or indefinitely ceased to provide all Available Tenors of USD LIBOR;~~

~~(2) the date on which the Financial Conduct Authority has announced, pursuant to a public statement or publication of information, that all Available Tenors of USD LIBOR are no longer representative; or~~

~~(3) the Early Opt-in Effective Date in respect of such relevant LIBOR.~~

~~For the avoidance of doubt, if the event giving rise to the LIBOR Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the LIBOR Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.~~

“**License**” means any license, certificate of authority, permit or other authorization that is required to be obtained from any Governmental Authority in connection with the operation, ownership or transaction of insurance business.

“**Lien**” means any security interest, mortgage, deed of trust, pledge, hypothecation, assignment, charge or deposit arrangement, encumbrance, lien (statutory or other) or preferential arrangement of any kind or nature whatsoever in respect of any property (including those created by, arising under or evidenced by any conditional sale or other title retention agreement, the interest of a lessor under a capital lease or any financing lease having substantially the same economic effect as any of the foregoing) and any contingent or other agreement to provide any of the foregoing, but not including the interest of a lessor under an operating lease or a licensor under a license that does not otherwise secure an obligation.

“**Limited Fronting Lender**” means, with respect to any Participating Lender, any Lender that is an NAIC Approved Bank and that has agreed in a written agreement to act as a fronting bank on behalf of such Participating Lender in accordance with Section 2.02(m), which agreement shall be in form and substance reasonably satisfactory to the Administrative Agent (such an agreement, a “**Limited Fronting Lender Agreement**”).

“**Limited Fronting Percentage**” means, with respect to any Limited Fronting Lender and any Participating Lender, the percentage (not to exceed 100%) of such Participating Lender’s Pro Rata Share of the aggregate undrawn amount of Letters of Credit in respect of which such Limited Fronting Lender has agreed to act as a fronting bank, as set forth in the Limited Fronting Lender Agreement between such Limited Fronting Lender and such Participating Lender.

“**Loan**” means either a Base Rate Loan or a ~~LIBOR Rate~~SOFR Loan, as the context may require.

“**Loan Documents**” means this Agreement and amendments of and joinders to this Agreement that are deemed pursuant to their terms to be Loan Documents for purposes hereof, all Revolving Loan Notes, the Guarantee Agreement, the Collateralized L/C Security Documents, the Fee Letters and all Extension Amendments.

“**Loan Notice**” means a notice of Credit Extension substantially in the form of Exhibit C-1.

“**Margin Stock**” means “margin stock” as such term is defined in Regulation U or X of the FRB.

“**Material Adverse Effect**” means (a) a material adverse change in, or a material adverse effect upon, the business, properties, results of operations or condition (financial or otherwise) of Holdings and its Restricted Subsidiaries taken as a whole; (b) a material impairment of the ability of any Credit Party to perform under any Loan Document to which it is a party; (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Credit Party of any Loan Document to which it is a party; or (d) a material adverse change in the rights, remedies and benefits available to, or conferred upon, the Administrative Agent and any Lender under any Loan Document.

“**Material Indebtedness**” means Indebtedness having an aggregate outstanding principal amount, individually or in the aggregate, with all other Indebtedness of the Credit Parties and their respective Restricted Subsidiaries (excluding Intercompany Indebtedness, Indebtedness under the Loan Documents and Operating Indebtedness which is recourse only to a Subsidiary of the Borrower which is a special purpose life insurance captive vehicle) of not less than \$75,000,000.

“**Minimum Cash Collateral Amount**” means, at any time, (i) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 103% of the L/C Exposure of the Lenders with respect to Letters of Credit issued and outstanding at such time and (ii) otherwise, an amount determined by the Administrative Agent in its reasonable discretion.

“**Minimum Collateralized L/C Aggregate Collateral Amount**” means, as at any date of determination, 103% of the Collateralized Letter of Credit Usage.

“**MNPI**” means material non-public information (within the meaning of United States federal, state or other applicable securities laws) with respect to Holdings, the Borrower or their respective affiliates or securities.

“**Moody’s**” means Moody’s Investors Service, Inc., together with any Person succeeding thereto by merger, consolidation or acquisition of all or substantially all of its assets, including substantially all of its business of rating securities.

“**Multiemployer Plan**” means a “multiemployer plan,” within the meaning of Section 4001(a)(3) of ERISA, to which Holdings, any of its Subsidiaries or any ERISA Affiliate makes, is making or is obligated to make contributions or, during the preceding six calendar years, has made, or been obligated to make, contributions.

“**NAIC**” means the National Association of Insurance Commissioners or any successor thereto, or in the absence of the National Association of Insurance Commissioners or such successor, any other association, agency or other organization performing advisory, coordination or other like functions among insurance departments, insurance commissioners and similar Governmental Authorities of the various states of the United States toward the promotion of uniformity in the practices of such Governmental Authorities.

“**NAIC Approved Bank**” means any Lender that is a bank listed on the most current “Qualified U.S. Financial Institutions List (“**QFISI**”)” of banks approved by the NAIC.

“**Natural Person**” means a natural person or any company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof.

“**Net Income**” means, for any Person for any period, the net income (or loss) of such Person for such period as determined, unless otherwise indicated, in accordance with GAAP.

“**Net Worth**” means the total common and preferred shareholders’ equity of any Person as determined in accordance with GAAP (calculated excluding (i) accumulated other comprehensive income (loss), (ii) any charges taken to write off any goodwill included on such Person’s balance sheet on the Effective Date to the extent such charges are required by FASB ASC 320 (Investments—Debt and Equity Securities) and ASC 350 (Intangibles—Goodwill and Others), (iii) all noncontrolling interests (as determined in accordance with FASB ASC 160 (Noncontrolling Interests in Consolidated Financial Statements)), and (iv) reinsurance embedded derivatives as determined in accordance with FASB ASC 815-15-55-102 (formerly known as FASB Derivative Implementation Group B-36)).

“**New Revolving Commitment**” has the meaning set forth in [Section 2.15\(a\)](#).

“**New Revolving Loan**” has the meaning set forth in [Section 2.15\(b\)](#).

“**New Revolving Loan Lender**” has the meaning set forth in [Section 2.15\(a\)](#).

“**Non-Collateralized Letter of Credit**” means a Letter of Credit that is not a Collateralized Letter of Credit.

“**Non-Consenting Lender**” means a Lender that does not consent to an amendment or waiver pursuant to [Section 10.01](#) that requires the consent of all or all affected Lenders in order to become effective and as to which Lenders holding more than 50% of the Revolving Loans and Revolving Commitments have consented.

“**Non-Defaulting Lender**” means, at any time, each Lender that is not a Defaulting Lender at such time.

“**Non-NAIC Approved Bank**” means any Person that is not a NAIC Approved Bank.

“**Non-Recourse Insurance Subsidiary Indebtedness**” means non-recourse Indebtedness of Insurance Subsidiaries and Subsidiaries thereof incurred in the ordinary course of business resulting from the sale or securitization of non-admitted assets, policy loans, CBOs and CMOs or other similar instruments and structures.

“**Obligations**” means all advances to, and debts, liabilities and obligations of, any Credit Party arising under any Loan Document, 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 Credit Party 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. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Loan Documents include (a) the obligation to pay principal, interest, charges, expenses, fees, Attorney Costs, indemnities and other amounts payable by any Credit Party under any Loan Document and (b) the obligation of any Credit Party to reimburse any amount in respect of any of the foregoing that any Lender, in its sole discretion, may elect to pay or advance on behalf of such Credit Party.

“OFAC” has the meaning set forth in the definition of “Embargoed Person”.

“**Operating Indebtedness**” of any Person means, at any date, without duplication, any Indebtedness of such Person (a) in respect of AXXX, XXX and other similar life or annuity reserve requirements, (b) incurred in connection with repurchase agreements and securities lending, (c) to the extent the proceeds of which are used directly or indirectly (including for the purpose of funding portfolios that are used to fund trusts in order) to support AXXX, XXX and other similar life or annuity reserves, (d) to the extent the proceeds of which are used to fund discrete assets or pools of assets (and any related hedge instruments and capital) that are segregated from other assets of such Person and in the judgment of such Person have sufficient cash flow to pay principal and interest thereof, with insignificant risk of other assets of such Person being called upon to make such principal and interest payments, (e) in respect of undrawn letters of credit or drawn letters of credit that are reimbursed, issued on behalf of any Insurance Subsidiary or any Subsidiary of an Insurance Subsidiary in the ordinary course of its business for insurance regulatory or reinsurance purposes, (f) that is owed to a Federal Home Loan Bank or (g) that is excluded entirely from financial leverage by either S&P or Moody’s in its evaluation of Holdings.

“**Organization Documents**” means (i) with respect to any corporation, the certificate or articles of incorporation, the bylaws, any certificate of designation or instrument relating to the rights of preferred shareholders of such corporation, any shareholder rights agreement, (ii) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement and (iii) 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, or in the case of clauses (i), (ii) and (iii), the equivalent or comparable constituent documents with respect to any Foreign Subsidiary.

“**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 the Revolving Loans, Revolving Commitments or Loan Documents).



“**Other Taxes**” means any present or future recording, stamp, court or documentary Taxes or any other excise, sales or property Taxes, charges or similar levies that arise from any payment made under this Agreement or any other Loan Document or from the execution, delivery, performance, enforcement or registration 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 [Section 3.07](#) or [10.14](#)).

“**Participant**” has the meaning specified in [Section 10.07\(d\)](#).

“**Participant Register**” has the meaning specified in [Section 10.07\(d\)](#).

“**Participating Lender**” means any Lender that is (a) a Non-NAIC Approved Bank or (b) unable to issue Letters of Credit for the benefit of the Borrower and its Subsidiaries due to regulatory restrictions, legal impediments or any other internal or external restrictions, in each case, on behalf of which a Limited Fronting Lender has agreed to act as a fronting bank in accordance with the definition of the term “Limited Fronting Lender” and [Section 2.02\(m\)](#).

“**PATRIOT Act**” has the meaning specified in [Section 10.17](#).

“**Payment Recipient**” has the meaning assigned thereto in [Section 9.14\(a\)](#).

“**PBGC**” means the Pension Benefit Guaranty Corporation or any Governmental Authority succeeding to any of its principal functions under ERISA.

“**Pension Plan**” means a pension plan (as defined in Section 3(2) of ERISA) subject to Title IV of ERISA that Holdings, any of its Subsidiaries or any ERISA Affiliate sponsors or maintains, or to which it makes, is making or is obligated to make contributions, or in the case of a multiple employer plan (as described in Section 4064(a) of ERISA) has made contributions at any time during the immediately preceding five (5) plan years.

“**Permitted Holders**” means any of KKR and its Subsidiaries.

**[“Periodic Term SOFR Determination Day” has the meaning assigned thereto in the definition of “Term SOFR”.](#)**

“**Permitted Swap Obligations**” means all obligations (contingent or otherwise) of any Insurance Subsidiary existing or arising under Swap Contracts; *provided* that (x) each of the following criteria is satisfied: (a) such obligations are (or were) entered into by such Person in the ordinary course of business and consistent with past practices of such Person for the purpose of managing risks associated with liabilities, commitments or assets held by such Person, or changes in the value of securities issued by such Person in conjunction with a securities repurchase program not otherwise prohibited hereunder, and not for purposes of speculation or taking a “market view” and (b) such Swap Contracts do not contain any provision (a “walk-away” provision) exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party or (y) such obligations are entered into by such Person in the ordinary course of business and consistent with past practices of such Person to transfer risk that might otherwise be transferred by insurance or reinsurance

transactions (and is an established line of business for such Person) and not for purposes of speculation or taking a “market view”.

“**Person**” means an individual, partnership, corporation, company, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or Governmental Authority or other entity of whatever nature.

“**Plan**” means an employee benefit plan (as defined in Section 3(3) of ERISA) that Holdings or any of its Subsidiaries sponsors or maintains or to which Holdings or any of its Subsidiaries makes, is making or is obligated to make, contributions and includes any Pension Plan.

“**Platform**” has the meaning specified in [Section 6.02](#).

“**Portfolio Interest Exemption**” has the meaning specified in [Section 3.01\(e\)\(B\)\(iii\)](#).

“**Post-IPO Offerings**” means any offering, whether public or private, of capital stock of the IPO Entity after the IPO.

“**Prepayment Notice**” means a written notice made pursuant to [Section 2.06\(e\)](#) substantially in the form of [Exhibit J](#).

“**Pricing Level**” means any of Pricing Level 1, Pricing Level 2, Pricing Level 3, Pricing Level 4 or Pricing Level 5 set forth in the table in the definition of “Applicable Margin”, “Applicable Revolving Commitment Fee Percentage” and “Applicable Non-Collateralized Letter of Credit Fee”.

**“Prime Rate” means, at any time, the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by the Administrative Agent as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.**

“**Pro Rata Share**” means the percentage obtained by dividing (a) the Revolving Commitment of that Lender by (b) the aggregate Revolving Commitments of all Lenders; provided that if the Revolving Commitment of each Lender has been terminated pursuant to [Section 8.02](#), then the Pro Rata Share of each Lender shall be determined based on the Pro Rata Share of such Lender immediately prior to such termination and after giving effect to any subsequent assignments made pursuant to the terms hereof.

“**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](#).

“**Purchase Money Debt**” means Indebtedness incurred by a Person in connection with the purchase of fixed or capital assets by such Person, in which assets the seller or financier

thereof has taken or retained a Lien; *provided* that (x) any such Lien attaches to such assets concurrently with or within 120 days after the purchase thereof by such Person and (y) at the time of incurrence of such Indebtedness, the aggregate principal amount of such Indebtedness shall not exceed the costs of the assets so purchased plus fees and expenses reasonably related thereto.

“**QFC Credit Support**” has the meaning specified in Section 10.24.

“**Quarterly Statement**” means the quarterly statutory financial statement of any Insurance Subsidiary required to be filed with the insurance commissioner (or similar authority) of its jurisdiction of incorporation or, if no specific form is so required, in the form of financial statements permitted by such insurance commissioner (or such similar authority) to be used for filing quarterly statutory financial statements and shall contain the type of financial information permitted by such insurance commissioner (or such similar authority) to be disclosed therein, together with all exhibits or schedules filed therewith.

“**RBC**” means Royal Bank of Canada.

“**RBCCM**” means RBC Capital Markets, a brand name for the capital markets businesses of RBC and its Affiliates.

~~“**Reference Time**” with respect to any setting of the then-current Benchmark means if such Benchmark is USD LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting.~~

“**Register**” has the meaning specified in Section 10.07(c).

“**Reimbursement Date**” has the meaning specified in Section 2.02(h).

“**Reinsurance Agreements**” means any agreement, contract, treaty, certificate or other arrangement by which any Insurance Subsidiary agrees to transfer or cede to another insurer all or part of the liability assumed or assets held by it under one or more insurance, annuity, reinsurance or retrocession policies, agreements, contracts, treaties, certificates or similar arrangements. Reinsurance Agreements shall include, but not be limited to, any agreement, contract, treaty, certificate or other arrangement that is treated as such by the applicable Department.

“**Related Parties**” means, with respect to any Person, such Person’s Affiliates and the partners (to the extent such Person is a partnership), directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“**Release**” means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection, migration or leaching into or through the Environment.

“**Relevant Governmental Body**” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or

convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“**Reportable Event**” means any of the events set forth in Section 4043(c) of ERISA or the regulations thereunder, other than any such event for which the 30-day notice requirement under ERISA has been waived in regulations issued by the PBGC.

“**Required Lenders**” means, as of any date of determination, one or more Lenders having or holding Revolving Exposure and unused Revolving Commitments representing more than 50% of the aggregate Revolving Exposure and unused Revolving Commitments of all Revolving Lenders; *provided* that the aggregate amount of Revolving Exposure and unused Revolving Commitments shall be determined with respect to any Defaulting Lender by disregarding the Revolving Exposure and unused Revolving Commitments of such Defaulting Lender.

“**Requirement of Law**” means, as to any Person, any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or of a Governmental Authority and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in each case applicable to or legally binding upon the Person or any of its property or to which the Person or any of its property is subject.

“**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 financial officer, treasurer or assistant treasurer, or other officer of similar stature or responsibility, of a Credit Party. Any document delivered under any Loan Document that is signed by a Responsible Officer of a Credit Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Credit Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Credit Party. Unless otherwise specified, “Responsible Officer” means a Responsible Officer of Holdings.

“**Restricted Payments**” has the meaning set forth in Section 7.07.

“**Restricted Subsidiary**” means any Subsidiary other than an Unrestricted Subsidiary; *provided* that upon the occurrence of any Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be included in the definition of “Restricted Subsidiary”.

“**Revolving Commitment**” means the commitment of a Lender to make or otherwise fund any Revolving Loan and to issue Letters of Credit hereunder (or, in the case of a Participating Lender, to acquire participations in Letters of Credit hereunder pursuant to Section 2.02(m)), and “**Revolving Commitments**” means such commitments of all Lenders in the aggregate. The amount of each Lender’s Revolving Commitment, if any, is set forth on Appendix A or in the applicable Assignment and Assumption or Joinder Agreement, as applicable, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Revolving Commitments as of the Effective Date is \$1,000,000,000.

“**Revolving Commitment Period**” means the period from the Effective Date to but excluding the Commitment Termination Date.

“**Revolving Exposure**” means, with respect to any Lender as of any date of determination, the sum of (a) the aggregate outstanding principal amount of the Revolving Loans of that Lender and (b) the aggregate Letter of Credit Usage in respect of all Letters of Credit issued by that Lender.

“**Revolving Lender**” means a Lender having a Revolving Commitment.

“**Revolving Loan**” means a Loan made by a Lender to the Borrower pursuant to Section 2.01(a).

“**Revolving Loan Note**” means a promissory note in the form of Exhibit B, as it may be amended, restated, supplemented or otherwise modified from time to time.

“**S&P**” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, together with any Person succeeding thereto by merger, consolidation or acquisition of all or substantially all of its assets, including substantially all of its business of rating securities.

“**SAP**” means, with respect to any Insurance Subsidiary, the statutory accounting practices prescribed or permitted by the insurance commissioner (or other similar authority) in the jurisdiction of such Insurance Subsidiary for the preparation of annual statements and other financial reports by insurance companies of the same type as such Insurance Subsidiary that are applicable to the circumstances as of the date of filing of such statement or report.

“**SEC**” means the Securities and Exchange Commission or any Governmental Authority succeeding to any of its principal functions.

“**Secured Parties**” has the meaning specified in the Collateralized L/C Security and Control Agreement.

“**Securities Act**” means the Securities Act of 1933 and the regulations promulgated thereunder.

“**Security and Control Agreement**” means the Security and Control Agreement, dated as of the Effective Date, among the Borrower, the Administrative Agent and the Custodian.

“**Single Employer Pension Plan**” means a pension plan (as defined in Section 3(2) of ERISA) subject to Title IV of ERISA, other than a Multiemployer Plan, that Holdings, any of its Subsidiaries or any ERISA Affiliate sponsors or maintains, or to which Holdings, any of its Subsidiaries or any ERISA Affiliate makes or is obligated to make contributions or would reasonably be expected to have liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

“**SOFR**” means, ~~with respect to any Business Day,~~ a rate *per annum* equal to the secured overnight financing rate ~~for such Business Day published as administered~~ by the SOFR Administrator ~~on the website of the SOFR Administrator, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time);~~

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**SOFR Loan**” means a Loan that bears interest at Adjusted Term SOFR.

“**Specified Currency**” has the meaning set forth in Section 10.22(a).

“**Specified Place**” has the meaning set forth in Section 10.22(a).

“**Subordinated Indebtedness**” means any Indebtedness of Holdings or any Restricted Subsidiary that is subordinated in right of payment to the Obligations.

“**Subsidiary**” of a Person means any corporation, company, partnership, limited liability company, limited liability partnership, joint venture, trust, association or other unincorporated organization of which or in which such Person and such Person’s Subsidiaries own directly or indirectly more than 50% of (a) the combined voting power of all classes of shares or stock having general voting power under ordinary circumstances to elect a majority of the board of directors, if it is a company or corporation, (b) the voting or managing interests (which shall mean the general partner in the case of a partnership), if it is a partnership, joint venture or similar entity, (c) the beneficial interest, if it is a trust, association or other unincorporated organization or (d) the voting or managing membership interests, if it is a limited liability company. Unless otherwise specified, “**Subsidiary**” means a Subsidiary of Holdings. Unless otherwise specified, when used herein, the term “Subsidiary” of KKR shall not include any portfolio company of KKR or any of its Subsidiaries. For the avoidance of doubt, neither Holdings nor any of its Subsidiaries shall be considered a portfolio company of KKR or any of its Subsidiaries.

“**Successor Entity**” has the meaning specified in Section 7.06(c).

“**Supported QFC**” has the meaning specified in Section 10.24.

“**Surplus Debentures or Notes**” means, as to any Insurance Subsidiary, debt securities or notes of such Insurance Subsidiary issued to Holdings or any of its Subsidiaries the proceeds of which are permitted to be included, in whole or in part, as Capital and Surplus of such Insurance Subsidiary as approved and permitted by the applicable Department and are of a type generally described in the insurance industry as a “surplus note”.

“**Swap Contract**” means any agreement relating to any transaction (whether or not arising under a master agreement) that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, futures contract, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option, credit

derivative transaction or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and any master agreement relating to or governing any or all of the foregoing.

“**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 and all rights to set off against collateral posted in respect of such Swap Contract, (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 by Holdings based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include any Lender).

“**Syndicated Letter of Credit**” means a single multi-bank letter of credit issued by all of the Lenders (acting through the Administrative Agent in accordance with the provisions hereof) in which each Lender, as an issuing bank thereunder, has a several (but not joint) obligation in respect of a specified portion of the amount of such Letter of Credit.

“**Syndication Agents**” means, collectively, RBC and US Bank and their respective successors and assigns in such capacity.

“**Synthetic Purchase Agreement**” means any agreement pursuant to which Holdings or any of its Subsidiaries is or may become obligated to make (a) any payment in connection with the purchase by any third party from a Person other than Holdings or any of its Subsidiaries (other than any Subsidiary that is a Subsidiary of an Insurance Subsidiary but is not itself an Insurance Subsidiary) of any Capital Stock or Subordinated Indebtedness of Holdings or any of its Subsidiaries (other than any Subsidiary that is a Subsidiary of an Insurance Subsidiary but is not itself an Insurance Subsidiary) or (b) any payment the amount of which is determined by reference to the price or value at any time of any such Capital Stock or Subordinated Indebtedness; *provided* that (i) no phantom stock or similar plan providing for payments only to current or former directors, officers or employees of Holdings or any of its Subsidiaries (or to their heirs or estates) and (ii) no such agreement in respect of any Disposition of any Capital Stock of a Subsidiary of Holdings that is permitted by Section 7.02 shall in either case be deemed to be a Synthetic Purchase Agreement.

“**Tax Benefit Payment Agreement**” means the Tax Benefit Payment Agreement, dated as of April 30, 2013, among the Borrower, as Payor, GAFLL, as Intermediate Guarantor, GAFGL, as Parent Guarantor and The Goldman Sachs Group, Inc., as Payee.

“**Tax Status Certificate**” has the meaning specified in Section 3.01(e)(B)(iii).

“**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 SOFR**” means, ~~for the applicable corresponding tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or~~

recommended by the Relevant Governmental Body; provided that such rate is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion.

~~“Term SOFR Notice” means a notification by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Transition Event.~~

~~(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and~~

~~(b) “Term SOFR Transition Event” means the determination by the Administrative Agent that (a) Term SOFR has been selected or recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Administrative Agent and (c) a LIBOR Replacement Date in respect of USD LIBOR has occurred resulting in a Benchmark Replacement in accordance with Section 3.05 that is not Term SOFR. for any calculation with respect to a Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “Base Rate Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate SOFR Determination Day.~~

~~“Term SOFR Adjustment” means a percentage, per annum, equal to 0.10%.~~

~~“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).~~



**“Term SOFR Reference Rate”** means [the forward-looking term rate based on SOFR](#).

**“Total Capitalization”** means, without duplication, (a) the amount described in [clause \(a\)](#) of the definition of “Debt to Total Capitalization Ratio” *plus* (b) the Net Worth of the applicable Person.

**“Total Utilization of Revolving Commitments”** means, as at any date of determination, the sum of (i) the aggregate principal amount of all outstanding Revolving Loans *plus* (ii) the Letter of Credit Usage.

**“Transactions”** means the (i) execution, delivery and performance by each Credit Party of the Loan Documents to which it is to be a party, (ii) borrowing of Loans, use of the proceeds thereof and issuance of Letters of Credit hereunder and (iii) payment of fees and expenses incurred in connection with the foregoing.

**“Transaction Parties”** has the meaning specified in [Section 5.07\(d\)](#).

**“UK Financial Institution”** means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

**“UK Resolution Authority”** means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

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

**“Unfunded Pension Liability”** means the excess of a Pension Plan’s benefit liabilities under Section 4001(a)(16) of ERISA over the current value of that Pension Plan’s assets, determined in accordance with the assumptions used for funding the Pension Plan pursuant to Section 430 of the Code for the applicable plan year.

**“Uniform Commercial Code”** means the Uniform Commercial Code as in effect from time to time in the State of New York; *provided* that, if perfection or the effect of perfection or non-perfection or the priority of any Collateralized L/C Lien on any Collateralized L/C Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “Uniform Commercial Code” 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.

**“United States”** and **“U.S.”** each means the United States of America.

**“Unrestricted Subsidiary”** means any Subsidiary designated by the board of directors (or similar governing body) of (a) Holdings or (b) if such Subsidiary is a Subsidiary of the Borrower, the Borrower, as an Unrestricted Subsidiary pursuant to [Section 6.14](#) subsequent to

the date hereof. Holdings or the Borrower may designate any subsidiary (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any property of, Holdings or any Subsidiary (other than any subsidiary of the subsidiary to be so designated); *provided* that (i) each of (A) the subsidiary to be so designated and (B) its subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of Holdings or any Restricted Subsidiary, (ii) neither Holdings nor the Borrower may designate (A) the Borrower, (B) any Insurance Subsidiary or (C) any Subsidiary of Holdings or the Borrower that directly or indirectly owns any Capital Stock of any Insurance Subsidiary (including any such Subsidiary of Holdings or the Borrower that is itself owned by an Insurance Subsidiary) to be an Unrestricted Subsidiary and (iii) for the avoidance of doubt, there shall be no Unrestricted Subsidiaries on the Effective Date.

“**US Bank**” means U.S. Bank National Association.

“**U.S. Special Resolution Regimes**” has the meaning specified in [Section 10.24](#).

“**USD LIBOR**” means the London Interbank Offered Rate for Dollars.

“**U.S. Government Securities Business Day**” means [any day except for \(a\) a Saturday, \(b\) a Sunday or \(c\) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.](#)

“**Voting Stock**” of any Person means Capital Stock of such Person entitling the holders thereof (whether at all times or only so long as no senior class of stock or other relevant equity interest has voting power by reason of any contingency) to vote in the election of the board of directors or similar governing body of such Person.

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

“**Wells Fargo**” means Wells Fargo Bank, N.A.

“**WFS**” means Wells Fargo Securities, LLC.

“**Wholly-Owned Subsidiary**” means any Person in which all of the Capital Stock (other than directors’ and national citizen qualifying shares or similar *de minimis* holdings by another Person, in each case, as required by law) is owned, beneficially and of record, by Holdings, or by one or more of the other Wholly-Owned Subsidiaries, or both.

**“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.

Section 1.02 *Other Interpretive Provisions*:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words **“hereof,” “herein,” “hereunder”** and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement; and subsection, Section, Article, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(c) (i) The term **“documents”** includes any and all instruments, documents, agreements, certificates, indentures, notices and other writings, however evidenced.

(ii) The term **“including”** is not limiting and means “including without limitation”.

(iii) 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”.

(iv) The term **“will”** shall be construed to have the same meaning and effect as the word **“shall”**.

(d) Unless otherwise expressly provided herein or the context requires otherwise, (i) references to agreements (including this Agreement) and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of any Loan Document, (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting the statute or regulation, (iii) any reference herein to a Person shall be construed to include such Person’s permitted successors and assigns and (iv) the word **“property”** shall be construed to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(e) The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.

(f) This Agreement and other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are cumulative and shall each be performed in accordance with their terms.

(g) This Agreement and the other Loan Documents are the result of negotiations among, and have been reviewed by counsel to, the Administrative Agent, the Borrower and the other parties, and are the products of all parties. Accordingly, they shall not be construed against the Lenders or the Administrative Agent merely because of the Administrative Agent's or Lenders' involvement in their preparation.

Section 1.03 *Classification of Loans*. For purposes of this Agreement, Loans may be classified and referred to by Interest Type (e.g., a "~~LIBOR~~ RateSOFR Loan").

Section 1.04 *Accounting Principles*.

(a) Unless the context otherwise clearly requires, all accounting terms not expressly defined herein shall be construed, and all financial computations required under this Agreement shall be made, in accordance with GAAP as in effect from time to time, consistently applied. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of Holdings and its Subsidiaries 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.

(b) References herein to particular columns, lines or sections of any Person's Annual Statement shall be deemed, where appropriate, to be references to the corresponding column, line or section of such Person's Quarterly Statement, or if no such corresponding column, line or section exists or if any report form changes, then to the corresponding item referenced thereby. In the event the columns, lines or sections of the Annual Statement or Quarterly Statement referenced herein are changed or renumbered from the columns, lines and sections applicable to the 2020 Annual Statement, or the March 31, 2021 Quarterly Statement, all such references shall be deemed references to such column, line or section as so renumbered or changed.

(i) If, at any time after the date of this Agreement, any material change is made to GAAP or Holdings' accounting practices that would affect in any material respect the determination of compliance with the covenants set forth in this Agreement, Holdings shall notify the Administrative Agent of the change and Holdings and the Administrative Agent shall negotiate in good faith to amend such covenant, subject to the approval of the Required Lenders, to restore Holdings and the Lenders to the position they occupied before the implementation of such material change in GAAP or accounting practices; *provided* that if Holdings and the Administrative Agent are unable to reach agreement within sixty (60) days following the implementation of such material change, the Administrative Agent shall be permitted, acting in good faith, to make such amendments, in each case subject to the approval of the Required Lenders, to the

covenants set forth in this Agreement as it reasonably determines are necessary to restore Holdings and the Lenders to the position they occupied prior to the implementation thereof.

Section 1.05 *Divisions*:

(a) Solely with respect to Sections 6.11 and 7.02, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Stock at such time.

Section 1.06 *Rates*: ~~The interest rate on LIBOR Rate Loans and Base Rate Loans (when determined by reference to clause (c) of the definition of Base Rate) may be determined by reference to the LIBOR Rate, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. On March 5, 2021, ICE Benchmark Administration (“IBA”), the administrator of the London interbank offered rate, and the Financial Conduct Authority (the “FCA”), the regulatory supervisor of IBA, announced in public statements (the “Announcements”) that the final publication or representativeness date for the London interbank offered rate for Dollars for: (a) 1-week and 2-month tenor settings will be December 31, 2021 and (b) overnight, 1-month, 3-month, 6-month and 12-month tenor settings will be June 30, 2023. No successor administrator for IBA was identified in such Announcements. As a result, it is possible that commencing immediately after such dates, the London interbank offered rate for such tenors may no longer be available or may no longer be deemed a representative reference rate upon which to determine the interest rate on LIBOR Rate Loans or Base Rate Loans (when determined by reference to clause (c) of the definition of Base Rate). There is no assurance that the dates set forth in the Announcements will not change or that IBA or the FCA will not take further action that could impact the availability, composition or characteristics of any London interbank offered rate. Public and private sector industry initiatives have been and continue, as of the date hereof, to be underway to implement new or alternative reference rates to be used in place of the London interbank offered rate. In the event that the London interbank offered rate or any other then-current Benchmark is no longer available or in certain other circumstances set forth in Section 3.05, such Section 3.05 provides a mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Borrower, pursuant to Section 3.05, of any change to the reference rate upon which the interest rate on LIBOR Rate Loans and Base Rate Loans (when determined by reference to clause (c) of the definition of Base Rate) is based. However, the The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to the London interbank offered rate or Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative, comparable or successor rate thereto, or replacement rate thereof/thereto (including any then-current Benchmark or any Benchmark Replacement), including whether the composition or characteristics of any~~

such alternative, successor or replacement ~~reference~~-rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to Section 3.05, will be similar to, or produce the same value or economic equivalence of, ~~the LIBOR Rate or any other Benchmark~~; or have the same volume or liquidity as ~~did~~, the ~~London interbank offered rate or any other~~ Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or ~~(#b)~~ the effect, implementation or composition of any ~~Benchmark Replacement~~ Conforming Changes. The Administrative Agent and its Affiliates or other related entities may engage in transactions that affect the calculation of the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto and such transactions may be adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE 2  
THE CREDITS

Section 2.01 Revolving Loans.

(a) Revolving Commitments. During the Revolving Commitment Period, subject to the terms and conditions hereof, each Lender with a Revolving Commitment severally agrees to make Revolving Loans in Dollars to the Borrower; *provided* that, after giving effect to the making of any Revolving Loans, in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect. Amounts borrowed pursuant to this Section 2.01(a) may be repaid and reborrowed during the Revolving Commitment Period. Each Revolving Commitment shall expire on the Commitment Termination Date and all Revolving Loans and all other amounts owed hereunder with respect to the Revolving Loans and the Revolving Commitments shall be paid in full no later than such date.

(b) Borrowing Mechanics for Revolving Loans.

(i) Except pursuant to Section 2.02(h) or 2.02(l)(vi), Revolving Loans shall be made in an aggregate minimum amount of \$2,500,000 and integral multiples of \$1,000,000 in excess of that amount.

(ii) Whenever the Borrower desires that Lenders make Revolving Loans, the Borrower shall deliver to the Administrative Agent a fully executed and delivered Loan Notice no later than 10:00 a.m. (New York City time) (A) in the case of a ~~LIBOR Rate~~SOFR Loan, at least three (3) Business Days in advance of the proposed Borrowing Date, (B) in the case of one or more Base Rate Loans in an aggregate principal amount

greater than \$100,000,000, at least one (1) Business Day in advance of the proposed Borrowing Date, and (C) in the case of one or more Base Rate Loans in an aggregate principal amount equal to or less than \$100,000,000, on the proposed Borrowing Date; *provided* that, if such Borrowing Date is the Effective Date, such Loan Notice may be delivered within such period shorter than three (3) Business Days as may be agreed by the Administrative Agent with respect to ~~LIBOR Rate~~SOFR Loans. Except as otherwise provided herein, a Loan Notice for a Revolving Loan that is a ~~LIBOR Rate~~SOFR Loan shall be irrevocable on and after the related Interest Rate Determination Date.

(iii) Notice of receipt of each Loan Notice in respect of Revolving Loans, together with the amount of each Lender's Pro Rata Share thereof, if any, together with the applicable interest rate, shall be provided by the Administrative Agent to each applicable Lender by facsimile or other electronic communication with reasonable promptness, but (*provided* that the Administrative Agent shall have received such notice by 10:00 a.m. (New York City time)) not later than 3:00 p.m. (New York City time) (or, in the case of a Loan Notice delivered pursuant to Section 2.01(b)(ii)(C), 12:00 noon (New York City time)) on the same day as the Administrative Agent's receipt of such Loan Notice from the Borrower.

(iv) Each Lender shall make the amount of its Revolving Loan available to the Administrative Agent not later than 12:00 noon (New York City time) (or, in the case of Base Rate Loans with respect to which a Loan Notice is delivered pursuant to Section 2.01(b)(ii)(C), 2:00 p.m. (New York City time)) on the applicable Borrowing Date by wire transfer of same day funds in Dollars, at the Administrative Agent's Office. Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of such Revolving Loans available to the Borrower on the applicable Borrowing Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Revolving Loans received by the Administrative Agent from Lenders to be credited to the account of the Borrower at the Administrative Agent's Office or to such other account or accounts as may be designated in writing to the Administrative Agent by the Borrower.

#### Section 2.02 *Issuance of Letters of Credit*:2

(a) Letters of Credit. During the Revolving Commitment Period, subject to the terms and conditions hereof (including Section 2.02(m)), the Lenders shall issue Letters of Credit in respect of which the Borrower is the applicant (or, so long as the Borrower is a joint and several co-applicant in respect thereof, any Subsidiary is the applicant; *provided* that, with respect to any such Subsidiary, the Borrower shall have designated such Subsidiary to the Administrative Agent in writing as an applicant of Letters of Credit at least seven (7) Business Days prior to the delivery by the Borrower of the Issuance Notice with respect to the first Letter of Credit in respect of which such Subsidiary is the applicant, and any Lender shall have been provided with documentation and other information it reasonably determines are required by bank regulatory authorities under applicable "know-your-customer" and Anti-Money Laundering Laws, including the PATRIOT Act, at least five (5) Business Days prior to the delivery of such Issuance Notice as has been reasonably requested in writing at least six (6) Business Days prior to the delivery of such Issuance Notice) for the support of obligations of Holdings and/or its Subsidiaries in an

aggregate amount up to but not exceeding the Letter of Credit Sublimit; *provided*, (i) each Letter of Credit shall be a standby letter of credit denominated in Dollars; (ii) the stated amount of each Letter of Credit shall not be less than \$500,000 or such lesser amount as is acceptable to the Administrative Agent; (iii) after giving effect to such issuance, in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect; (iv) after giving effect to such issuance, in no event shall the Letter of Credit Usage exceed the Letter of Credit Sublimit; (v) after giving effect to the issuance of any Collateralized Letter of Credit, in no event shall the Collateralized L/C Aggregate Collateral Amount be less than the Minimum Collateralized L/C Aggregate Collateral Amount; (vi) in no event shall any Letter of Credit have an expiration date later than the earlier of (A) five (5) days prior to the Commitment Termination Date (unless such Letter of Credit shall on the date of issuance have been Cash Collateralized in the Minimum Cash Collateral Amount which Letter of Credit, for the avoidance of doubt, shall not have an expiration date later than twelve (12) months (or, if required by the applicable Department, thirteen (13) months) after the Commitment Termination Date) and (B) the date which is one (1) year from the date of issuance of such Letter of Credit (or, if required by the applicable Department, thirteen (13) months from the date of issuance of such Letter of Credit); (vii) in no event shall any Letter of Credit be issued if such issuance would violate any Requirement of Law; (viii) in no event shall any Letter of Credit be issued if such Letter of Credit is otherwise unacceptable to the Administrative Agent in its reasonable discretion; and (ix) each Letter of Credit shall be substantially in the form of the Administrative Agent's customary form; *provided, further*, that, without the prior consent of each Lender, no Letter of Credit may be issued that would vary the several and not joint nature of the obligations of the Lenders thereunder and, subject to Section 2.02(m), each Letter of Credit shall be issued by all of the Lenders having Revolving Commitments at the time of issuance as a single multi-bank letter of credit, but the obligation of each Lender thereunder shall be several and not joint, based upon its Pro Rata Share of the aggregate undrawn amount of such Letter of Credit (subject to Section 2.02(m)). Subject to the foregoing, the Administrative Agent may agree that a Letter of Credit will automatically be extended for one or more successive periods not to exceed one year each, unless the Administrative Agent elects not to extend for any such additional period; *provided*, that the Administrative Agent shall not extend any such Letter of Credit if (i) it has received written notice from a Lender or the Borrower that an Event of Default has occurred and is continuing at least two (2) Business Days prior to the time the Administrative Agent must elect to allow such extension; *provided, further*, if a Letter of Credit will not be renewed, the Administrative Agent shall notify the Borrower and the beneficiary of such Letter of Credit of such non-renewal or (ii) such renewal would occur later than five (5) days prior to the Commitment Termination Date (unless such Letter of Credit shall on the date of renewal have been Cash Collateralized in the Minimum Cash Collateral Amount which Letter of Credit, for the avoidance of doubt, shall not have an expiration date later than twelve (12) months (or, if required by the applicable Department, thirteen (13) months) after the Commitment Termination Date).

(b) Notice of Issuance, Amendment, Renewal or Extension. Whenever the Borrower desires the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), it shall deliver to the Administrative Agent an Issuance Notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying (i) the date of issuance, amendment, renewal or extension, as the case may be (which shall be a Business Day), (ii) the date on which such Letter of Credit



is to expire (which shall comply with Section 2.02(a)), (iii) the amount of such Letter of Credit, (iv) the name and address of the beneficiary thereof, (v) in the case of the issuance of a Letter of Credit, whether such Letter of Credit will be a Non-Collateralized Letter of Credit or a Collateralized Letter of Credit and (vi) the other terms and conditions of (and such other information as shall be necessary to prepare, amend, renew or extend, as the case may be) such Letter of Credit no later than 11:00 a.m. (New York City time) at least ten (10) Business Days, or such shorter period as may be agreed to by the Administrative Agent in any particular instance, in advance of the proposed date of issuance, amendment, renewal or extension, as the case may be. Upon receipt by the Administrative Agent of an Issuance Notice, the Administrative Agent shall deliver to each Lender with a Revolving Commitment a copy of such Issuance Notice; *provided* that any failure to deliver or delay in delivering a copy of such Issuance Notice shall not relieve any Lender of its obligations under this Section 2.02. In connection with any request for a Collateralized Letter of Credit, the Borrower shall deliver to the Administrative Agent a Collateralized L/C Collateral Certificate no later than 11:00 a.m. (New York City time) on the Business Day immediately preceding the date of issuance of such Collateralized Letter of Credit, confirming that the Collateralized L/C Aggregate Collateral Amount after giving effect to such issuance shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. If requested by the Administrative Agent, the Borrower also shall submit a letter of credit application on the Administrative Agent's standard form in connection with any request for a Letter of Credit. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with the Administrative Agent relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Upon the issuance, renewal or extension of any Letter of Credit or amendment or modification to a Letter of Credit, the Administrative Agent shall notify each Lender with a Revolving Commitment of such issuance and the amount of such Lender's respective L/C Exposure in such Letter of Credit and deliver to such Lender a copy of such Letter of Credit; *provided* that any failure to give or delay in giving such notice or any failure to deliver or delay in delivering a copy of such Letter of Credit shall not relieve any Lender of its obligations under this Section 2.02.

(c) Obligation of Lenders. With respect to any Letter of Credit, the obligation of any Lender under such Letter of Credit shall be several and not joint and shall at any time be in an amount equal to such Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit (subject to Section 2.02(m)), and each Letter of Credit shall expressly so provide.

(d) Adjustment of Pro Rata Shares. Upon (i) each addition of a new Lender hereunder, (ii) each change in the Revolving Commitment of a Lender pursuant to this Agreement and (iii) each change in status of a Lender as a Participating Lender, then in the case of each outstanding Letter of Credit, without the consent of the beneficiary thereunder unless required under such Letter of Credit or applicable law (including, if applicable, the Uniform Customs and Practices for Documentary Credits governing such Letter of Credit), the Administrative Agent shall promptly amend such Letter of Credit to specify the Lenders that are parties thereto, after giving effect to such event, and such Lenders' respective Pro Rata Shares as of the effective date of such amendment (subject to Section 2.02(m)). However, it is acknowledged by the Administrative Agent and the Lenders that amendments of outstanding Letters of Credit may not be immediately effected and may be subject to the consent of the

beneficiaries of such Letters of Credit. Accordingly, whether or not Letters of Credit are amended as contemplated hereby, the Lenders agree that they shall purchase and sell participations or otherwise make or effect such payments among themselves (but through the Administrative Agent) so that payments by the Lenders of drawings under Letters of Credit and payments by the Borrower of L/C Disbursements made by the Lenders and interest thereon are, except as otherwise expressly set forth herein (including with respect to Limited Fronting Lenders and Defaulting Lenders), in each case shared by the Lenders in accordance with the Revolving Commitments of the Lenders from time to time in effect.

(e) Issuance and Administration of Letters of Credit. With respect to each Letter of Credit, such Letter of Credit shall be executed and delivered by the Administrative Agent in the name and on behalf of, and as attorney-in-fact for, the Lenders party to such Letter of Credit, and the Administrative Agent shall act as the agent of each such Lender to (i) receive drafts, other demands for payment and other documents presented by the beneficiary under such Letter of Credit, (ii) determine whether such drafts, demands and documents are in compliance with the terms and conditions of such Letter of Credit and (iii) notify such Lender and the Borrower that a valid drawing has been made and the date that the related disbursement is to be made; *provided* that the Administrative Agent shall have no obligation or liability for any disbursement under such Letter of Credit, and each Letter of Credit shall expressly so provide. Each Lender hereby irrevocably appoints and designates the Administrative Agent as its attorney-in-fact, acting through any duly authorized officer of the Person that is serving as the Administrative Agent, to execute and deliver in the name and on behalf of such Lender each Letter of Credit (together with any amendment, extension or renewal thereof) to be issued by the Lenders hereunder. Promptly upon the request of the Administrative Agent, each Lender will furnish to the Administrative Agent such powers of attorney or other evidence as any beneficiary of any such Letter of Credit may reasonably request in order to demonstrate that the Administrative Agent has the power to act as attorney-in-fact for such Lender to execute and deliver each Letter of Credit (together with any amendment, extension or renewal thereof).

(f) Responsibility of Administrative Agent With Respect to Requests for Drawings and Payments. In determining whether to honor any drawing under any Letter of Credit by the beneficiary thereof, the Administrative Agent shall be responsible only to examine the documents delivered under such Letter of Credit with reasonable care so as to ascertain whether they appear on their face to be in substantial compliance with the terms and conditions of such Letter of Credit. As between the Borrower and the Administrative Agent, the Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit issued by the Administrative Agent by, the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, the Administrative Agent shall not be responsible for:

(i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any such Letter of Credit or any document presented by a beneficiary in connection with a drawing under any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such 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; (iii) failure of the beneficiary of any such Letter of Credit to comply fully with any conditions required in order to draw upon such Letter of Credit; (iv) errors, omissions,

interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (vii) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; or (viii) any consequences arising from causes beyond the control of the Administrative Agent, including any Governmental Acts; none of the above shall affect or impair, or prevent the vesting of, any of the Administrative Agent's rights or powers hereunder. Without limiting the foregoing and in furtherance thereof, any action taken or omitted by the Administrative Agent under or in connection with the Letters of Credit or any documents and certificates delivered thereunder, if taken or omitted in good faith (as defined under Article 5 of the Uniform Commercial Code as adopted by the State of New York), shall not give rise to any liability on the part of the Administrative Agent to the Borrower. Notwithstanding anything to the contrary contained in this Section 2.02(f), the Borrower shall retain any and all rights it may have against the Administrative Agent for any direct damages (as opposed to special, indirect, consequential or punitive damages, which claims are hereby waived by the Borrower to the extent permitted under applicable law) suffered by the Borrower arising solely out of the gross negligence or willful misconduct of the Administrative Agent in determining whether documents delivered under any Letter of Credit substantially comply with the terms thereof as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(g) Disbursement Procedures. The Administrative Agent shall, within a reasonable time following its receipt thereof, examine all documents purporting to represent a demand for payment under any Letter of Credit. The Administrative Agent shall promptly after such examination notify each of the Lenders by telephone (confirmed by telecopy or electronic mail) of such demand for payment. With respect to any drawing properly made under any such Letter of Credit, as determined by the Administrative Agent, subject to Section 2.02(m), each Lender will make an L/C Disbursement in respect of such Letter of Credit in accordance with its liability under such Letter of Credit and this Agreement, such L/C Disbursement to be made in Dollars to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make any such L/C Disbursement available to the beneficiary of such Letter of Credit by promptly crediting the amounts so received, in like funds in Dollars, to the account identified by such beneficiary in connection with such demand for payment. Promptly following any L/C Disbursement by any Lender in respect of any such Letter of Credit, the Administrative Agent will notify the Borrower of such L/C Disbursement; *provided* that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the Lenders with respect to any such L/C Disbursement.

(h) Reimbursement by the Borrower of Amounts Drawn or Paid Under Letters of Credit. In the event the Borrower has received a notice of any L/C Disbursement made pursuant to Section 2.02(g), the Borrower shall reimburse each Lender in respect of any such L/C Disbursement by paying to the Administrative Agent on or before the Business Day immediately following the date of such L/C Disbursement, but in no event later than the third (3rd) Business Day immediately following the date of such L/C Disbursement (the "**Reimbursement Date**") in an amount in Dollars and in same day funds equal to the amount of such L/C Disbursement; *provided* that any failure to give or delay in giving such notice shall not relieve the Borrower of

its obligation to reimburse the Administrative Agent and the Lenders once such notice is delivered; *provided, further*, that anything contained herein to the contrary notwithstanding, (i) unless the Borrower shall have notified the Administrative Agent prior to 10:00 a.m. (New York City time) on the date of such L/C Disbursement that the Borrower intends to reimburse the Administrative Agent for the amount of such L/C Disbursement with funds other than the proceeds of Revolving Loans, the Borrower shall be deemed to have given a timely Loan Notice to the Administrative Agent requesting Lenders with Revolving Commitments to make Revolving Loans that are Base Rate Loans on the Reimbursement Date in an amount in Dollars equal to such L/C Disbursement, and (ii) subject to satisfaction or waiver of the conditions specified in Section 4.02, Lenders with Revolving Commitments shall, on the Reimbursement Date, make Revolving Loans that are Base Rate Loans in the amount of such L/C Disbursement, the proceeds of which shall be applied directly by the Administrative Agent to reimburse each Lender for its Pro Rata Share of such L/C Disbursement; *provided, further*, if for any reason (including, without limitation, by reason of exceeding the Revolving Commitments) proceeds of Revolving Loans are not received by the Administrative Agent on the Reimbursement Date in an amount equal to the amount of such L/C Disbursement, then the Borrower shall reimburse the Administrative Agent, on demand, in an amount in same day funds equal to the excess of the amount of such L/C Disbursement over the aggregate amount of such Revolving Loans, if any, which are so received. Nothing in this Section 2.02(h) shall be deemed to relieve any Lender with a Revolving Commitment from its obligation to make Revolving Loans on the terms and conditions set forth herein, and the Borrower shall retain any and all rights it may have against any such Lender resulting from the failure of such Lender to make such Revolving Loans under this Section 2.02(h).

(i) Obligations Absolute. The obligation of the Borrower to reimburse the Administrative Agent, on behalf of the Lenders, for L/C Disbursements and to repay any Revolving Loans made by Lenders pursuant to Section 2.02(h) shall be absolute, unconditional and irrevocable and shall be paid strictly in accordance with the terms hereof under all circumstances including any of the following circumstances: (i) any lack of validity or enforceability of any Letter of Credit; (ii) the existence of any claim, set-off, defense or other right which the Borrower or any Lender may have at any time against a beneficiary or any transferee of any Letter of Credit (or any Persons for whom any such transferee may be acting), Administrative Agent, Lender or any other Person or, in the case of a Lender, against the Borrower, whether in connection herewith, the transactions contemplated herein or any unrelated transaction (including any underlying transaction between the Borrower or one of its Subsidiaries and the beneficiary for which any Letter of Credit was procured); (iii) any draft or other document presented under any 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; (iv) payment by the Administrative Agent under any Letter of Credit against presentation of a draft or other document which does not substantially comply with the terms of such Letter of Credit; (v) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of Holdings or any of its Subsidiaries; (vi) any breach hereof or of any other Loan Document by any party hereto or thereto; (vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; or (viii) the fact that an Event of Default or a Default shall have occurred and be continuing.

(j) Indemnification. Without duplication of any obligation of the Borrower under Section 10.04 or 10.05, in addition to amounts payable as provided herein, the Borrower hereby agrees to protect, indemnify, pay and save harmless Administrative Agent from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable fees, expenses and disbursements of one outside counsel) which the Administrative Agent may incur or be subject to as a consequence, direct or indirect, of (i) the issuance or wrongful dishonor of any Letter of Credit by the Administrative Agent, other than as a result of the gross negligence or willful misconduct of the Administrative Agent as determined by a final, non-appealable judgment of a court of competent jurisdiction or (ii) the failure of the Administrative Agent to honor a drawing under any such Letter of Credit as a result of any Governmental Act.

(k) Cash Collateralization. If (i) any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the Loans have been accelerated pursuant to Section 8.02, Lenders with L/C Exposure representing greater than 50% of the total L/C Exposure) demanding the deposit of Cash Collateral pursuant to this paragraph, or (ii) at any time, the Letter of Credit Usage exceeds the Letter of Credit Sublimit, the Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in cash equal to 103% of the L/C Exposure (less the Collateralized Letter of Credit Usage) as of such date in Dollars plus any accrued and unpaid interest thereon (or, in the case of clause (ii), an amount in cash equal to 103% of such excess); *provided* that the obligation to deposit such Cash Collateral shall become effective upon notice from the Administrative Agent to the Borrower, *provided, further*, that the obligation to deposit such Cash Collateral shall become effective immediately and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default described in clause (f) or (g) of Section 8.01. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Obligations with respect to the Non-Collateralized Letters of Credit. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Lenders for any drawing under a Letter of Credit for which they have not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the L/C Exposure at such time or, if the Loans have been accelerated pursuant to Section 8.02 (but subject to the consent of Lenders with L/C Exposure representing greater than 50% of the total L/C Exposure), be applied to satisfy other obligations of the Borrower under this Agreement. If the Borrower is required to provide an amount of Cash Collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three (3) Business Days after all Events of Default have been cured or waived.

(l) Collateralized Letters of Credit.

(i) Pursuant to Section 2.02(b), and subject to Section 2.02(a), the Borrower may decide, prior to the issuance thereof, whether a Letter of Credit will be a Non-Collateralized Letter of Credit or a Collateralized Letter of Credit.

(ii) Cash and Eligible Securities provided and pledged to secure a Collateralized Letter of Credit must be held in one or more Collateralized L/C Collateral Accounts, and such Cash and Eligible Securities will be held in such Collateralized L/C Collateral Accounts as collateral for the payment and performance of the Secured Obligations (as defined in the Collateralized L/C Security and Control Agreements). The Administrative Agent will have exclusive dominion and control, including the exclusive right of withdrawal, over the Collateralized L/C Collateral Accounts as provided in the Collateralized L/C Security and Control Agreements. Interest or profits, if any, on Cash and Eligible Securities held in a Collateralized L/C Collateral Account will accumulate in such Collateralized L/C Collateral Account. Cash and the proceeds of Eligible Securities held in Collateralized L/C Collateral Accounts shall be applied by the Administrative Agent to reimburse the Lenders for any drawing under a Collateralized Letter of Credit for which they have not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the Collateralized Letter of Credit Usage at such time.

(iii) If, on the last Business Day of any calendar month, the Collateralized L/C Aggregate Collateral Amount exceeds the Minimum Collateralized L/C Aggregate Collateral Amount, then the Borrower may, within two (2) Business Days after such day, submit a written request to the Administrative Agent for the return of Cash and/or Eligible Securities held in Collateralized L/C Collateral Accounts having Collateralized L/C Collateral Amounts, in the aggregate, equal to or less than such excess and identified by the Borrower in such written request (in the manner required by the applicable Collateralized L/C Security and Control Agreement). The Administrative Agent shall, within two (2) Business Days after the date on which the Administrative Agent receives such written request from the Borrower, instruct the applicable Custodian(s) to transfer such Cash and/or Eligible Securities to the Borrower; *provided* that, after giving effect to any such transfer, the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. The Borrower shall have no right to request the return of, and the Administrative Agent shall have no obligation to instruct any Custodian to transfer, Cash and/or Eligible Securities having Collateralized L/C Collateral Amounts, in the aggregate, of less than \$100,000.

(iv) So long as no Event of Default has occurred and is continuing or would result therefrom, the Borrower may submit a written request to the Administrative Agent for the substitution of Cash and/or Eligible Securities held in a Collateralized L/C Collateral Account and identified by the Borrower in such written request with Cash and/or Eligible Securities to be held in such Collateralized L/C Collateral Account and identified by the Borrower in such written request (in the manner required by the applicable Collateralized L/C Security and Control Agreement). The Administrative Agent shall, within two (2) Business Days after the date on which the Administrative Agent receives such written request from the Borrower, instruct the applicable Custodian to (i) receive from the Borrower for deposit to a Collateralized L/C Collateral Account

Cash and/or Eligible Securities identified by the Borrower in such written request and (ii) transfer Cash and/or Eligible Securities identified by the Borrower in such written request to the Borrower; *provided* that, after giving effect to any such substitution, the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. The Borrower shall have no right to request the substitution of, and the Administrative Agent shall have no obligation to instruct any Custodian to substitute, Cash and/or Eligible Securities having Collateralized L/C Collateral Amounts, in the aggregate, of less than \$100,000.

(v) So long as no Event of Default has occurred and is continuing or would result therefrom, the Borrower may submit a written request to the Administrative Agent for the investment of cash held in a Collateralized L/C Collateral Account in Cash and/or Eligible Securities to be held in Collateralized L/C Collateral Accounts and identified by the Borrower in such written request (in the manner required by the applicable Collateralized L/C Security and Control Agreement). The Administrative Agent shall, within two (2) Business Days after the date on which the Administrative Agent receives such written request from the Borrower, instruct the applicable Custodian to invest such cash in Cash and/or Eligible Securities identified by the Borrower in such written request; *provided* that, after giving effect to any such investment, the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. The Borrower shall have no right to request the investment of, and the Administrative Agent shall have no obligation to instruct any Custodian to invest, cash having a Collateralized L/C Collateral Amount of less than \$100,000.

(vi) The Borrower shall at all times cause the Collateralized L/C Aggregate Collateral Amount to equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount at such time. If on any date the Minimum Collateralized L/C Aggregate Collateral Amount exceeds the Collateralized L/C Aggregate Collateral Amount (such excess, a “**Collateralized L/C Collateral Deficiency**”) (including as a result of any Collateralized L/C Security Invalidation), the Borrower shall, in no event later than the fifth (5th) Business Day immediately following the date on which the Administrative Agent notifies the Borrower of such Collateralized L/C Collateral Deficiency (the “**Collateralized L/C Collateral Deficiency Correction Date**”), transfer to one or more Collateralized L/C Collateral Accounts Cash and/or Eligible Securities so that the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount; *provided* that anything contained herein to the contrary notwithstanding, (i) unless the Borrower shall have notified the Administrative Agent prior to 10:00 a.m. (New York City time) on the Business Day immediately preceding the Collateralized L/C Collateral Deficiency Correction Date that the Borrower intends to transfer to one or more Collateralized L/C Collateral Accounts Cash and/or Eligible Securities so that the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount, the Borrower shall be deemed to have given a timely Loan Notice to the Administrative Agent requesting Lenders with Revolving Commitments to make Revolving Loans that are Base Rate Loans on the Collateralized L/C Collateral Deficiency Correction Date in an amount in Dollars equal to such Collateralized L/C

Collateral Deficiency, and (ii) subject to satisfaction or waiver of the conditions specified in Section 4.02, Lenders with Revolving Commitments shall, on the Collateralized L/C Collateral Deficiency Correction Date, make Revolving Loans that are Base Rate Loans in the amount of such Collateralized L/C Collateral Deficiency, the proceeds of which shall be transferred directly by the Administrative Agent to a Collateralized L/C Collateral Account; *provided, further*, if for any reason (including, without limitation, by reason of exceeding the Revolving Commitments) proceeds of Revolving Loans are not received by the Administrative Agent on the Collateralized L/C Collateral Deficiency Correction Date in an amount equal to the amount of such Collateralized L/C Collateral Deficiency, then the Borrower shall, on the Collateralized L/C Collateral Deficiency Correction Date, pay to the Administrative Agent an amount in Dollars and in same day funds equal to the Collateralized L/C True-Up Amount with respect to all Letters of Credit that are Collateralized Letters of Credit on such date. Upon receipt by the Administrative Agent of an amount in Dollars and in same day funds equal to the Collateralized L/C True-Up Amount with respect to all Letters of Credit that are Collateralized Letters of Credit on such date, each Letter of Credit that is a Collateralized Letter of Credit on such date shall cease to be a Collateralized Letter of Credit for purposes of this Agreement and the Collateralized L/C Security Documents and shall be a Non-Collateralized Letter of Credit as of such date. Nothing in this Section 2.02(1)(vi) shall be deemed to relieve any Lender with a Revolving Commitment from its obligation to make Revolving Loans on the terms and conditions set forth herein, and the Borrower shall retain any and all rights it may have against any such Lender resulting from the failure of such Lender to make such Revolving Loans under this Section 2.02(1)(vi).

(m) Limited Fronting Lenders and Participating Lenders. In the event that, and for so long as, any Lender acts as a Limited Fronting Lender on behalf of any Participating Lender:

(i) such Limited Fronting Lender, in reliance upon the obligations of such Participating Lender contained in this Section 2.02(m), with respect to each Letter of Credit issued hereunder, (A) shall be an issuing bank under such Letter of Credit in place of such Participating Lender and (B) shall have a several (but not joint) obligation in respect of an amount of such Letter of Credit equal to the sum of (1) such Limited Fronting Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit, *plus* (2) the product of the applicable Limited Fronting Percentage and such Participating Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit;

(ii) by the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of such Limited Fronting Lender or such Participating Lender, such Limited Fronting Lender hereby grants to such Participating Lender, and such Participating Lender hereby acquires from such Limited Fronting Lender, a participation in such Letter of Credit equal to the product of the applicable Limited Fronting Percentage and such Participating Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit. In consideration and in furtherance of the foregoing, such Participating Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of such Limited Fronting Lender, the product of the applicable Limited Fronting



Percentage and such Participating Lender's Pro Rata Share of each L/C Disbursement made by such Limited Fronting Lender under such Letter of Credit and not reimbursed by the Borrower on the Reimbursement Date, or of any reimbursement payment required to be refunded to the Borrower for any reason. Such Participating Lender acknowledges and agrees that its obligation to acquire participations pursuant to this [Section 2.02\(m\)\(ii\)](#) in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or Event of Default or any reduction or termination of the Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. To the extent that such Participating Lender has made payments pursuant to this [Section 2.02\(m\)\(ii\)](#) to reimburse such Limited Fronting Lender in respect of any participation interests purchased hereunder in respect of any Letter of Credit, promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to [Section 2.02\(h\)](#) in respect of such Letter of Credit, the Administrative Agent shall distribute such payment to such Limited Fronting Lender and such Participating Lender, in each case as their interests may appear. Any payment made by such Participating Lender in respect of its participation pursuant to this paragraph to reimburse such Limited Fronting Lender for any payment made in any respect of any drawing under a Letter of Credit shall not relieve the Borrower of its obligation to reimburse the amount of such drawing pursuant to the terms of this Agreement;

(iii) such Limited Fronting Lender shall not issue any Letter of Credit hereunder if such Participating Lender is a Defaulting Lender unless such Limited Fronting Lender has entered into arrangements satisfactory to it with the Borrower and/or such Participating Lender to eliminate such Limited Fronting Lender's risk with respect to such Participating Lender in respect of each Letter of Credit hereunder; and

(iv) any reference in this Agreement or any other Loan Document to the issuance by such Participating Lender of a letter of credit pursuant to this Agreement shall be deemed to refer to the issuance by such Limited Fronting Lender of such letter of credit in place of such Participating Lender pursuant to this [Section 2.02\(m\)](#).

*Section 2.03 Pro Rata Shares.* All Revolving Loans shall be made, and all Letters of Credit issued, by Lenders simultaneously and proportionately to their respective Pro Rata Shares (subject to [Section 2.02\(m\)](#)), it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Revolving Loan or issue a Letter of Credit requested hereunder nor shall any Revolving Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Revolving Loan or issue a Letter of Credit requested hereunder, except, in each case, as provided in [Section 2.02\(d\)](#).

*Section 2.04 Conversion and Continuation of Revolving Loans:*

(a) Each conversion of Revolving Loans from one Interest Type to the other, and each continuation of ~~LIBOR Rate~~[SOFR](#) Loans, shall be made upon the Borrower's irrevocable written notice to the Administrative Agent in the form of a Conversion/Continuation Notice,

appropriately completed and signed by a Responsible Officer of the Borrower. Each such Conversion/Continuation Notice must be received by the Administrative Agent not later than 12:00 noon (New York City time) three (3) Business Days prior to the requested date of any conversion to or continuation of ~~LHBOR Rate~~SOFR Loans or of any conversion of ~~LHBOR Rate~~SOFR Loans to Base Rate Loans. Except as otherwise provided herein, a ~~LHBOR Rate~~SOFR Loan may be continued or converted only on the last day of an Interest Period for such ~~LHBOR Rate~~SOFR Loan. The Administrative Agent shall determine the interest rate that shall apply to any converted or continued ~~LHBOR Rate~~SOFR Loans pursuant to Section 2.07(c).

(b) Each Conversion/Continuation Notice shall specify (i) whether the Borrower is requesting a conversion of Revolving Loans from one Interest Type to the other, or a continuation of ~~LHBOR Rate~~SOFR Loans, (ii) the requested date of the conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Revolving Loans to be converted or continued, (iv) the Interest Type of Revolving Loans to which existing Revolving Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto (each such Interest Period shall comply with the provisions of the definition of "Interest Period").

(c) Notwithstanding any contrary provision hereof, if (i) an Event of Default of the type described in Section 8.01(a), (f) or (g) has occurred and is continuing, unless the Required Lenders otherwise consent or (ii) any other Event of Default has occurred and is continuing and the Required Lenders have so requested, each Revolving Loan will be converted into a Base Rate Loan at the end of the Interest Period applicable thereto.

Section 2.05 *Notes; Loan Accounts*;

(a) Each Revolving Loan made by each Lender shall be evidenced by one or more loan accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The loan accounts or records maintained by the Administrative Agent and each Lender shall be conclusive evidence of the amount of the Revolving Loans made by the Lenders to the Borrower and the interest and payments thereon absent manifest error. Any failure so to record or any error in doing so shall not, however, limit or otherwise affect the obligations of the Borrower hereunder to pay any amount owing with respect to the Revolving Loans made to the Borrower. 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.

(b) Upon the request of any Lender made through the Administrative Agent, instead of or in addition to loan accounts, the Revolving Loans made by each Lender may be evidenced by one or more Revolving Loan Notes. Each Lender shall endorse on the schedules annexed to its Revolving Loan Note the date, amount and maturity of each Revolving Loan deemed made by it and the amount of each payment of principal made by the Borrower with respect thereto. Each such Lender is irrevocably authorized by the Borrower to endorse its Revolving Loan Note and each Lender's record shall be conclusive absent manifest error; *provided* that the failure of a Lender to make, or an error in making, a notation thereon with respect to the Revolving Loan

shall not limit or otherwise affect the obligations of the Borrower hereunder or under any such Revolving Loan Note to such Lender.

Section 2.06 Prepayments;

(a) Optional Prepayments. The Borrower will have the right at any time to prepay any Loan in whole or in part, in minimum amounts of \$2,500,000 or any multiple of \$1,000,000 in excess thereof, subject to the provisions of this Section 2.06.

(b) Voluntary Commitment Reductions.

(i) The Borrower may, upon not less than three (3) Business Days' prior written or telephonic notice to the Administrative Agent (or such shorter period of time as may be agreed to by the Administrative Agent), at any time and from time to time terminate in whole or permanently reduce in part, without premium or penalty, the Revolving Commitments in an amount up to the amount by which the Revolving Commitments exceed the Total Utilization of Revolving Commitments at the time of such proposed termination or reduction; *provided* that any such partial reduction of the Revolving Commitments shall be in an aggregate minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount.

(ii) The Borrower's notice to the Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and shall reduce the Revolving Commitment of each Lender proportionately to its Pro Rata Share thereof.

(c) Mandatory Prepayments. The Borrower shall from time to time prepay the Revolving Loans and/or Cash Collateralize the Letters of Credit to the extent necessary so that the Total Utilization of Revolving Commitments shall not at any time exceed the Revolving Commitments then in effect.

(d) Application of Prepayments.

(i) Any prepayment of the Revolving Loan pursuant to Section 2.06(a) shall be applied to repay outstanding Revolving Loans owing by the Borrower making such prepayment to the full extent thereof.

(ii) Any prepayment of Revolving Loans pursuant to Section 2.06(c) shall be applied as follows:

(1) *first*, to prepay the Revolving Loans to the full extent thereof without any permanent reduction of the Revolving Commitments;  
and

(2) *second*, to prepay outstanding reimbursement obligations with respect to Letters of Credit without any permanent reduction of the Revolving Commitments;

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(3) *third*, to Cash Collateralize Letters of Credit making such prepayment without any permanent reduction of the Revolving Commitments; and

(4) *fourth*, to the Borrower.

(e) Notice of Prepayments. The Borrower shall notify the Administrative Agent in the form of a Prepayment Notice of any prepayment of any Loan hereunder not later than 12:00 noon (New York City time) one (1) Business Day before the date of prepayment. Each such Prepayment Notice shall be irrevocable (other than to the extent provided in connection with refinancing the Obligations) and shall specify the prepayment date and the principal amount of each Loan or portion thereof to be prepaid.

(f) Application of Prepayments of Revolving Loans to Base Rate Loans and ~~LIBOR Rate~~SOFR Loans. Considering each Class of Revolving Loans being prepaid separately, any prepayment thereof shall be applied first to Base Rate Loans to the full extent thereof before application to ~~LIBOR Rate~~SOFR Loans, in each case in a manner which minimizes the amount of any payments required to be made by the Borrower pursuant to Section 3.04.

Section 2.07 Interest:

(a) Except as otherwise set forth herein, each Class of Revolving Loans shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

(i) if a Base Rate Loan, at the Base Rate *plus* the Applicable Margin; or

(ii) if a ~~LIBOR Rate~~SOFR Loan, at ~~the LIBOR Rate~~Adjusted Term SOFR *plus* the Applicable Margin.

(b) The basis for determining the rate of interest with respect to any Revolving Loan, and the Interest Period with respect to any ~~LIBOR Rate~~SOFR Loan, shall be selected by the Borrower and notified to the Administrative Agent and Lenders pursuant to the applicable Loan Notice or Conversion/Continuation Notice, as the case may be; *provided* that the Borrower may not select ~~the LIBOR Rate~~Term SOFR for any Credit Extension if the aggregate amount of such Credit Extension is less than \$1,000,000.

(c) In connection with ~~LIBOR Rate~~SOFR Loans there shall be no more than eight (8) Interest Periods outstanding at any time. In the event the Borrower fails to specify between a Base Rate Loan or a ~~LIBOR Rate~~SOFR Loan in the applicable Loan Notice or Conversion/Continuation Notice, such Revolving Loan (if outstanding as a ~~LIBOR Rate~~SOFR Loan) will be automatically converted into a Base Rate Loan on the last day of the then-current Interest Period for such Revolving Loan (or if outstanding as a Base Rate Loan will remain as, or (if not then outstanding) will be made as, a Base Rate Loan). In the event the Borrower fails to specify an Interest Period for any ~~LIBOR Rate~~SOFR Loan in the applicable Loan Notice or Conversion/Continuation Notice (or fails to deliver a Conversion/Continuation Notice within the time limits provided in Section 2.04(a)), the Borrower shall be deemed to have selected an Interest Period of one (1) month. As soon as practicable after 10:00 a.m. (New York City time)

on each Interest Rate Determination Date, the Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the ~~LIBOR Rate~~SOFR Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to the Borrower and each Lender. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in the Administrative Agent's prime commercial lending rate used in determining the Base Rate promptly following the public announcement of such change.

(d) The Borrower agrees to pay to each Lender, with respect to any L/C Disbursement on behalf of the Borrower, interest on the amount paid by such Lender in respect of each such L/C Disbursement from the date of such L/C Disbursement to but excluding the date such amount is reimbursed by or on behalf of the Borrower at a rate equal to (i) for the period from the date of such L/C Disbursement to but excluding the applicable Reimbursement Date, the rate of interest otherwise payable hereunder with respect to Revolving Loans that are Base Rate Loans, and (ii) thereafter, a rate which is 2.00% *per annum* in excess of the rate of interest otherwise payable hereunder with respect to Revolving Loans that are Base Rate Loans.

(e) Interest payable pursuant to Section 2.07(d) shall be computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed in the period during which it accrues, and shall be payable in Dollars on demand or, if no demand is made, on the date on which the related drawing under a Letter of Credit is reimbursed in full. Promptly upon receipt by the Administrative Agent of any payment of interest pursuant to Section 2.07(d), the Administrative Agent shall distribute to each Lender with respect to such L/C Disbursement such Lender's Pro Rata Share of any interest received by the Administrative Agent in respect of such Lender's Pro Rata Share of such L/C Disbursement for the period from the date on which such L/C Disbursement was made by Lenders to but excluding the date on which such L/C Disbursement is reimbursed by the Borrower.

(f) Notwithstanding the foregoing, if any principal of or interest on any Revolving Loan or any fee or other amount payable by the Borrower pursuant to any Loan Document is not paid when due, whether upon acceleration or otherwise, such overdue amount shall, without further notice, bear interest, after as well as before judgment to the extent permitted by law, at a rate *per annum* equal to (i) in the case of overdue principal of any Revolving Loan, 2.00% plus the rate otherwise applicable to such Revolving Loan as provided in the preceding subsections of this Section 2.07 and (ii) in the case of any other amount, 2.00% *plus* the rate otherwise applicable to Base Rate Loans as provided in the preceding subsections of this Section 2.07.

(g) Interest on each Revolving Loan shall be paid in arrears by the Borrower on each Interest Payment Date for such Revolving Loan; *provided* that (i) interest accrued pursuant to Section 2.07(f) shall be payable on demand of the Administrative Agent, (ii) upon any repayment or prepayment of any Revolving Loan, interest accrued on the principal amount repaid shall be payable on the date of such repayment and (iii) upon any conversion of a ~~LIBOR Rate~~SOFR Loan before the end of the current Interest Period therefor, interest accrued on such Revolving Loan shall be payable on the effective date of such conversion.

(h) Anything herein to the contrary notwithstanding, the obligations of the Borrower to any Lender hereunder shall be subject to the limitation that payments of interest shall not be required for any period for which interest is computed hereunder to the extent (but only to the extent) that contracting for or receiving such payment by such Lender would be contrary to the provisions of any law applicable to such Lender limiting the highest rate of interest that may be lawfully contracted for, charged or received by such Lender, and in such event the Borrower shall pay such Lender interest at the highest rate permitted by applicable law until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Revolving Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, the Borrower shall pay to the Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the highest rate of interest that may be lawfully contracted for, charged or received had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and the Borrower to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the highest rate of interest that may be lawfully contracted for, charged or received by such Lender, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Revolving Loans made hereunder or be refunded to the Borrower.

(i) **Term SOFR Conforming Changes. In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document, unless the Administrative Agent has received, within five Business Days of the date notice of such amendments is provided to the Borrower, a written notice from the Borrower objecting to such amendments. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.**

Section 2.08 *Fees:*

(a) The Borrower agrees to pay to Lenders:

(i) commitment fees equal to (1) the average of the daily difference between (A) the Revolving Commitments and (B) the aggregate principal amount of (x) all outstanding Revolving Loans *plus* (y) the Letter of Credit Usage, *multiplied by* (2) the Applicable Revolving Commitment Fee Percentage;

(ii) letter of credit fees equal to (1) the Applicable Non-Collateralized Letter of Credit Fee, *multiplied by* (2) the average aggregate daily maximum amount available to be drawn under all Non-Collateralized Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close of business on

any date of determination, but in any event expressly including all Non-Collateralized Letters of Credit which may have been drawn, to the extent not yet reimbursed pursuant to Section 2.02(h)); and

(iii) letter of credit fees equal to (1) the Collateralized Letter of Credit Fee, *multiplied by* (2) the average aggregate daily maximum amount available to be drawn under all Collateralized Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close of business on any date of determination, but in any event expressly including all Collateralized Letters of Credit which may have been drawn, to the extent not yet reimbursed pursuant to Section 2.02(h)). All fees referred to in this Section 2.08(a) shall be paid in Dollars to the Administrative Agent at the Administrative Agent's Office and upon receipt, the Administrative Agent shall promptly distribute to each Lender (including each Participating Lender) its Pro Rata Share thereof.

(b) The Borrower agrees to pay directly to the Administrative Agent, for its own account, the following fees:

(i) a letter of credit issuance fee of \$[\*\*] per Letter of Credit issued; and

(ii) such documentary and processing charges for any issuance, amendment, transfer or payment of a Letter of Credit as are in accordance with the Administrative Agent's standard schedule for such charges and as in effect at the time of such issuance, amendment, transfer or payment, as the case may be.

(c) All fees referred to in Section 2.08(a) and 2.08(b) shall be calculated pursuant to the second sentence of Section 2.09(a). The commitment fee referred to in Section 2.08(a)(i) shall be payable quarterly in arrears on the last Business Day of March, June, September and December of each year during the Revolving Commitment Period, commencing on the first such date to occur after the Effective Date, and on the Commitment Termination Date. The fees referred to in Sections 2.08(a)(ii), 2.08(a)(iii) and 2.08(b) shall be payable quarterly in arrears on the last Business Day of March, June, September and December of each year during the period from the Effective Date to but excluding the later of the Commitment Termination Date and the date on which there ceases to be any Letter of Credit Usage, commencing on the first such date to occur after the Effective Date, and on the later of the Commitment Termination Date and the date on which there ceases to be any Letter of Credit Usage; *provided* that any such fees accruing after such later date shall be payable on demand.

(d) In addition to the foregoing, the Borrower shall pay to the Administrative Agent for its own account, fees payable in the amounts and at the times separately agreed upon by the Borrower and the Administrative Agent. Such fees shall be fully earned when paid and shall not be refundable under any circumstances.

#### Section 2.09 *Computation of Fees and Interest*.

(a) All computations of interest for Base Rate Loans when the Base Rate is determined by the Administrative Agent's prime commercial lending 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

[\*\*] = *Certain information contained in this document, marked by "[\*\*]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed. Interest and fees shall accrue during each period in which such interest or fees are computed from the first day thereof to the last day thereof.

(b) Each determination of an interest rate by the Administrative Agent shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent will, at the request of the Borrower or any Lender, deliver to the Borrower or such Lender, as the case may be, a statement showing the quotations used by the Administrative Agent in determining any interest rate and the resulting interest rate.

Section 2.10 *Payments Generally*.

(a) All payments to be made by the Borrower under the Loan Documents shall be made without condition or deduction for any defense, set-off, recoupment or counterclaim. Except as otherwise expressly provided in any Loan Document, all payments to be made by the Borrower under any Loan Document shall be made to the Administrative Agent for the account of the Lenders at the Administrative Agent's Office, and shall be made in dollars and in immediately available funds, no later than 2:00 p.m. (New York City time) on the date specified in such Loan Document. The Administrative Agent will promptly distribute to each Lender its Pro Rata Share (or other applicable share as expressly provided herein) of such payment in like funds as received. Any payment received by the Administrative Agent later than 2:00 p.m. (New York City time) shall be deemed to have been received on the following Business Day and any applicable interest or fee shall continue to accrue.

(b) Subject to the provisions set forth in the definition of "Interest Period" herein, whenever any payment is due on a day other than a Business Day, such payment shall be made on the following Business Day, and such extension of time shall in such case be included in the computation of interest or fees, as the case may be.

(c) Unless the Borrower or any Lender has notified the Administrative Agent, prior to the date any payment is required to be made by it to the Administrative Agent hereunder, that the Borrower or such Lender, as the case may be, will not make such payment, the Administrative Agent may assume that the Borrower or such Lender, as the case may be, has timely made such payment and may (but shall not be so required to), in reliance thereon, make available a corresponding amount to the Person entitled thereto. If and to the extent that such payment was not in fact made to the Administrative Agent in immediately available funds, then:

(i) if the Borrower failed to make such payment, each Lender shall forthwith on demand repay to the Administrative Agent the portion of such assumed payment that was made available to such Lender in immediately available funds, together with interest thereon in respect of each day from and including the date such amount was made available by the Administrative Agent to such Lender to the date such amount is repaid to the Administrative Agent in immediately available funds at the Federal Funds Rate from time to time in effect; and

(ii) if any Lender failed to make such payment, such Lender shall forthwith on demand pay to the Administrative Agent the amount thereof in immediately available



funds, together with interest thereon for the period from the date such amount was made available by the Administrative Agent to the Borrower to the date such amount is recovered by the Administrative Agent (the “**Compensation Period**”) at the customary rate set by the Administrative Agent for the correction of errors among banks for three (3) Business Days and thereafter at the Base Rate. If such Lender pays such amount to the Administrative Agent, then such amount (other than the interest thereon) shall constitute such Lender’s Revolving Loan included in the applicable Credit Extension. If such Lender does not pay such amount forthwith upon the Administrative Agent’s demand therefor, the Administrative Agent may make a demand therefor upon the Borrower, and the Borrower shall pay such amount to the Administrative Agent, together with interest thereon for the Compensation Period at a rate *per annum* equal to the applicable rate for Base Rate Loans to the applicable Credit Extension. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Revolving Commitments or to prejudice any rights that the Administrative Agent or the Borrower may have against any Lender as a result of any default by such Lender hereunder.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (c) shall be conclusive, absent manifest error.

(d) If any Lender makes available to the Administrative Agent funds for any Revolving Loan to be made by such Lender as provided in the foregoing provisions of this Article 2, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the extension of Revolving Loans set forth in Article 4 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.

(e) The obligations of the Lenders hereunder to make Revolving Loans are several and not joint. The failure of any Lender to make any Revolving Loan 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 Revolving Loans.

(f) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Revolving 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 the Revolving Loan in any particular place or manner.

Section 2.11 *Sharing of Payments by Lenders*:

(a) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment (i) on account of any Obligations due and payable hereunder and under the other Loan Documents at such time resulting in such Lender receiving payment in excess of its ratable share (calculated according to the proportion of (A) the amount of such Obligations due and payable to such Lender at such time to (B) the aggregate amount of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (ii)

of or on account of any of Obligations owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (calculated according to the proportion of (A) the amount of such Obligations owing (but not due and payable) to such Lender at such time to (B) the aggregate amount of Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time, then, in each case, such Lender shall (x) notify the Administrative Agent of such fact, and (y) purchase (for cash at face value) participations in the Obligations of the other Lenders due and payable or owing, as the case may be, or make such other adjustments as shall be equitable, so that the benefit of such excess payments shall be shared by all such Lenders; *provided* that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section 2.11 shall not be construed to apply to (1) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (2) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Revolving Loans to any assignee or participant.

(b) Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of set-off and counterclaim (subject to Section 10.09) with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

#### Section 2.12 Defaulting Lenders:

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article 8 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.09 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, as the Borrower may request (so long as no Default or Event of Default shall have occurred and be continuing), to the funding of any Revolving Loan or L/C Disbursement on a pro rata basis in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *third*, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations

with respect to Revolving Loans and L/C Disbursements on a pro rata basis under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Event of Default shall have occurred and be continuing, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Revolving Loans or reimbursement obligations with respect to Letters of Credit in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Revolving Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Revolving Loans of, and reimbursement obligations with respect to Letters of Credit owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Revolving Loans of, or reimbursement obligations with respect to Letters of Credit owed to, such Defaulting Lender until such time as all Revolving Loans and funded and unfunded Letters of Credit are held by the Lenders pro rata in accordance with the applicable Revolving Commitments without giving effect to Section 2.12(a)(iii). 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 shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(ii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any fee pursuant to Section 2.08(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) With respect to any fees not required to be paid to any Defaulting Lender pursuant to clause (i) above, the Borrower 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 Pro Rata Share of Letters of Credit that has been reallocated to such Non-Defaulting Lender pursuant to clause (iii) below and (y) not be required to pay the remaining amount of any such fee.

(iii) Reallocation of Letters of Credit. With respect to any Letter of Credit outstanding at the time such Lender becomes a Defaulting Lender, with the consent of the beneficiary thereunder to the extent required under applicable law (including, if applicable, the Uniform Customs and Practices for Documentary Credits governing such Letter of Credit), but only if there has not occurred and shall not be continuing any Default or Event of Default unless all Non-Defaulting Lenders shall otherwise agree, (A) all or any part of such Defaulting Lender's Pro Rata Share of the outstanding

Obligations with respect to Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares but only to the extent (1) the sum of all Non-Defaulting Lenders' Revolving Exposures plus such Defaulting Lender's Revolving Exposure does not exceed the total of all Non-Defaulting Lenders' Commitments and (2) the sum of each Non-Defaulting Lender's Revolving Exposure plus the amount of such Defaulting Lender's Revolving Exposure reallocated to such Non-Defaulting Lender does not exceed such Non-Defaulting Lender's Revolving Commitment and (B) each such Letter of Credit shall be amended by the Administrative Agent to specify the Lenders that are parties to such Letter of Credit (excluding, for avoidance of doubt, such Lender), after giving effect to such event, and such Lenders' respective Pro Rata Shares as of the effective date of such amendment. Subject to Section 10.23, no reallocation pursuant to this Section 2.12(a)(iii) shall constitute a waiver or release of any claim by any party hereto against such Defaulting Lender arising from such Lender becoming a Defaulting Lender.

(b) Defaulting Lender Cure. If the Borrower and the Administrative Agent agree in writing that a Lender is no longer 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), such Lender will, to the extent applicable, purchase at par that portion of outstanding Revolving Loans and Letters of Credit of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Loans and funded and unfunded Letters of Credit to be held pro rata by the Lenders in accordance with the applicable Revolving Commitments (without giving effect to Section 2.12(a)(iii)), whereupon such 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 Borrower 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 having been a Defaulting Lender.

(c) New Letters of Credit. So long as any Lender is a Defaulting Lender, the Pro Rata Shares of the Lenders in respect of any newly issued Letter of Credit shall be allocated among Non-Defaulting Lenders in a manner consistent with Section 2.12(a)(iii) above (and such Defaulting Lender shall have no obligation under each such Letter of Credit to the extent such Pro Rata Shares in respect thereof are so reallocated).

(d) Lender Counterparties. So long as any Lender is a Defaulting Lender, such Lender shall not be a contractual counterparty with respect to any Guaranteed Swap Contract entered into while such Lender was a Defaulting Lender.

#### Section 2.13 Maturity Extensions of Revolving Loans;

(a) The Borrower may, on up to two occasions from the Effective Date to the Commitment Termination Date, pursuant to the provisions of this Section 2.13, agree with one or more Lenders holding Revolving Loans and Revolving Commitments of any Class to extend the Commitment Termination Date of such Class of Loans for an additional one year period from

such Commitment Termination Date and to provide for other terms consistent with this Section 2.13 (each such modification, an “**Extension**”) pursuant to a written offers (each, an “**Extension Offer**”) made by the Borrower to all Lenders under such Class that is proposed to be extended under this Section 2.13, in each case on a pro rata basis (based on the relative principal amounts of the outstanding Revolving Commitments of each Lender in such Class) and on the same terms to each such Lender. In connection with each Extension, the Borrower will provide notification to the Administrative Agent (for distribution to the Lenders of the applicable Class), not later than thirty (30) days prior to the then-applicable Commitment Termination Date of the requested new termination date for the extended Revolving Loans and Revolving Commitments of such Class (each, an “**Extended Termination Date**”) and the due date for Lender responses, which due date shall be no sooner than ten (10) Business Days after delivery of such notice by the Borrower. In connection with any Extension, each Lender of the applicable Class wishing to participate in such Extension shall, prior to such due date, provide the Administrative Agent with a written notice thereof in a form reasonably satisfactory to the Administrative Agent. Any Lender that does not respond to an Extension Offer by the applicable due date shall be deemed to have rejected such Extension. In connection with any Extension, the Borrower shall agree to such procedures, if any, as may be reasonably established by, or acceptable to, the Administrative Agent to accomplish the purposes of this Section 2.13.

(b) After giving effect to any Extension, the Revolving Commitments so extended shall cease to be a part of the Class of which they were a part immediately prior to the Extension and shall be a new Class hereunder; *provided* that at no time shall there be more than four (4) different Classes of Revolving Commitments; *provided, further*, that, (i) all Credit Extensions and all prepayments of Revolving Loans shall continue to be made on a ratable basis among all Lenders, based on the relative amounts of their Revolving Commitments, until the repayment of the Revolving Loans attributable to the non-extended Revolving Commitments on the applicable Commitment Termination Date, (ii) the allocation of the outstanding Obligations with respect to any then-existing or subsequently issued or made Letter of Credit as between the Revolving Commitments of such new “Class” and the remaining Revolving Commitments shall be made on a ratable basis in accordance with the relative amounts thereof until the applicable Commitment Termination Date has occurred, (iii) no termination of Extended Revolving Commitments and no repayment of Extended Revolving Loans accompanied by a corresponding permanent reduction in Extended Revolving Commitments shall be permitted unless such termination or repayment (and corresponding reduction) is accompanied by at least a pro rata termination or permanent repayment (and corresponding pro rata permanent reduction), as applicable, of the Existing Revolving Loans and Existing Revolving Commitments (or all Existing Revolving Commitments of such Class and related Existing Revolving Loans shall have otherwise been terminated and repaid in full) and (iv) with respect to Letters of Credit, the Commitment Termination Date with respect to the Revolving Commitments may not be extended without the prior written consent of the Administrative Agent. If the Total Utilization of Revolving Commitments exceeds the Revolving Commitments as a result of the occurrence of the Commitment Termination Date (or the applicable Extended Termination Date with respect to any Class of Revolving Loans or Class of Revolving Commitments extended pursuant to this Section 2.13) while an extended Class of Revolving Commitments remains outstanding, the Borrower shall make such payments as are necessary in order to eliminate such excess on such date.

(c) The consummation and effectiveness of each Extension shall be subject to the following:

(i) no Default or Event of Default shall have occurred and be continuing at the time any Extension Offer is delivered to the Lenders or at the time of such Extension (after giving effect to such Extension);

(ii) the Revolving Loans or Revolving Commitments, as applicable, of any Lender extended pursuant to any Extension (as applicable, “**Extended Revolving Loans**” or “**Extended Revolving Commitments**”) shall have the same terms as the Class of Revolving Loans or Revolving Commitments, as applicable, subject to the related Extension Amendment (as applicable, “**Existing Revolving Loans**” or “**Existing Revolving Commitments**”); except (A) the final maturity date of any Extended Revolving Commitments of a Class to be extended pursuant to an Extension may be later than the Latest Maturity Date at the time of such Extension, and the Weighted Average Life to Maturity of any Extended Revolving Commitments of a Class to be extended pursuant to an Extension shall be no shorter than the Weighted Average Life to Maturity of the Class of Existing Revolving Commitments, as applicable, subject to the Latest Maturity Date at the time of such Extension; (B) the all-in pricing (including, without limitation, margins, fees and premiums) with respect to the Extended Revolving Loans or Extended Revolving Commitments, as applicable, may be higher or lower than the all-in pricing (including, without limitation, margins, fees and premiums) for the Existing Revolving Loans or Existing Revolving Commitments, as applicable; (C) the revolving credit commitment fee rate with respect to the Extended Revolving Commitments may be higher or lower than the revolving credit commitment fee rate for Existing Revolving Commitments, in each case, to the extent provided in the applicable Extension Amendment; (D) no repayment of any Extended Revolving Loans or Extended Revolving Commitments, as applicable, shall be permitted unless such repayment is accompanied by an at least pro rata repayment of all earlier maturing Loans (including previously extended Loans) (or all earlier maturing Loans (including previously extended Loans) shall otherwise be or have been terminated and repaid in full); (E) the Extended Revolving Loans and/or Extended Revolving Commitments may contain a “most favored nation” provision for the benefit of Lenders holding Extended Revolving Commitments; and (F) the other terms and conditions applicable to Extended Revolving Loans and/or Extended Revolving Commitments may be terms different than those with respect to the Existing Revolving Loans or Existing Revolving Commitments, as applicable, so long as such terms and conditions only apply after the Latest Maturity Date; *provided, further*, that each Extension Amendment may, without the consent of any Lender other than the applicable extending Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent and the Borrower, to give effect to the provisions of this Section 2.13, including any amendments necessary to treat the applicable Loans and/or Revolving Commitments of the extending Lenders as a new “Class” of loans and/or commitments hereunder; *provided, however*, that no Extension Amendment may provide for any Class of Extended Revolving Commitments to be secured by any assets of any Restricted Subsidiary that do not also secure the Existing Revolving Commitments;

(iii) all documentation in respect of such Extension shall be consistent with the foregoing, and all written communications by the Borrower generally directed to the applicable Lenders under the applicable Class in connection therewith shall be in form and substance consistent with the foregoing and otherwise reasonably satisfactory to the Administrative Agent;

(iv) the aggregate amount of the Extended Revolving Commitments extended pursuant to such Extension shall be more than 50% of the aggregate amount of the Revolving Commitments in effect immediately prior to such Extension; and

(v) no Extension shall become effective unless, on the proposed effective date of such Extension, the conditions precedent set forth in Section 4.02(a), (b) and (c) shall be satisfied (with all references in such Section to the making of a Loan being deemed to be references to the Extension on the applicable date of such Extension), and the Administrative Agent shall have received a certificate to that effect dated the applicable date of such Extension and executed by a Responsible Officer of the Borrower.

(d) For the avoidance of doubt, it is understood and agreed that the provisions of Section 2.08 and Section 10.04 will not apply to any payment of interest or fees in respect of any Extended Revolving Commitments that have been extended pursuant to an Extension at a rate or rates different from those paid or payable in respect of Revolving Loans of any other Class, in each case as is set forth in the relevant Extension Offer made pursuant to and in accordance with the provisions of this Section 2.13 with respect to such Extensions of Revolving Commitments.

(e) No Lender who rejects any request for an Extension shall be deemed a Non-Consenting Lender for purposes of Section 10.14.

(f) The Lenders hereby irrevocably authorize the Administrative Agent to enter into amendments (collectively, “**Extension Amendments**”) to this Agreement and the other Loan Documents as may be necessary in order to establish new Classes of Revolving Commitments created pursuant to an Extension, in each case on terms consistent with this Section 2.13, so long as the Lenders shall have received at least five (5) Business Days’ prior written notice of any Extension Amendment and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such Extension Amendment; *provided*, that all such Extension Amendments entered into with the Borrower by the Administrative Agent hereunder shall be binding on the Lenders. Without limiting the foregoing, in connection with any Extension, (i) the Borrower and the appropriate Guarantors and Subsidiaries shall (at their expense) amend (and the Administrative Agent is hereby directed to amend) any Loan Document that the Administrative Agent reasonably requests to be amended to reflect the then latest Extended Termination Date and (ii) the Borrower and the appropriate Guarantors and Subsidiaries shall deliver such board resolutions, secretary’s certificates, officer’s certificates and other documents as shall reasonably be requested by the Administrative Agent in connection therewith and, if requested by the Administrative Agent, a legal opinion of counsel in form and substance reasonably acceptable to the Administrative Agent.

(g) Promptly following the consummation and effectiveness of any Extension, the Borrower will furnish to the Administrative Agent (who shall promptly furnish to each Lender) written notice setting forth the Extended Termination Date and material economic terms of the Extension and the aggregate principal amount of each Class of Revolving Loans and Revolving Commitments after giving effect to the Extension and attaching a copy of the fully executed Extension Amendment.

Section 2.14 *Provisions Relating to NAIC Approved Banks.* If, at any time from and after the Effective Date, any Lender is not or ceases to be a NAIC Approved Bank, such Lender shall promptly notify the Borrower and the Administrative Agent thereof. Each Lender agrees to use commercially reasonable efforts, at all times from and after the Effective Date, (a) to be a NAIC Approved Bank or (b) if such Lender is not or ceases to be a NAIC Approved Bank, (i) to maintain in effect a Confirming Bank Agreement with a Confirming Bank (which Confirming Bank (if not a Lender), prior to entering into such Confirming Bank Agreement, shall be subject to the prior written consent of the Borrower and the Administrative Agent (such consent, in each case, not to be unreasonably withheld)) upon such terms and conditions as such parties may agree or (ii) to maintain in effect a Limited Fronting Lender Agreement with a Limited Fronting Lender upon such terms and conditions as such parties may agree. In the event that any Person (including any other Lender) agrees to act as a Confirming Bank or a Limited Fronting Lender for any Lender which is a Non-NAIC Approved Bank, such other Person shall receive such compensation therefor as such Non-NAIC Approved Bank and such Person may agree. If any Lender shall enter into a Confirming Bank Agreement or a Limited Fronting Lender Agreement hereunder at any time, it shall promptly furnish a copy thereof to the Borrower and the Administrative Agent and, thereafter, promptly notify the Borrower and the Administrative Agent of the termination or expiration of such Confirming Bank Agreement or Limited Fronting Lender Agreement, as the case may be. Notwithstanding anything herein to the contrary, no Lender shall have any obligation to agree to act hereunder as a Confirming Bank or a Limited Fronting Lender for any other Lender.

Section 2.15 *Incremental Facilities:*

(a) The Borrower may, by written notice to the Administrative Agent, elect to request prior to the Commitment Termination Date, an increase to the then-existing Revolving Commitments (any such increase, “**New Revolving Commitments**”), by an amount not in excess of the Increase Amount at such time and not less than \$10,000,000 individually (or such lesser amount which shall be approved by the Administrative Agent or such lesser amount that shall equal the Increase Amount at such time), and integral multiples of \$1,000,000 in excess of that amount. Each such notice shall specify (A) the date (each, an “**Increased Amount Date**”) on which the Borrower proposes that the New Revolving Commitments shall be effective, which shall be a date not less than 10 Business Days after the date on which such notice is delivered to the Administrative Agent and (B) the identity of each Lender or other Person that is an Eligible Assignee (each, a “**New Revolving Loan Lender**”) to whom the Borrower proposes any portion of such New Revolving Commitments be allocated and the amounts of such allocations; *provided* that the Administrative Agent may elect or decline to arrange such New Revolving Commitments in its sole discretion and any Lender approached to provide all or a portion of the New Revolving Commitments may elect or decline, in its sole discretion, to provide a New Revolving Commitment. Such New Revolving Commitments shall become effective as of such



Increased Amount Date; *provided* that (1) no Default or Event of Default shall exist on such Increased Amount Date before or after giving effect to such New Revolving Commitments; (2) all of the representations and warranties contained herein or in any Loan Document (other than the representations and warranties contained in Sections 5.05 and 5.11(c)) shall be true and correct in all material respects on and as of such Increased Amount Date to the same extent as though made on and as of such Increased Amount Date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; *provided* that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof, (3) Holdings and its Subsidiaries shall be in pro forma compliance with Sections 7.09 and 7.10 as of the last day of the most recently ended Fiscal Quarter after giving effect to such New Revolving Commitments; (4) all New Revolving Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by the Borrower, the New Revolving Loan Lender and the Administrative Agent, each of which shall be recorded in the Register and each New Revolving Loan Lender shall be subject to the requirements set forth in Section 3.01(e); (5) Holdings shall make any payments required pursuant to Section 3.04 in connection with the New Revolving Commitments; and (6) the Borrower shall deliver or cause to be delivered any legal opinions or other documents reasonably requested by the Administrative Agent in connection with any such transaction.

(b) On any Increased Amount Date on which New Revolving Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (i) (x) each of the Revolving Lenders shall assign to each of the New Revolving Loan Lenders, and each of the New Revolving Loan Lenders shall purchase from each of the Revolving Lenders, at the principal amount thereof, such interests in the Revolving Loans outstanding on such Increased Amount Date and (y) each outstanding Letter of Credit shall be amended in accordance with the procedures set forth in Section 2.02(d), in each case as shall be necessary in order that, after giving effect to all such assignments and purchases, the Revolving Exposure will be held by then-existing Revolving Lenders and New Revolving Loan Lenders ratably in accordance with their Revolving Commitments after giving effect to the addition of such New Revolving Commitments to the Revolving Commitments, (ii) each New Revolving Commitment shall be deemed for all purposes a Revolving Commitment and each Loan made thereunder (a “**New Revolving Loan**”) shall be deemed, for all purposes, a Revolving Loan and (iii) each New Revolving Loan Lender shall become a Lender with respect to the New Revolving Commitment and all matters relating thereto. For the avoidance of doubt, the terms and provisions of the New Revolving Loans and New Revolving Commitments shall be documented solely as an increase, and shall be identical, to the then-existing Revolving Commitments.

The Administrative Agent shall notify Lenders promptly upon receipt of the Borrower’s notice of each Increased Amount Date and in respect thereof (x) the New Revolving Commitments and the New Revolving Loan Lenders, and (y) the respective interests in such Lender’s Revolving Loans, in each case subject to the assignments contemplated by this Section 2.15.

ARTICLE 3  
TAXES, YIELD PROTECTION AND ILLEGALITY

Section 3.01 ~~Taxes~~.

(a) Payments Free of Indemnified Taxes and Other Taxes. Any and all payments by or on account of any obligation of any Credit Party hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any Taxes, *provided* that if any applicable withholding agent shall be required by applicable law to deduct or withhold any Taxes from such payments, then (i) the applicable withholding agent shall make such deductions or withholdings, (ii) the applicable withholding agent shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and (iii) if such Tax is an Indemnified Tax, the sum payable by the applicable Credit Party shall be increased as necessary so that after all required deductions or withholdings have been made (including deductions applicable to additional sums payable under this Section 3.01) the Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions or withholdings been made.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Indemnification by the Borrower. Without duplication of the provisions of subsection (a) above, the Borrower shall indemnify the Administrative Agent and each Lender, within ten (10) Business Days after written demand therefor, for the full amount of any Indemnified Taxes in respect of payments under any Loan Document (including Indemnified Taxes imposed on or attributable to amounts payable under this Section 3.01) that are imposed on or payable by the Administrative Agent or such Lender, as the case may be, and reasonable expenses arising therefrom, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; *provided*, that the Borrower shall not be required to indemnify the Administrative Agent or a Lender pursuant to this Section 3.01 for any Indemnified Taxes to the extent that such recipient fails to notify the Borrower within 270 days after the date on which such Person has made payment of such Indemnified Taxes; *provided, further*, that, if the Indemnified Taxes imposed or asserted giving rise to such claims are retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof. A certificate setting forth the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Indemnified Taxes by any Credit Party to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Status of Lenders. Each Lender shall deliver to the Borrower and to the Administrative Agent, whenever reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws and such other reasonably requested information as will permit such payments to be made without withholding or at a reduced rate. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. If any form, certification or other documentation provided by a Lender pursuant to this Section 3.01(e) (including any of the specific documentation described below) expires or becomes obsolete or inaccurate in any respect, such Lender shall promptly notify the Borrower and the Administrative Agent in writing and shall promptly update or otherwise correct the affected documentation or promptly notify the Borrower and the Administrative Agent in writing that such Lender is not legally eligible to do so.

Without limiting the generality of the foregoing,

(A) any Lender that is a “United States person” within the meaning of Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent duly completed and executed copies of IRS Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower or the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon request of the Borrower or the Administrative Agent) as will enable the Borrower or the Administrative Agent, as the case may be, to determine that such Lender is not subject to

U.S. federal backup withholding or information reporting requirements;

(B) each Foreign Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of U.S. federal withholding tax with respect to any payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent), duly completed and executed copies of whichever of the following is applicable:

(i) IRS Form W-8BEN or W-8BEN-E claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(ii) IRS Form W-8ECI (or any successor thereto) claiming that specified payments (as applicable) under this Agreement or any other Loan Documents (as applicable) constitute income that is effectively connected with such Foreign Lender’s conduct of a trade or business in the United States,

(iii) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code (the “**Portfolio Interest Exemption**”), (x) a certificate (a “**Tax Status Certificate**”), substantially in the form of

Exhibit F-1, to the effect that such Foreign Lender is not (1) a “bank” within the meaning of Section 881(c)(3)(A) of the Code, (2) a “10 percent shareholder” of the Borrower, within the meaning of Section 881(c)(3)(B) of the Code or (3) a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code, and that no interest to be received is effectively connected with a U.S. trade or business and (y) IRS Form W-8BEN or W-8BEN-E,

(iv) where such Lender is a partnership (for U.S. federal income tax purposes) or otherwise not a beneficial owner (e.g., where such Lender has sold a participation), IRS Form W-8IMY (or any successor thereto), (if so required) a Tax Status Certificate substantially in the form of Exhibit F-2 or Exhibit F-4, IRS Form W-9, and all required supporting documentation (including, where one or more of the underlying beneficial owner(s) is claiming the benefits of the Portfolio Interest Exemption, a Tax Status Certificate of such beneficial owner(s); *provided* that, if the Foreign Lender is a partnership and not a participating Lender, a Tax Status Certificate substantially in the form of Exhibit F-3 from the beneficial owner(s) shall be provided by the Foreign Lender on behalf of the beneficial owner(s)), or

(v) any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in United States federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(C) each Lender shall deliver to the Borrower and the Administrative Agent (in such number of duly completed and executed copies as shall be requested by the recipient), at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent (1) to comply with the Borrower’s and/or Administrative Agent’s obligations under FATCA, (2) to determine that such Lender has complied with such Lender’s obligations under FATCA and/or (3) to determine the amount to deduct and withhold from any payment under this Agreement or the other Loan Documents pursuant to FATCA. Solely for purposes of this clause (C), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Notwithstanding anything to the contrary in this Section 3.01(e), no Lender shall be required to deliver any documentation that it is not legally eligible to provide.

(f) Status of Administrative Agent. The Administrative Agent shall deliver the following to the Borrower on or before the date on which it becomes the Administrative Agent under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower): (1) if the Administrative Agent is not acting through a U.S. office, (x) executed copies of IRS Form W-8BEN-E with respect to any amounts payable to the Administrative Agent for its own account and (y) executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, and/or other certification documents from each beneficial owner, as applicable with respect to any amounts payable to the Administrative Agent for the account of others; provided, however, that no additional amounts

for non-U.S. Taxes and non-U.S. Other Taxes shall be payable by the Borrower under Section 3.01 or Section 3.03(a) if such additional amounts or Other Taxes would not have been payable had the Administrative Agent acted through a U.S. office; provided, further, that such additional amounts for Taxes and Other Taxes shall be payable in accordance with Section 3.01 and Section 3.03(a) to the extent that such Taxes that are payable as a result of a change in law that occurred after the date hereof; and (2) if the Administrative Agent is acting through a U.S. office, (x) executed copies of IRS Form W-8ECI with respect to any amounts payable to the Administrative Agent for its own account and (y) executed copies of IRS Form W-8IMY with respect to any amounts payable to the Administrative Agent for the account of others, certifying that it is a "U.S. branch," that the payments its receives for the account of others are not effectively connected with the conduct of its trade or business within the United States and that it is using such form as evidence of its agreement with the Borrower to be treated as a U.S. person with respect to such payments (and the Borrower and the Administrative Agent agree to so treat the Administrative Agent as a U.S. person with respect to such payments as contemplated by Section 1.1441-1(b)(2)(iv) of the United States Treasury Regulations).

(g) Treatment of Certain Refunds. If the Administrative Agent or any Lender determines, in its good faith discretion, that it has received a refund in cash of any Indemnified Taxes as to which it has been indemnified by a Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section 3.01, it shall promptly pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Credit Party under this Section 3.01 with respect to the Indemnified Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender (including any Taxes), as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority (other than any penalties arising from the gross negligence or willful misconduct of the Administrative Agent or the Lender as determined in a final, non-appealable judgment by a court of competent jurisdiction)) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. Such Lender or Administrative Agent, as the case may be, shall, at the Borrower's reasonable request, provide the Borrower with a copy of any notice of assessment or other evidence reasonably satisfactory to the Borrower of the requirement to repay such refund received from the relevant taxing authority. This subsection shall not be construed to require the Administrative Agent, or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person.

### Section 3.02 Illegality;

(a) If any Lender reasonably and in good faith determines that the introduction of any Requirement of Law, or any change in any Requirement of Law, or in the interpretation or administration of any Requirement of Law, after the Effective Date, has made it unlawful, or that any central bank or other Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make ~~LIBOR Rate~~ SOFR Loans, then, on notice thereof by the Lender to the Borrower through the Administrative Agent, any obligation of that Lender to

make ~~LIBOR Rate~~SOFR Loans shall be suspended until the Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist.

(b) If a Lender reasonably and in good faith determines that it is unlawful for such Lender to maintain any ~~LIBOR Rate~~SOFR Loan after the Effective Date, on notice thereof by the Lender to the Borrower through the Administrative Agent, such ~~LIBOR Rate~~SOFR Loans of that Lender then outstanding, either on the last day of the Interest Period thereof, if the Lender may lawfully continue to maintain such ~~LIBOR Rate~~SOFR Loans to such day, or immediately, if the Lender may not lawfully continue to maintain such ~~LIBOR Rate~~SOFR Loan, shall convert to a Base Rate Loan on such applicable date and within three (3) Business Days after the Borrower's receipt of such notice the Borrower shall pay to the applicable Lender accrued interest on such ~~LIBOR Rate~~SOFR Loan along with all amounts required under Section 3.04.

(c) If the obligation of any Lender to make or maintain ~~LIBOR Rate~~SOFR Loans has been so terminated or suspended, the Borrower may elect, by giving notice to the Lenders through the Administrative Agent, that all Revolving Loans which would otherwise be made or maintained by the Lenders as ~~LIBOR Rate~~SOFR Loans shall instead be Base Rate Loans.

(d) If any Lender gives a notice pursuant to this Section 3.02, then such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its ~~LIBOR Rate~~SOFR Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate the need for the notice pursuant to this Section 3.02, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender in any material economic, legal or regulatory respect.

### Section 3.03 Increased Costs and Reduction of Return:

(a) If any Lender reasonably and in good faith determines that, due to either (i) the introduction of or any change in or in the interpretation of any law or regulation or (ii) the compliance by that Lender with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law) after the later of (x) the Effective Date and (y) the date such Lender becomes a party to this Agreement, there shall be any increase in the cost (including Taxes, other than (i) Taxes described in clauses (b) and (c) of the definition of "Excluded Taxes", (ii) Connection Income Taxes and (iii) Indemnified Taxes) to such Lender of agreeing to make or making, funding or maintaining any Loans or participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligations to participate in or issue any Letter of Credit), or any reduction in the amount of any sum received or receivable by such Lender, then the Borrower shall be liable for, and shall from time to time, promptly upon written demand (with a copy of such demand to be sent to the Administrative Agent), pay to the Administrative Agent for the account of such Lender, additional amounts as are sufficient to compensate such Lender for such increased costs or reduction suffered, to the extent such Lender is imposing such costs on borrowers that are similarly situated to the Borrower with respect to whom such Lender has similar rights of compensation.

(b) If any Lender reasonably and in good faith shall have determined that (i) the introduction of any Capital Adequacy Regulation, (ii) any change in any Capital Adequacy

Regulation, (iii) any change in the interpretation or administration of any Capital Adequacy Regulation by any central bank or other Governmental Authority charged with the interpretation or administration thereof, or (iv) compliance by the Lender (or its Lending Office) or any corporation controlling the Lender with any Capital Adequacy Regulation, in each case after the later of (x) the Effective Date and (y) the date such Lender becomes a party to this Agreement, affects or would affect the amount of capital or liquidity required or expected to be maintained by the Lender or any corporation controlling the Lender and (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy or liquidity and such Lender's desired return on capital) determines that the amount of such capital or liquidity is increased as a consequence of its Revolving Commitment, loans, credits or obligations under this Agreement, then, thirty (30) days after written demand by such Lender to the Borrower through the Administrative Agent, the Borrower shall pay to the Lender, from time to time as specified by the Lender, additional amounts sufficient to compensate the Lender for such increase, to the extent such Lender is employing such increase with respect to borrowers that are similarly situated to the Borrower with respect to whom such Lender has similar rights of compensation.

(c) Notwithstanding anything herein to the contrary, for all purposes of the Loan Documents, all requests, rules, guidelines or directives concerning liquidity and capital adequacy issued by any United States regulatory authority (i) under or in connection with the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and (ii) in connection with the implementation of the recommendations of the Bank for International Settlements or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority), in each case pursuant to Basel III, regardless of the date adopted, issued, promulgated or implemented are deemed to have been adopted and to have taken effect after the date hereof and after the date any Lender becomes a party to this Agreement.

(d) The Borrower shall not be required to compensate any Lender pursuant to this Section 3.03 for any increased costs or reduced returns to the extent such Lender makes written demand on the Borrower for compensation later than 270 days after the date any such increased cost or reduced return is incurred; *provided* that, if the change in law giving rise to any such increased cost or reduced giving rise to such claims are retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof. A certificate setting forth the amount of such increased costs or reduced returns delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

Section 3.04 Funding Losses~~Funding Losses~~. The Borrower shall reimburse each Lender and hold each Lender harmless from any loss (other than loss of profits or the Applicable Margin), expense or liability which the Lender may sustain or incur as a consequence of:

(a) the failure of the Borrower to make on a timely basis any payment of principal of any ~~LIBOR-Rate~~SOFR Loan;

(b) the failure of the Borrower to continue a ~~LIBOR-Rate~~SOFR Loan after the Borrower has given (or is deemed to have given) a Conversion/Continuation Notice thereof;

(c) the failure of the Borrower to make any prepayment of a ~~LIBOR-Rate~~SOFR Loan in accordance with any notice of prepayment given by the Borrower;

(d) the prepayment (including pursuant to Section 2.06) or other payment (including after acceleration thereof) of a ~~LIBOR-Rate~~SOFR Loan on a day that is not the last day of the relevant Interest Period;

(e) a Credit Extension of any ~~LIBOR-Rate~~SOFR Loan does not occur on a date specified therefor in ~~the~~ Loan Notice delivered by or on behalf of the Borrower, or a conversion to or continuation of any ~~LIBOR-Rate~~SOFR Loan does not occur on a date specified therefor in a Conversion/Continuation Notice delivered by or on behalf of the Borrower; or

(f) any conversion of any of its ~~LIBOR-Rate~~SOFR Loans occurring on a date prior to the last day of an Interest Period applicable to the Revolving Loan;

including any such loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain its ~~LIBOR-Rate~~SOFR Loans or from fees payable to terminate the deposits from which such funds were obtained, but excluding any administrative fee or other amount chargeable by such Lender for the calculation of such loss.

Section 3.05 *Effect of Benchmark Transition Event*~~Benchmark Replacement~~.

~~(i) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Swap Contract shall be deemed not to be a "Loan Document" for purposes of this Section 3.05):~~

~~(A) LIBOR Replacement. Upon the occurrence of a LIBOR Replacement Date, the Benchmark Replacement will replace USD LIBOR for all purposes hereunder and under any other Loan Document in respect of any setting of USD LIBOR on such LIBOR Replacement Date and for all subsequent settings of USD LIBOR without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document. For Loans denominated in Dollars, if the Benchmark Replacement is Daily Simple SOFR, all interest payments on such Loans will be payable on a quarterly basis.~~

(a) ~~(B) Future Benchmark Replacement. If~~ Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event ~~occurs after the date hereof with respect to any then-current Benchmark and a Benchmark Replacement is determined in accordance with clause (a)(C) or clause (b) of "Benchmark Replacement", then such Benchmark Replacement will,~~ the Administrative Agent and the Borrower may amend this Agreement to replace the then-current Benchmark ~~for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after~~ with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the ~~date notice of such Benchmark Replacement is provided by the~~ Administrative Agent ~~to the~~ has posted such proposed amendment to all Lenders and the Borrower ~~without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document~~ so long as



the Administrative Agent has not received, by such time, written notice of objection to such ~~Benchmark Replacement~~amendment from Lenders comprising the Required Lenders. ~~At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored; the Borrower may revoke any request for a LIBOR Rate Borrowing of, conversion to or continuation of LIBOR Rate Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark and, failing that the Borrower will be deemed to have converted any such request for a LIBOR Rate Borrowing denominated in Dollars into a request for a LIBOR Rate Borrowing of or conversion to Base Rate Loans. During the period referenced in the foregoing sentence, the component of Base Rate based upon the then-current Benchmark will not be used in any determination of Base Rate. Furthermore, if any LIBOR Rate Loan is outstanding on the date of the Borrower's receipt of such notice from the Administrative Agent with respect to a then-current Benchmark applicable to such LIBOR Rate Loan, then until such time as a Benchmark Replacement for such then-current Benchmark is implemented pursuant to this Section 3.05, on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), such Loan shall be converted by the Administrative Agent to, and shall constitute, an Base Rate Loan denominated in Dollars on such day.~~No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 3.05(a) will occur prior to the applicable Benchmark Transition Start Date.

(ii) ~~Term SOFR Transition Event.~~ Notwithstanding anything to the contrary in this Agreement or in any other Loan Document, if a Term SOFR Transition Event shall have occurred and the Administrative Agent shall have delivered a Term SOFR Notice to the Lenders and the Borrower, then on the date that is thirty (30) days after the delivery of such Term SOFR Notice the "Benchmark Replacement" shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment and will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term SOFR Notice after a Term SOFR Transition Event and may elect or not elect to do so in its sole discretion upon notice to and after consultation with the Borrower.

(b) Benchmark Replacement Conforming Changes. In connection with the ~~implementation and use,~~ administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make ~~Benchmark Replacement~~ Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such ~~Benchmark Replacement~~ Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document ~~(other than as provided in the definition of Benchmark Replacement Conforming Changes),~~ unless the Administrative Agent has

received, within five (5) Business Days of the date notice of such amendments is provided to the Borrower, a written notice from the Borrower objecting to such amendments.

(c) Notices, Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) ~~any occurrence of a Benchmark Transition Event or a Term SOFR Transition Event~~ (ii) the implementation of any Benchmark Replacement, and (iii) the effectiveness of any Benchmark Replacement Conforming Changes, and (iv) in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will promptly notify the Borrower and the Lenders of the removal or reinstatement of any tenor of a Benchmark pursuant to clause Section 3.05(d) below. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, the Borrower or any Lender (or group of Lenders) pursuant to this Section 3.05, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.05(c).

(d) Unavailability of Tenor of Benchmark. ~~At~~ Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if ~~at~~ the then-current Benchmark is a term rate (including ~~the~~ Term SOFR or USD LIBOR), ~~then the Administrative Agent may remove Reference Rate) and either (A)~~ any tenor ~~offor~~ such Benchmark that is unavailable (including as a result of such tenor not being is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in ~~consultation with the Borrower) or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may, modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (j) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then~~ the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate ~~any~~ such previously removed tenor ~~for such Benchmark (including Benchmark Replacement) settings.~~

(e) ~~Tax Matters.~~ Notwithstanding anything herein or in any other Loan Document to the contrary, any Benchmark Replacement pursuant to this Section 3.05 shall be required to meet the standards set forth in Proposed United States Treasury Regulations under Section 1.1001-6 (or any successor United States Treasury Regulations or other official IRS guidance promulgated that supersedes such Proposed United States Treasury Regulations) such that that use of the Benchmark Replacement is not treated as a "modification" (and therefore an exchange) of any

~~Loans for purposes of Treasury Regulations Section 1.1001-3 (and, if the Administrative Agent determines in good faith consultation with the Borrower that the Benchmark Replacement as determined pursuant to clauses (a) or (b) of the definition thereof does not meet such standards, the Administrative Agent and the Borrower shall cooperate in good faith to make such commercially reasonable adjustments to the Benchmark Replacement that are necessary to ensure that the use of the Benchmark Replacement is not treated as a “modification” (and therefore an exchange) of any Loans for purposes of Treasury Regulations Section 1.1001-3).~~

(e) **Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans and (ii) any outstanding affected SOFR Loans will be deemed to have been converted to Base Rate Loans at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.**

Section 3.06 *Certificates of Lenders.* Any Lender claiming reimbursement or compensation under this Article 3 shall deliver to the Borrower (with a copy to the Administrative Agent) a certificate setting forth in reasonable detail the amount payable to the Lender hereunder and such certificate shall be conclusive and binding on the Borrower in the absence of demonstrable error. Such certificate shall set forth in reasonable detail the methodology used in determining the amount payable to the Lender.

Section 3.07 *Substitution of Lenders.* If the Borrower receives from any Lender notice of a claim for compensation under Section 3.01 or 3.03 or notice of illegality under Section 3.02, the Borrower may, upon notice to such Lender and the Administrative Agent, replace such Lender by causing such Lender to assign its Revolving Loans and Revolving Commitment (with the assignment fee to be paid by the Borrower in such instance) pursuant to Section 10.07(b) to one or more other Lenders or Eligible Assignees procured by the Borrower; provided that (x) the Borrower shall be obligated to replace all Lenders that have made similar requests and (y) each such Lender shall have received payment of an amount equal to the outstanding principal of its Revolving Loans, accrued interest thereon, accrued fees and all other amounts payable to it under the Loan Documents from the applicable assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts). The Borrower shall release such Lender from its obligations under the Loan Documents. Any Lender being replaced shall execute and deliver an Assignment and Assumption with respect to such Lender’s outstanding Revolving Loans.

Section 3.08 *~~Survival~~Survival.* The agreements and obligations of the Borrower in Section 3.01, Section 3.03 and Section 3.04 and the agreements and obligations of the Lenders in Section 3.06 shall survive the termination of this Agreement and the payment of all other Obligations.

Section 3.09 Circumstances Affecting Benchmark Availability. Subject to Section 3.05, in connection with any request for a SOFR Loan or a conversion to or continuation thereof or otherwise, if for any reason the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that reasonable and adequate means do not exist for ascertaining Term SOFR for the applicable Interest Period with respect to a proposed SOFR Loan on or prior to the first day of such Interest Period, then the Administrative Agent shall promptly give notice thereof to the Borrower. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make SOFR Loans, and any right of the Borrower to convert any Loan to or continue any Loan as a SOFR Loan, shall be suspended (to the extent of the affected SOFR Loans or the affected Interest Periods) until the Administrative Agent revokes such notice. Upon receipt of such notice, (A) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans (to the extent of the affected SOFR Loans or the affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans in the amount specified therein and (B) any outstanding affected SOFR Loans will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

ARTICLE 4  
CONDITIONS PRECEDENT

Section 4.01 *Conditions to Effectiveness.* This Agreement shall become effective on the date that each of the following conditions precedent are satisfied or waived:

(a) The Administrative Agent shall have received each of the following, each of which shall be originals or facsimiles or Adobe PDFs delivered by electronic mail (followed promptly by originals) unless otherwise specified:

(i) from each party hereto, a counterpart of this Agreement executed by such party; and

(ii) a Revolving Loan Note executed by the Borrower in favor of each Lender that has requested a Revolving Loan Note at least two (2) Business Days prior to the Effective Date.

(b) The Guarantee Requirement shall have been satisfied.

(c) The Collateralized L/C Collateral Requirement shall have been satisfied.

(d) The Administrative Agent shall have received:

(i) copies of the resolutions of the board of directors, authorized subcommittee thereof, or other equivalent body of each Credit Party authorizing the Transactions to which such Credit Party is a party, certified as of the Effective Date by the Secretary or an Assistant Secretary of such Credit Party;

(ii) a certificate of the Secretary or Assistant Secretary of each Credit Party certifying the names and true signatures of the officers of such Credit Party authorized to execute, deliver and perform, as applicable, this Agreement and all other Loan Documents to be delivered by such Credit Party hereunder;

(iii) the articles or certificate of incorporation or equivalent document of each Credit Party as in effect on the Effective Date, certified by the Secretary of State (or similar, applicable Governmental Authority) of its state of incorporation or organization as of a recent date;

(iv) the bylaws or equivalent documents (including, in respect of any Credit Party incorporated in Bermuda, its memorandum of association and bye-laws) of each Credit Party as in effect on the Effective Date, certified by the Secretary or Assistant Secretary of such Credit Party as of the Effective Date;

(v) the register of directors and officers and register of members of each Credit Party incorporated in Bermuda, certified by the Secretary or Assistant Secretary of such Credit Party as of the Effective Date;

(vi) a certificate of good standing or equivalent document for each Credit Party from the Secretary of State (or similar, applicable Governmental Authority) of its state of incorporation or organization as of a recent date;

(vii) a tax assurance certificate issued to each Credit Party incorporated in Bermuda, certified by the Secretary or Assistant Secretary of such Credit Party as of the Effective Date; and

(viii) certified copies of Uniform Commercial Code, tax and judgment lien searches, or equivalent reports or searches, each of a recent date listing all effective financing statements, lien notices or comparable documents that name any Credit Party as debtor and that are filed in those state and county jurisdictions in which any Credit Party is organized or maintains its principal place of business and such other searches that the Administrative Agent reasonably deems necessary and requested at least five (5) days prior to the Effective Date.

(e) The Administrative Agent shall have received a written opinion, reasonably acceptable to the Administrative Agent in form and substance (addressed to the Administrative Agent and the Lenders and dated the Effective Date), from each of (i) Sidley Austin LLP, counsel for the Credit Parties, and (ii) Appleby (Bermuda) Limited, Bermuda counsel for Holdings.

(f) The Administrative Agent shall have been paid (i) all costs, fees and expenses (including, without limitation, Attorney Costs of the Administrative Agent, the Arrangers, the Bookrunners and recording taxes and fees) to the extent then due and payable to the Administrative Agent, the Arrangers or the Bookrunners and (ii) all other compensation contemplated by the Commitment Letter and each Fee Letter payable to the Administrative

Agent, the Arrangers, the Bookrunners or the Lenders on or before the Effective Date, in each case to the extent invoiced at least two (2) Business Days prior to the Effective Date.

(g) All principal, premium, if any, interest, fees and other amounts due or outstanding under the Existing Credit Agreement shall have been paid in full, the commitments under the Existing Credit Agreement shall have been terminated and all guarantees and Liens existing in connection with the Existing Credit Agreement shall have been discharged and released, and the Administrative Agent shall have received reasonably satisfactory evidence thereof.

(h) The Administrative Agent shall have received (i) a certificate signed by a Responsible Officer of Holdings on behalf of the Borrower, dated as of the Effective Date, (A) confirming that Holdings and its Restricted Subsidiaries have received all required approvals of the Transactions from each applicable Governmental Authority except applicable regulatory approvals of Governmental Authorities required under applicable law in connection with the enforcement of any Collateralized L/C Security Document and (B) certifying that the conditions precedent specified in this Section 4.01(h), (i), (k), (l) and (n) have been satisfied and (ii) a solvency certificate executed by a Responsible Officer of Holdings, substantially in the form of Exhibit H.

(i) All governmental and regulatory authorizations necessary in connection with the financing contemplated hereby shall have been obtained and be in full force and effect.

(j) Each Credit Party shall have provided the documentation and other information to the Administrative Agent as the Lenders reasonably determine are required by bank regulatory authorities under applicable “know-your-customer” and Anti-Money Laundering Laws, including the PATRIOT Act, at least two (2) Business Days prior to the Effective Date as has been reasonably requested in writing at least four (4) Business Days prior to the Effective Date by the Lenders. The Borrower shall have delivered a Beneficial Ownership Certification to the Administrative Agent and each Lender requesting one.

(k) There will not exist (after giving effect to the financing hereunder) any “event of default” under any Material Indebtedness of Holdings or its Subsidiaries.

(l) The organizational structure of Holdings and its Subsidiaries will be as set forth on Schedule 4.01(l).

(m) The Administrative Agent and the Lenders shall have received at least five (5) calendar days prior to the Effective Date (i) the Historical Financial Statements and (ii) the most recent Annual Statements and Quarterly Statements (for those periods ending after delivery of the most recent Annual Statements for each Insurance Subsidiary) of each Insurance Subsidiary as filed with the insurance regulator of such Insurance Subsidiary’s jurisdiction of domicile on or prior to such date, in each case, to the extent such reports and statements have been prepared by such Insurance Subsidiaries.

(n) All of the representations and warranties contained herein or in any Loan Document shall be true and correct in all material respects on and as of the Effective Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties

shall have been true and correct in all material respects on and as of such earlier date; *provided* that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

Section 4.02 *Conditions to All Borrowings and Letter of Credit Issuances*. The obligation of any Lender to make any Loans or to issue, renew or extend any Letter of Credit, on any Borrowing Date (including on the Effective Date) is subject to satisfaction of the following conditions precedent:

(a) All of the representations and warranties contained herein or in any Loan Document by any Credit Party (other than the representations and warranties contained in Sections 5.05 and 5.11(c)), shall be true and correct in all material respects on and as of such Borrowing Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; *provided* that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

(b) No Default or Event of Default shall have occurred and be continuing on such date or immediately after giving effect to the proposed Credit Extension.

(c) The Administrative Agent shall have received a Loan Notice or Issuance Notice in accordance with the requirements hereof, along with a Collateralized L/C Collateral Certificate, if applicable.

(d) After making the Credit Extension requested on such Borrowing Date, (i) the Total Utilization of Revolving Commitments shall not exceed the Revolving Commitments then in effect, (ii) the Letter of Credit Usage shall not exceed the Letter of Credit Sublimit and (iii) in the case of any Credit Extension consisting of the issuance, renewal or extension of a Collateralized Letter of Credit, the Collateralized L/C Aggregate Collateral Amount shall not be less than the Minimum Collateralized L/C Aggregate Collateral Amount.

(e) On or before the date of issuance of any Letter of Credit, the Administrative Agent shall have received all other information required by the applicable Issuance Notice, and such other documents or information as the Administrative Agent may reasonably require in connection with the issuance of such Letter of Credit.

Each Loan Notice submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied (or waived) on and as of the date of the applicable Credit Extension.

Section 4.03 *Determinations Under Section ~~4.01~~ 4.01*. For purposes of determining compliance with the conditions specified in Section 4.01, (i) each of the Lenders 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, the Lenders unless an officer of the Administrative Agent responsible for the Transactions shall have received notice from such Lender prior to the Effective Date specifying its objection thereto and,

in the case of any Lender, such Lender shall not have made available to the Administrative Agent on the Effective Date such Lender's Pro Rata Share of the borrowing to be made on such date and (ii) transactions occurring (or to occur) on the Effective Date in accordance with, and as expressly set forth in, the funds flow memorandum delivered to (and approved by) the Administrative Agent shall be deemed to occur and have occurred substantially simultaneously with the effectiveness hereof on the Effective Date.

ARTICLE 5  
REPRESENTATIONS AND WARRANTIES

Each Credit Party represents and warrants to the Administrative Agent and the Lenders on behalf of itself and its Restricted Subsidiaries that on the Effective Date and, to the extent provided in Section 4.02(a), on the date of the making of each Revolving Loan or issuance, renewal or extension of a Letter of Credit hereunder the following statements are true and correct:

Section 5.01 *Corporate Existence and Power*. Such Credit Party and each of its Restricted Subsidiaries:

(a) is duly incorporated or organized, validly existing and in good standing (but, with respect to any Credit Party or Restricted Subsidiary that is not incorporated, organized or formed under the laws of the United States of America, any State thereof or the District of Columbia, only to the extent such concept is applicable to such Credit Party or Restricted Subsidiary) under the laws of the jurisdiction of its incorporation, organization or formation;

(b) has the corporate (or other organizational) power and authority (i) to own its assets and carry on its business and (ii) in the case of a Credit Party, to perform its obligations, if any, under the Loan Documents to which it is a party;

(c) is duly qualified as a foreign entity and in good standing under the laws of each jurisdiction where its ownership, lease or operation of its property or the conduct of its business requires such qualification; and

(d) is in compliance with all Requirements of Law;

except, in each case referred to in clauses (c) and (d), to the extent that the failure to do so, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 5.02 *Corporate Authorization; No Contravention*. The Transactions to be entered into by such Credit Party are within such Credit Party's corporate or other organizational powers. The Transactions (including the execution, delivery and performance by such Credit Party of each Loan Document to which it is a party) have been duly authorized by all necessary corporate or other organizational action of such Credit Party and do not and will not:

(a) contravene the terms of any of such Credit Party's Organization Documents;



(b) result in any breach, violation or contravention of, or result in or require the creation of any Lien (other than the Collateralized L/C Liens) under, any document evidencing any Material Indebtedness to which such Credit Party or any of its Restricted Subsidiaries is a party; or

(c) violate any Requirement of Law or any order, injunction, writ or decree of any Governmental Authority to which such Credit Party or any of its Restricted Subsidiaries or its property is subject, except to the extent that such violations, in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 5.03 *Governmental Authorization; Other Consents*. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the Transactions (including the execution, delivery or performance by, or enforcement against, such Credit Party of each Loan Document to which it is a party), except (a) such as have been obtained and are in full force and effect (including, without limitation, the approval of the applicable Department of each Insurance Subsidiary, if required) and (b) filings necessary to perfect the Collateralized L/C Liens or, if required under applicable law in connection with the enforcement of any Collateralized L/C Liens, to enforce the Collateralized L/C Liens.

Section 5.04 ~~*Binding Effect*~~*Binding Effect*. This Agreement has been duly executed and delivered by such Credit Party and constitutes, and each other Loan Document to which such Credit Party is to be a party, when executed and delivered by such Credit Party, will constitute, a legal, valid and binding obligation of such Credit Party, in each case enforceable against such Credit Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

Section 5.05 ~~*Litigation*~~*Litigation*. Except as set forth on Schedule 5.05, there are no actions, suits or proceedings pending, or to the Knowledge of such Credit Party, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against such Credit Party or any of its Restricted Subsidiaries or any of their respective properties that: (a) purport to affect or pertain to this Agreement, any other Loan Document, or any of the transactions (including the Transactions) contemplated hereby or thereby or (b) individually or in the aggregate would reasonably be expected to have a Material Adverse Effect. No injunction, writ, temporary restraining order or any order of any nature has been issued by any court or other Governmental Authority against such Credit Party or any of its Restricted Subsidiaries purporting to enjoin or restrain the execution, delivery or performance of this Agreement or any other Loan Document by such Credit Party or directing that the Transactions not be consummated as herein or therein provided.

Section 5.06 ~~*No Default*~~*No Default*. No Default or Event of Default has occurred and is continuing. Neither such Credit Party nor any of its Restricted Subsidiaries is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any of its Contractual Obligations, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except where the

consequences, direct or indirect, of such default or defaults, if any, would not reasonably be expected to have a Material Adverse Effect.

Section 5.07 *ERISA Compliance*:

(a) Each Plan is in compliance with the applicable provisions of ERISA, the Code and other federal or state law except to the extent that such non-compliance would not reasonably be expected to have a Material Adverse Effect. Each Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS and to the Knowledge of such Credit Party, nothing has occurred which would reasonably be expected to cause the loss of such qualification, except where such non-qualification would not reasonably be expected to have a Material Adverse Effect. Such Credit Party, its Restricted Subsidiaries and each ERISA Affiliate have made all required contributions to any Pension Plan, and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Pension Plan, except where such lack of contribution or application for funding waiver would not reasonably be expected to have a Material Adverse Effect.

(b) There are no pending or, to the Knowledge of such Credit Party, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan or Pension Plan that would reasonably be expected to have a Material Adverse Effect. To the Knowledge of such Credit Party, there has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan or Pension Plan that would reasonably be expected to have a Material Adverse Effect.

(c) Except for occurrences or circumstances that individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect: (i) no ERISA Event has occurred or is reasonably expected to occur and (ii) no Single Employer Pension Plan has any Unfunded Pension Liability.

(d) To the extent the assets of the Borrower are deemed to be “plan assets” within the meaning of Section 3(42) of ERISA, or otherwise, (i) on each day that an extension of credit pursuant to a Credit Extension is in effect, such extension of credit will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code as a result of the applicability of Prohibited Transaction Class Exemption 95-60, and (ii) the fiduciary making the decision on behalf of the Borrower (the “**Plan Fiduciary**”) with respect to the Credit Extension will be deemed to represent and warrant to the Lenders or the Agents (the “**Transaction Parties**”) that (i) none of the Transaction Parties, nor any of their affiliates, has provided any investment advice on which it has relied in connection with the Credit Extensions, and the Transaction Parties are not otherwise acting as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Borrower or the Plan Fiduciary in connection with the Credit Extensions; and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the transaction. For the avoidance of doubt the assets of the Borrower refers to its unconsolidated assets.

Section 5.08 *Margin Regulations*~~*Margin Regulations*~~. Neither such Credit Party nor any of its Restricted Subsidiaries is engaged principally, or as one of its important activities, in

the business of purchasing or carrying Margin Stock or extending credit for the purpose of purchasing or carrying Margin Stock. Margin Stock does not constitute more than 25% of the value of the consolidated assets of such Credit Party and its Restricted Subsidiaries. None of the proceeds of the Revolving Loans will be used to acquire Margin Stock. None of the transactions contemplated by this Agreement (including the direct or indirect use of the proceeds of the Revolving Loans) will violate or result in a violation of Regulation U or X of the FRB.

Section 5.09 *Title to Properties*. Each of such Credit Party and its Restricted Subsidiaries has (i) good, sufficient and legal title to (in the case of fee interests in real property), (ii) valid leasehold interests in (in the case of leasehold interests in real or personal property), (iii) valid license rights in (in the case of licensed interests in intellectual property) and (iv) good title to (in the case of all other personal property), all of their respective properties and assets necessary in the ordinary conduct of their respective businesses, except for any failure of any of the foregoing as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as permitted by this Agreement, all such properties and assets are free and clear of Liens.

Section 5.10 *Taxes*. Such Credit Party and each of its Restricted Subsidiaries have timely filed all U.S. federal income Tax, other income Tax and other Tax returns and reports required to be filed, and have paid all federal income Tax, other income Tax and other Taxes levied or imposed upon it or its properties, income or assets that have become due and payable (including in its capacity as a withholding agent) when due and payable, except those that are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with SAP or GAAP, as applicable (provided that such contest effectively suspends collection of the same and enforcement of any Lien securing the same) or those the failure to so file or pay would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. There is no current or proposed Tax audit, assessment, deficiency or other claim or proceeding against such Credit Party or any of its Restricted Subsidiaries that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

Section 5.11 *Financial Condition*:

(a) Each of the Historical Financial Statements:

(i) was prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, subject, in the case of such unaudited financial statements, to ordinary, good faith year-end and audit adjustments and the absence of footnote disclosure;

(ii) fairly presents in all material respects the financial condition, results of operations, cash flows and changes in shareholders' equity of Holdings and its Subsidiaries as of the date thereof and results of operations for the period covered thereby; and

(iii) in the case of the Historical Financial Statements, shows all material Indebtedness and other material Contingent Obligations, of Holdings and its consolidated Subsidiaries as of the date thereof.

(b) Each of (i) the December 31, 2020 Annual Statement of each Insurance Subsidiary, and (ii) the March 31, 2021 Quarterly Statement of each Insurance Subsidiary (the “**Historical Statutory Statements**”):

(i) was prepared in accordance with SAP, except as may be reflected in the notes thereto and subject, with respect to the Quarterly Statements, to the absence of notes required by SAP and to normal year-end adjustments; and

(ii) was in all material respects in compliance with applicable Requirements of Law when filed and present fairly in all material respects the financial condition of the respective Insurance Subsidiaries covered thereby as of the respective dates thereof and changes in Capital and Surplus of the respective Insurance Subsidiaries covered thereby for the respective periods then ended.

Except for liabilities and obligations disclosed or provided for in the Historical Statutory Statements (including, without limitation, reserves, policy and contract claims and statutory liabilities), no Insurance Subsidiary had, as of the date of its respective Historical Statutory Statements, any material liabilities or obligations of any nature whatsoever (whether absolute, contingent or otherwise and whether or not due) that, in accordance with SAP, would have been required to have been disclosed or provided for in such Historical Statutory Statement.

(c) Since December 31, 2020, no event, circumstance or change has occurred that has caused or evidences, or would reasonably be expected to result in, either in any case or in the aggregate, a Material Adverse Effect.

Section 5.12 *Environmental Matters*.

(a) All real properties owned or leased by such Credit Party or any of its Restricted Subsidiaries have been, and continue to be, owned or operated by such Credit Party and its Restricted Subsidiaries in compliance with all Environmental Laws, except where failure to so comply would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

(b) There have been no past, and there are no pending or, to the Knowledge of such Credit Party, threatened, Environmental Claims against such Credit Party or any of its Restricted Subsidiaries, except for such Environmental Claims that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(c) There has been no Release of Hazardous Materials at, on, under or from any real property now or, to the Knowledge of such Credit Party, previously owned or leased by such Credit Party or any of its Restricted Subsidiaries that, individually or in the aggregate, have had, or would reasonably be expected to have, a Material Adverse Effect.

(d) Such Credit Party and each of its Restricted Subsidiaries have been issued and are in compliance with all permits, certificates, approvals, licenses and other authorizations required under any Environmental Law to own and operate their real property or to conduct their businesses except where failure to obtain or comply with the foregoing would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

(e) There are no underground or above-ground storage tanks, active or abandoned, including petroleum storage tanks, on or under any real property now owned or leased by such Credit Party or any of its Restricted Subsidiaries that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(f) To the Knowledge of such Credit Party, neither such Credit Party nor any of its Restricted Subsidiaries has directly transported or directly arranged for the transportation of any Hazardous Material to any location that would reasonably be expected to result in liability of such Credit Party or any of its Restricted Subsidiaries under any Environmental Law, except any such liability which would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

(g) To the Knowledge of such Credit Party, there are no polychlorinated biphenyls or friable asbestos present at any real property now owned or leased by such Credit Party or any of its Restricted Subsidiaries that, individually or in the aggregate, could be reasonably expected to have a Material Adverse Effect.

Section 5.13 *Investment Company Act of 1940*. Neither such Credit Party, nor any of its Restricted Subsidiaries, is required to register as an investment company under the Investment Company Act of 1940.

Section 5.14 *Subsidiaries*:

(a) The Capital Stock of each of such Credit Party and its Restricted Subsidiaries has been duly authorized and validly issued and is fully paid and non-assessable. Except as set forth on Schedule 5.14(a), as of the date hereof, there is no existing option, warrant, call, right, commitment or other agreement to which such Credit Party or any of its Restricted Subsidiaries is a party requiring, and there is no membership interest or other Capital Stock of such Credit Party or any of its Restricted Subsidiaries outstanding which upon conversion or exchange would require, the issuance by such Credit Party or any of its Restricted Subsidiaries of any additional membership interests or other Capital Stock of such Credit Party or any of its Restricted Subsidiaries or other securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase, a membership interest or other Capital Stock of such Credit Party or any of its Restricted Subsidiaries.

(b) Schedule 5.14(b) sets forth the name of, and the ownership interest of Holdings (or the applicable Subsidiary) in, each of its Subsidiaries and identifies each Subsidiary that is a Foreign Subsidiary and/or an Insurance Subsidiary, in each case as of the Effective Date. All Holdings' Subsidiaries are, and will at all times be, fully consolidated in its consolidated financial statements.

Section 5.15 *Insurance and Other Licenses*:

(a) To such Credit Party's Knowledge, no License that is required to be obtained in order to be an insurer or a reinsurer of any Insurance Subsidiary, the loss of which individually or in the aggregate would reasonably be expected to have a Material Adverse Effect, is the subject of a proceeding for suspension or revocation. To such Credit Party's Knowledge, there is no sustainable basis for such suspension or revocation, and no such suspension or revocation has been threatened by any Governmental Authority.

(b) Such Credit Party and each of its Restricted Subsidiaries has all governmental licenses, authorizations, consent, and approvals (i) to own, lease or operate its assets and to conduct its business and (ii) in the case of a Credit Party, to perform its obligations, if any, under the Loan Documents to which it is a party; except, in each case referred to in this clause (b), to the extent that the failure to do so, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 5.16 *Full Disclosure*:

(a) As of the Effective Date, all written or formally presented information (other than financial projections) provided by such Credit Party to the Lenders in connection with the Transactions on or prior to the Effective Date is, when taken as a whole with all other information so provided, complete and correct in all material respects and when taken as a whole, did not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not materially misleading. As of the Effective Date, there are no facts known to such Credit Party (other than matters of a general economic nature) that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect and that have not been disclosed herein or in such other documents, certificates and written statements furnished to Lenders on or prior to the Effective Date for use in connection with the Transactions.

(b) As of the Effective Date, the information included in the Beneficial Ownership Certification delivered pursuant to Section 4.01(j) is true and correct in all respects.

Section 5.17 *Solvency*. As of the Effective Date and immediately after the Transactions to occur on the Effective Date are consummated:

(a) the fair value of the assets of Holdings and its Restricted Subsidiaries, on a consolidated basis, exceeds the fair value of their debts and liabilities, subordinated, contingent or otherwise, on a consolidated basis;

(b) the present fair saleable value of the property of Holdings and its Restricted Subsidiaries, on a consolidated basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, on a consolidated basis, as such debts and other liabilities become absolute and matured;

(c) Holdings and its Restricted Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, on a consolidated basis, as such liabilities become absolute and matured;

(d) Holdings and its Restricted Subsidiaries, on a consolidated basis, do not intend to incur, nor believe that they will incur on or immediately following the Effective Date, debts, including current obligations, beyond their ability to pay such debts as they become absolute and matured; and

(e) Holdings and its Restricted Subsidiaries, on a consolidated basis, are not engaged in, and are not about to engage in, business for which they have unreasonably small capital.

Section 5.18 ~~Insurance~~*Insurance*. Other than as would not reasonably be expected to have a Material Adverse Effect, the insurance maintained by or reserved on the books of such Credit Party and its Restricted Subsidiaries is sufficient to protect such Credit Party and its Restricted Subsidiaries and their respective directors and officers against such risks as are usually insured against in accordance with industry practice by companies in the same or similar business.

Section 5.19 *Anti-Corruption Laws; OFAC; Anti-Terrorism Laws; PATRIOT Act*.

(a) Such Credit Party and each of its Subsidiaries and, to the Knowledge of such Credit Party, each of such Credit Party's and its Subsidiaries' officers, directors and employees has conducted its business activities in material compliance with Anti-Corruption Laws. Each Insurance Subsidiary has instituted and maintains and will continue to maintain policies and procedures designed to promote and achieve compliance with applicable Anti-Corruption Laws.

(b) Neither such Credit Party nor any of its Subsidiaries or, to the Knowledge of such Credit Party, none of such Credit Party's or any of its Subsidiaries' officers, directors or employees has violated or is in violation of any applicable Anti-Money Laundering Law in any material respect.

(c) Neither such Credit Party nor any of its Subsidiaries or, to the Knowledge of such Credit Party, none of such Credit Party's or any of its Subsidiaries' officers, directors or employees is acting or benefiting in any capacity in connection with the Revolving Loans or the Letters of Credit (i) is an Embargoed Person or (ii) except as otherwise authorized by OFAC or any other relevant sanctions authority, otherwise permitted for U.S. persons by a U.S. Governmental Authority or by any rule, regulation or order of a U.S. Governmental Authority, will use any proceeds of the Revolving Loans, or lend, contribute or otherwise make available such proceeds to any Person (A) for the purpose of financing the activities of or with any Person or in any country or territory that, at the time of funding or facilitation, is an Embargoed Person or (B) in any other manner that would result in a violation of Economic Sanctions Laws or Anti-Corruption Laws.

(d) Except as otherwise authorized by OFAC or any other relevant sanctions authority, neither such Credit Party nor any of its Subsidiaries or, to the Knowledge of such Credit Party, none of such Credit Party's or any of its Subsidiaries' officers, directors or employees acting or benefiting in any capacity in connection with the Revolving Loans or the

Letters of Credit (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Embargoed Person, (ii) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any applicable Economic Sanctions Laws or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the applicable prohibitions set forth in any applicable Economic Sanctions Laws.

Section 5.20 *Surplus Debenture Interest and Dividends*. Neither such Credit Party nor any of its Restricted Subsidiaries has received any notice from the NAIC, any other Governmental Authority or any other insurance regulatory authority that its Insurance Subsidiaries will not be permitted to pay dividends or interest, as applicable, on any Surplus Debentures or Notes.

Section 5.21 ~~*Use of Proceeds*~~*Use of Proceeds*. Such Credit Party will use the proceeds of the Revolving Loans (i) only in compliance (and not in contravention of) applicable laws and each Loan Document, and (ii) for working capital and general corporate purposes of Holdings and its Subsidiaries.

Section 5.22 *Affected Financial Institution*. No Credit Party is an Affected Financial Institution.

#### ARTICLE 6 AFFIRMATIVE COVENANTS

Until all principal of and interest on each Revolving Loan and all fees and other amounts payable hereunder have been paid in full (other than unmatured, surviving contingent indemnification obligations not yet due and payable), all Revolving Commitments have been terminated and all Letters of Credit have been cancelled or have expired (or Cash Collateralized at the Minimum Cash Collateral Amount), each Credit Party, as applicable, covenants and agrees with the Lenders that:

Section 6.01 ~~*Financial Statements*~~*Financial Statements*. Holdings and/or the Borrower shall deliver to the Administrative Agent and each Lender:

(a) as soon as available, and in any event within one hundred thirty-five (135) days after the end of each Fiscal Year, commencing with the Fiscal Year ending December 31, 2021, (i) the consolidated balance sheets of Holdings and its Restricted Subsidiaries as at the end of such Fiscal Year (including, any adjustments necessary to eliminate the accounts of Unrestricted Subsidiaries (if any) (which may be in footnote form only) from the consolidated financial statements) and the related consolidated statements of income, stockholders' equity and cash flows of Holdings and its Restricted Subsidiaries for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the previous Fiscal Year (to the extent corresponding figures for the previous Fiscal Year were prepared), all in reasonable detail and (ii) with respect to such consolidated financial statements a report thereon of PricewaterhouseCoopers LLP or other independent certified public accountants of recognized national standing selected by Holdings and reasonably satisfactory to the Administrative Agent (which report and/or the accompanying financial statements shall be unqualified as to going



concern and scope of audit, and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of Holdings and its Restricted Subsidiaries, in each case, as at the dates indicated and the results of their operations and their cash flows for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except as otherwise disclosed in such financial statements) and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards);

(b) as soon as available, and in any event within sixty (60) days after the end of each of the first three Fiscal Quarters of each Fiscal Year, commencing with the Fiscal Quarter ended June 30, 2021, the consolidated balance sheets of Holdings and its Restricted Subsidiaries, as at the end of such Fiscal Quarter and the related consolidated statements of income and stockholders' equity of Holdings and its Restricted Subsidiaries for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year (to the extent corresponding figures for the corresponding periods of the previous Fiscal Year were prepared), all in reasonable detail and certified by a Responsible Officer of Holdings as fairly presenting in all material respects, in accordance with GAAP (subject to the absence of footnotes and year-end audit adjustments), the financial position, the results of operations of Holdings and its Restricted Subsidiaries;

(c) within two (2) Business Days after delivery to the applicable Department, and in any event not later than one hundred twenty-five (125) days after the close of each Fiscal Year of each Insurance Subsidiary, copies of the unaudited Annual Statement of such Insurance Subsidiary on a stand-alone basis in each case, to the extent such Annual Statement is required to be delivered to the applicable Department, the stand-alone Annual Statement to be certified by a Responsible Officer of such Insurance Subsidiary, all such statements to be prepared in accordance with SAP consistently applied throughout the periods reflected therein and, if required by the applicable Governmental Authority, audited and certified by independent certified public accountants of recognized national standing (such audited Annual Statement to be delivered as soon as available but not later than June 15 of each Fiscal Year of such Insurance Subsidiary); *provided* that, no certification by any independent certified public accountants will be required with respect to SAP prescribed or permitted by the insurance commissioner (or other similar authority) in Bermuda;

(d) within two (2) Business Days after delivery to the applicable Department, and in any event not later than fifty (50) days after the close of each of the first three Fiscal Quarters of each Fiscal Year of each Insurance Subsidiary, copies of the Quarterly Statement of such Insurance Subsidiary, in each case, to the extent such Quarterly Statement is required to be delivered to the applicable Department, on a stand-alone basis, the stand-alone Quarterly Statement to be certified by a Responsible Officer of such Insurance Subsidiary, all such statements to be prepared in accordance with SAP consistently applied through the period reflected therein;

(e) promptly following the delivery to or receipt by Holdings or any of its Restricted Subsidiaries of any regular or periodic final Triennial Examination Reports, final risk adjusted capital reports or final results of any market conduct examination or examination by any

Department or the NAIC of the financial condition and operations of, or any final notice of any assertion as to violation of any Requirement of Law by, any Insurance Subsidiary, or any final report with respect to any Insurance Subsidiary (including any summary report from the NAIC with respect to the performance of such Insurance Subsidiary as measured against the ratios and other financial measurements developed by the NAIC under its Insurance Regulatory Information System as in effect from time to time) that would reasonably be expected to result in a Material Adverse Effect; and

(f) within ninety-five (95) days after the close of each Fiscal Year of each Insurance Subsidiary, a copy of the "Statement of Actuarial Opinion" and "Management Discussion and Analysis" for each such Insurance Subsidiary that is provided to the applicable Department (or equivalent information should such Department no longer require such a statement), to the extent required by the applicable Department, as to the adequacy of reserves of such Insurance Subsidiary, such opinion to be in the format prescribed by the insurance code of the state of domicile of such Insurance Subsidiary.

Section 6.02 *Certificates; Other Information.* The Borrower shall furnish to the Administrative Agent, for further distribution to each Lender:

(a) concurrently with the delivery of the financial statements referred to in Section 6.01(a) and Section 6.01(b), a Compliance Certificate;

(b) (i) on the Business Day immediately preceding the proposed date of issuance of any Collateralized Letter of Credit, (ii) if Collateralized Letters of Credit are outstanding during any calendar month, within ten (10) Business Days after the end of each such calendar month, (iii) as of the Commitment Termination Date, (iv) at and as of such other times as the Administrative Agent may reasonably request and (v) at such other times as the Borrower may desire, a Collateralized L/C Collateral Certificate;

(c) promptly upon receipt thereof, copies of all final reports submitted to Holdings or any of its Restricted Subsidiaries by independent public accountants in connection with each annual, interim or special audit of the financial statements of Holdings or any of its Restricted Subsidiaries made by such accountants;

(d) promptly, copies of all Forms 10-K and 10-Q that Holdings or the Borrower may file with the SEC, copies of all registration statements and prospectuses that Holdings or the Borrower may file with the SEC and copies of all other financial statements, proxy statements and regular, periodic or special reports (including Form 8-K) that Holdings or the Borrower may make to, or file with, the SEC, unless such copies have been publicly filed with the SEC and are available on the SEC's website or have been posted to Holdings' or the Borrower's website (and notification of any such posting has been provided to the Administrative Agent);

(e) (i) promptly and in any event within three (3) Business Days after learning thereof, notification of any changes after the date hereof in any rating given by S&P, Moody's, Fitch or A.M. Best in respect of Holdings, any of its Restricted Subsidiaries or any of their Indebtedness or securities and (ii) promptly upon receipt thereof by Holdings or any Restricted Subsidiary, as applicable, a copy of any written communication from S&P, Moody's or Fitch

addressed to any Credit Party that would reasonably be expected to have an adverse effect on the then current Debt Rating; and

(f) promptly, (i) such additional information regarding the business, financial or corporate affairs of Holdings or any Restricted Subsidiary, or compliance with the terms of any Loan Document, as the Administrative Agent, for itself or at the request of any Lender, may from time to time reasonably request and (ii) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable “know-your-customer” and Anti-Money Laundering Laws, including the PATRIOT Act.

Documents required to be delivered pursuant to Section 6.01, this Section 6.02 or Section 6.03 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Holdings posts such documents or provides a link thereto on Holdings’ website on the Internet; (ii) on which such documents are posted on Holdings’ behalf on IntraLinks/IntraAgency or another relevant 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); or (iii) on which such documents are made publicly available at www.sec.gov; *provided that*, with respect to clauses (ii) and (iii) of this paragraph, Holdings shall notify the Administrative Agent of the posting of any such documents and, solely with respect to clause (ii), provide to the Administrative Agent by electronic mail electronic versions (*i.e.*, soft copies) of such documents. Except for Compliance Certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower, Holdings or its Restricted Subsidiaries with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Each of the Credit Parties hereby acknowledges that (a) the Administrative Agent will make available information and projections (collectively, “**Borrower Materials**”) to the Lenders by posting the Borrower Materials on IntraLinks or another similar secure electronic system (the “**Platform**”) and (b) certain of the Lenders may be “public side” Lenders that do not wish to receive MNPI (each, a “**Public Lender**”). Each of Holdings and the Borrower shall clearly designate as such all Borrower Materials provided to the Administrative Agent by or on behalf of Holdings or the Borrower which is suitable to make available to Public Lenders. If Holdings or the Borrower has not indicated whether Borrower Materials cannot be distributed to Public Lenders, the Administrative Agent reserves the right to post such Borrower Materials solely on that portion of the Platform designated for non-Public Lenders.

Section 6.03 ~~Notices~~**Notices**. The Borrower shall promptly notify the Administrative Agent:

(a) of the occurrence of any Default;

(b) of any matter that has resulted in, or would reasonably be expected to result in, a Material Adverse Effect, including any of the following that would reasonably be expected to have a Material Adverse Effect: (i) any material breach or non-performance of, or any default under, a material Contractual Obligation of Holdings or any Restricted Subsidiary; (ii) the

commencement of, or any material development in, any litigation (including any governmental proceeding or arbitration proceeding), tax audit or investigative proceeding, claim, lawsuit, and/or investigation against or involving Holdings or any of its Restricted Subsidiaries or any of its or their businesses or operations; (iii) the expiration without renewal, revocation, suspension or restriction of, or the institution of any proceedings to revoke, suspend or restrict, any License now or hereafter held by any Insurance Subsidiary that is required to conduct insurance business in compliance with all applicable laws and regulations; (iv) the institution of any disciplinary proceedings against or in respect of any Insurance Subsidiary, or the issuance of any order, the taking of any action or any request for an extraordinary audit for cause by any Governmental Authority, to the extent not prohibited from disclosing such information in accordance with any Requirement of Law; or (v) the issuance or adoption of any judicial or administrative order limiting or controlling the insurance business of any Insurance Subsidiary (and not the insurance industry generally);

(c) of the filing or commencement of, or the occurrence of any development in, any litigation or proceeding against any Credit Party that seeks to enjoin, prohibit, discontinue or otherwise impacts (i) the validity or enforceability of this Agreement or any of the other Loan Documents or (ii) the transactions contemplated hereby or thereby and, in the case of this subclause (ii), that would reasonably be expected to have a Material Adverse Effect;

(d) of the occurrence of any of the following events affecting Holdings, any of its Restricted Subsidiaries or any ERISA Affiliate (but in no event more than ten (10) days after such event) and deliver to the Administrative Agent and each Lender a copy of any notice with respect to such event that is filed with a Governmental Authority and any notice delivered by a Governmental Authority to Holdings, any of its Restricted Subsidiaries or any ERISA Affiliate with respect to such event:

(i) an ERISA Event;

(ii) the incurrence of any Unfunded Pension Liabilities of any Pension Plan;

(iii) the adoption of or the commencement of contributions to any Pension Plan by Holdings, any of its Restricted Subsidiaries or any ERISA Affiliate; or

(iv) the adoption of any amendment to a Single Employer Pension Plan, if such amendment results in a material increase in contributions or results in Unfunded Pension Liability;

*provided* that no such notice will be required under this Section 6.03(d) with respect to the occurrence of any such event if such occurrence does not result in, and is not reasonably expected to result in, any liability to Holdings, any of its Restricted Subsidiaries or any ERISA Affiliate that would reasonably be expected to result in a Material Adverse Effect.

(e) of any material change in accounting policies or financial reporting practices by any Credit Party; and

- (f) (i) of the consummation of the IPO and (ii) of the identity of the IPO Entity, in each case, promptly after the occurrence of the IPO.

Each notice under this Section 6.03 shall be accompanied by a written statement by a Responsible Officer setting forth details of the occurrence referred to therein, and stating what action Holdings or any affected Restricted Subsidiary proposes to take with respect thereto and at what time. Each notice under Section 6.03(a) shall describe with particularity any and all clauses or provisions of this Agreement or other Loan Document that have been breached or violated.

Section 6.04 *Preservation of Corporate Existence, Etc.* Such Credit Party shall, and shall cause each of its Restricted Subsidiaries to (except as permitted by Section 7.02 or Section 7.06):

(a) preserve and maintain in full force and effect its existence and good standing (but, with respect to such Credit Party or Restricted Subsidiary that is not incorporated, organized or formed under the laws of the United States of America, any State thereof or the District of Columbia, only to the extent such concept is applicable to such Credit Party or Restricted Subsidiary) under the laws of the jurisdiction of its incorporation, organization or formation, as applicable; *provided* no Restricted Subsidiary (other than the Credit Parties) shall be required to preserve any such existence or good standing if such Person's board of directors (or similar governing body) shall determine that the preservation thereof is no longer desirable in the conduct of the business of such Person, and that the loss thereof would not reasonably be expected to result in a Material Adverse Effect; and

(b) preserve and maintain in full force and effect all governmental rights, privileges, qualifications, permits, licenses and franchises necessary in the normal conduct of its business, except, in the case of this clause (b), where such failure to preserve and maintain would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 6.05 ~~*Insurance*~~*Insurance*. Such Credit Party shall, and shall cause each of its Restricted Subsidiaries to, maintain with financially sound and reputable independent insurers insurance against losses or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts (after giving effect to any self-insurance reasonable and customary for similarly situated Persons engaged in the same or similar businesses as Holdings and its Restricted Subsidiaries) as are customarily carried under similar circumstances by such other Persons and at commercially reasonable rates, except where such failure to maintain such insurance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 6.06 *Payment of Taxes and Claims*. Such Credit Party will, and will cause each of its Restricted Subsidiaries to, pay all Taxes imposed upon it or any of its properties or assets or in respect of any of its income, businesses or franchises before any penalty or fine accrues thereon, and all claims (including claims for labor, services, materials and supplies) for sums that have become due and payable and that by law have or may become a Lien upon any of its properties or assets, prior to the time when any penalty or fine shall be incurred with respect thereto, except (i) to the extent a failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or (ii) as is being contested in good

faith by appropriate proceedings promptly instituted and diligently conducted, so long as (a) adequate reserve or other appropriate provision, as shall be required in conformity with SAP and GAAP shall have been made therefor, and (b) in the case of a Tax or claim which has or may become a Lien against any of the Collateralized L/C Collateral, such contest proceedings conclusively operate to stay the sale of any portion of the Collateralized L/C Collateral to satisfy such Tax or claim. Such Credit Party will not, nor will it permit any of its Restricted Subsidiaries to, file or consent to the filing of any consolidated income tax return with any Person (other than Holdings or any of its Subsidiaries).

Section 6.07 *Compliance with Laws*. Such Credit Party shall, and shall cause each of its Restricted Subsidiaries to, comply with all Requirements of Law of any Governmental Authority having jurisdiction over it or its business (including the Federal Fair Labor Standards Act, the PATRIOT Act and all applicable Environmental Laws and, with respect to any Credit Party incorporated in Bermuda and to the extent applicable, the Economic Substance Act 2018 and regulations promulgated thereunder), except (i) for such non-compliance that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or (ii) as may be contested in good faith and by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP.

Section 6.08 *Compliance with ERISA*. Such Credit Party shall, and shall cause each of its Restricted Subsidiaries and ERISA Affiliates to: (a) maintain each Plan in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state law; (b) cause each Pension Plan to maintain such qualification; and (c) make all required contributions to any Pension Plan, except where such failure to maintain as set forth in clause (a) or (b) or to make contributions as set forth in clause (c) would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

Section 6.09 *Inspection of Property and Books and Records*. Such Credit Party shall, and shall cause each of its Restricted Subsidiaries to, (i) maintain proper books of record and account, in which full, true and correct entries in all material respects in conformity with GAAP or SAP, as applicable, consistently applied (except as stated therein) shall be made of all financial transactions and matters involving the assets and business of such Credit Party and such Restricted Subsidiary and (ii) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Credit Party or such Restricted Subsidiary, as the case may be. Such Credit Party shall permit, and shall cause each of its Restricted Subsidiaries to permit, representatives and independent contractors (subject to, in the case of representatives or independent contractors, such representatives or independent contractors executing confidentiality agreements in form reasonably satisfactory to Holdings) of the Administrative Agent or its designees, at the Borrower's expense, to visit and inspect any of their respective properties, to examine their respective corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss their respective affairs, finances and accounts with their respective directors, officers, and independent public accountants, all at such reasonable times during normal business hours, upon reasonable advance notice to the Borrower; *provided* that members of senior management will be notified and permitted to be present during any such meetings; and *provided, further*, that when an Event of Default exists the Administrative Agent or any Lender (through coordination with the Administrative Agent) may do any of the foregoing at any time

during normal business hours and without advance notice; *provided, further*, that the Borrower shall not be required to reimburse the costs of the Administrative Agent and the Lenders collectively for more than one visit per Fiscal Year unless an Event of Default has occurred and is continuing.

Section 6.10 *Information Regarding Collateralized L/C Collateral*. The Credit Parties will furnish to the Administrative Agent prompt written notice of any change in (i) any Credit Party's legal name or any Credit Party's location (determined as provided in Section 9-307 of the Uniform Commercial Code), (ii) any Credit Party's identity or corporate structure or (iii) any Credit Party's Federal Taxpayer Identification Number of organizational identification number. The Credit Parties agree not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code or otherwise that are required in order for the Administrative Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateralized L/C Collateral as contemplated in the Collateralized L/C Security Documents.

Section 6.11 ~~*Use of Proceeds*~~*Use of Proceeds*. The proceeds of the Revolving Loans shall be used for working capital and general corporate purposes of Holdings and its Subsidiaries.

Section 6.12 ~~*Additional Guarantors*~~*Additional Guarantors*. If any Person becomes a Designated Subsidiary after the Effective Date, the Borrower will promptly, and in any event not later than ten (10) Business Days after such Person becomes a Designated Subsidiary, notify the Administrative Agent thereof and cause the Guarantee Requirement to be satisfied with respect to such Person, whereupon such Person will become a "Credit Party" and a "Guarantor" for purposes of the Loan Documents.

Section 6.13 ~~*Further Assurances*~~*Further Assurances*. Each Credit Party will, and will cause each other Credit Party to, at the request of the Administrative Agent, execute and deliver any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements and other documents, if applicable), that may be required under any applicable law to cause the Guarantee Requirement and the Collateralized L/C Collateral Requirement to be and remain satisfied, all at the Borrower's expense. The Borrower will provide to the Administrative Agent, from time to time upon request, evidence reasonably satisfactory to the Administrative Agent as to the perfection and priority of the Liens created or intended to be created by the Collateralized L/C Security Documents.

Section 6.14 *Designation of Subsidiaries*. The board of directors (or similar governing body) of Holdings may at any time designate any Restricted Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary; *provided* that (i) immediately before and after such designation, no Default or Event of Default shall have occurred and be continuing, (ii) immediately after giving effect to such designation, Holdings and its Subsidiaries shall be in compliance with Sections 7.09 and 7.10, (iii) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it was previously designated an Unrestricted Subsidiary, (iv) the Borrower shall deliver to the Administrative Agent at least five (5) Business Days prior to such designation a certificate of a Responsible Officer of Holdings,

together with all relevant financial information reasonably requested by the Administrative Agent, demonstrating compliance with the foregoing clauses (i) through (iv) of this Section 6.14 and, if applicable, certifying that such subsidiary meets the requirements of an Unrestricted Subsidiary and (v) at least ten (10) days prior to the designation of any Unrestricted Subsidiary as a Restricted Subsidiary, the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable “know-your-customer” and Anti-Money Laundering Laws, including the PATRIOT Act, with respect to such subsidiary. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the incurrence at the time of designation of any Indebtedness or Liens of such Subsidiary existing at such time.

Section 6.15 *Maintenance of Properties*. Such Credit Party will, and will cause each of its Restricted Subsidiaries to, maintain or cause to be maintained in good repair, working order and condition, ordinary wear and tear excepted, all material properties used or useful in the business of Holdings and its Restricted Subsidiaries and from time to time will make or cause to be made all appropriate repairs, renewals and replacements thereof, except to the extent a failure to do so would not, individually or in the aggregate, have a Material Adverse Effect.

Section 6.16 ~~*Lender Meetings*~~*Lender Meetings*. Holdings and the Borrower will, upon the request of the Administrative Agent or the Required Lenders, participate in a meeting of the Administrative Agent and Lenders once during each Fiscal Year to be held at the Borrower’s corporate offices (or at such other location as may be agreed to by the Borrower and the Administrative Agent) at such time during normal business hours as may be agreed to by Holdings and the Administrative Agent.

Section 6.17 *Environmental*.

(a) Environmental Disclosure. Holdings will deliver to the Administrative Agent and Lenders:

(i) promptly upon the occurrence thereof, written notice describing in reasonable detail (1) any Release of Hazardous Materials, which has a reasonable possibility of resulting in one or more Environmental Claims or otherwise having, individually or in the aggregate, a Material Adverse Effect, and (2) any remedial action taken by Holdings or any other Person in response to (A) any past, current, or threatened event or occurrence involving any Hazardous Materials, and any corrective action or response action with respect to any such event or occurrence, the existence of which would reasonably be expected to result in one or more Environmental Claims or otherwise have, individually or in the aggregate, a Material Adverse Effect, or (B) any Environmental Claims that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect;

(ii) as soon as practicable following the sending or receipt thereof by Holdings or any of its Subsidiaries, a copy of any and all written communications with respect to (1) any Environmental Claims that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect, (2) any Release of Hazardous Materials, which would reasonably be expected to result in one or more Environmental Claims or otherwise have, individually or in the aggregate, a Material Adverse Effect and (3) any



occurrence or condition on any real property adjoining, or in the vicinity of, any real property which would reasonably be expected to result in one or more Environmental Claims or otherwise have, individually or in the aggregate, a Material Adverse Effect;

(iii) prompt written notice describing in reasonable detail (1) any proposed acquisition of stock, assets, or property by Holdings or any of its Subsidiaries that would reasonably be expected to (A) result in Environmental Claims the existence of which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or (B) affect the ability of Holdings or any of its Subsidiaries to maintain in full force and effect all material governmental authorizations required under any Environmental Laws for their respective operations, except as could otherwise not reasonably be expected to have a Material Adverse Effect and (2) any proposed action to be taken by Holdings or any of its Subsidiaries to modify current operations in a manner that would reasonably be expected to subject Holdings or any of its Subsidiaries to any additional material obligations or requirements under any Environmental Laws, the existence of which would reasonably be expected to result in one or more Environmental Claims or otherwise have, individually or in the aggregate, a Material Adverse Effect; and

(iv) with reasonable promptness, such other documents and information as from time to time may be reasonably requested by Administrative Agent in relation to any matters disclosed pursuant to this [Section 6.17\(a\)](#).

(b) [Hazardous Materials Activities, Etc.](#) Such Credit Party shall promptly take, and shall cause each of its Restricted Subsidiaries promptly to take, any and all actions necessary to (i) cure any violation of applicable Environmental Laws by such Credit Party or its Restricted Subsidiaries that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and (ii) make an appropriate response to any Environmental Claim against such Credit Party or any of its Restricted Subsidiaries and discharge any obligations it may have to any Person thereunder where failure to do so would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

#### ARTICLE 7 NEGATIVE COVENANTS

Until all principal of and interest on each Revolving Loan and all fees and other amounts payable hereunder have been paid in full (other than unmatured, surviving contingent indemnification obligations not yet due and payable), all Revolving Commitments have been terminated and all Letters of Credit have been cancelled or have expired (or Cash Collateralized at the Minimum Cash Collateral Amount), each Credit Party, as applicable, covenants and agrees with the Lenders that:

Section 7.01 [Liens/Liens](#). Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, directly or indirectly, create, assume, incur or suffer to exist any Lien on any property now owned or hereafter acquired by it, except for the following:

- (a) Liens granted or to be granted by the Borrower under the Loan Documents;
- (b) Liens on assets of Insurance Subsidiaries and Subsidiaries thereof securing (x) Operating Indebtedness, (y) obligations under transactions entered into in connection with Insurance Investments and (z) statutory Liens on assets of Insurance Subsidiaries and Subsidiaries thereof;
- (c) collateral (x) securing Permitted Swap Obligations or (y) securing captive financing arrangements entered into by an Insurance Subsidiary;
- (d) Liens for Taxes not yet due or for Taxes being contested in good faith and by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with SAP or GAAP;
- (e) Liens existing on the date hereof and listed on Schedule 7.01; *provided* that (i) such Lien shall not apply to any additional property (other than after acquired title in or on such property and proceeds of the existing collateral in accordance with the document creating such Lien) and (ii) the Indebtedness secured thereby is not increased;
- (f) Liens incurred in the ordinary course of business in connection with worker's compensation, unemployment insurance or other forms of governmental insurance or benefits or to secure performance of tenders, statutory obligations, leases and contracts (other than for borrowed money) entered into in the ordinary course of business or to secure obligations on surety or appeal bonds;
- (g) Liens of mechanics, carriers, and materialmen and other like Liens imposed by law and arising in the ordinary course of business in respect of obligations that in the case of this clause (g) are not overdue for more than sixty (60) days or that are being contested in good faith and by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP;
- (h) Liens incurred in connection with the collection or disposition of delinquent accounts receivable in the ordinary course of business;
- (i) Liens securing Capitalized Lease Liabilities or Purchase Money Debt in an aggregate principal amount not to exceed \$75,000,000 at any time outstanding; *provided* that such Liens are limited to the assets financed thereby;
- (j) easements, rights-of-way, zoning restrictions, restrictions and other similar encumbrances incurred in the ordinary course of business that do not secure any monetary obligation and which do not materially interfere with the ordinary course of business of the Credit Parties and their Restricted Subsidiaries;
- (k) Liens on property of the Credit Parties and their Restricted Subsidiaries in favor of licensees and landlords securing licenses, subleases or leases of property not otherwise prohibited hereunder;

(l) licenses, leases or subleases not otherwise prohibited hereunder granted to others not materially interfering in any material respect in the business of the Credit Parties and their Restricted Subsidiaries;

(m) attachment or judgment Liens not constituting an Event of Default under Section 8.01(i);

(n) Liens arising from precautionary Uniform Commercial Code financing statement filings with respect to operating leases or consignment arrangements entered into by Holdings and its Restricted Subsidiaries in the ordinary course of business;

(o) Liens incurred to secure Cash Management Obligations incurred in the ordinary course of business and in an aggregate amount not to exceed \$30,000,000 at any time outstanding and customary set-off rights in favor of depositary banks;

(p) Liens attaching solely to cash earnest money deposits required to be made under the terms of any letter of intent or purchase agreement for the acquisition of stock, assets or property;

(q) Liens arising out of deposits by Holdings or any Restricted Subsidiary of cash, securities or other property (other than any Capital Stock of any Restricted Subsidiary) securing obligations of such Person in respect of (i) trust arrangements formed in the ordinary course of business for the benefit of cedents to secure insurance and reinsurance recoverables owed to them by any Insurance Subsidiary, or (ii) other security arrangements in connection with reinsurance agreements in the ordinary course of business; and

(r) other Liens on property (other than the Collateralized L/C Collateral) securing obligations with respect to Indebtedness not otherwise covered by any of clauses (a) through (q) of this Section 7.01; *provided* that the aggregate amount of all Indebtedness secured by Liens in reliance on this clause (r) shall not exceed the greater of (x) \$450,000,000 and (y) 10% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries at any time outstanding.

Notwithstanding the foregoing, none of the Credit Parties or Restricted Subsidiaries may directly or indirectly, create, assume, incur or suffer to exist any Lien on any Capital Stock of an Insurance Subsidiary now owned or hereafter acquired by it.

Section 7.02 Disposition of Assets. Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, Dispose of (whether in one or a series of transactions) any property (including accounts and notes receivable with or without recourse and Capital Stock of any of its Restricted Subsidiaries whether newly issued or otherwise), except:

(a) (i) Dispositions of inventory and equipment in the ordinary course of business and (ii) Dispositions of cash and Cash Equivalents in the ordinary course of business;

(b) the sale of equipment to the extent that such equipment is exchanged for credit against the purchase price of similar replacement equipment or the proceeds of such sale are reasonably promptly applied to the purchase price of such replacement equipment;

(c) Dispositions of Insurance Investments by any Insurance Subsidiary (or any Subsidiary of an Insurance Subsidiary) (i) in the ordinary course of business in compliance with the policies and procedures approved by the board of directors or the investment committee (or other applicable committee) of such Insurance Subsidiary (or such Subsidiary of an Insurance Subsidiary), or which were otherwise approved by such board of directors or committee, or (ii) to a special purpose entity in exchange for investments therein (*provided* that such special purpose entity shall not create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender to such special purpose entity has recourse to any of the assets of Holdings or any Restricted Subsidiary (other than the assets of such special purpose entity));

(d) Dispositions by a Credit Party to a Credit Party or any of its Restricted Subsidiaries or by any Restricted Subsidiary to a Credit Party or any of its Restricted Subsidiaries;

(e) (i) any Dispositions pursuant to a Reinsurance Agreement entered into in the ordinary course of business and (ii) any other Dispositions pursuant to a Reinsurance Agreement so long as the aggregate statutory profit and/or gains on insurance policy sales or other portfolio transfers resulting from all Dispositions described in this subclause (ii) consummated after the Effective Date do not exceed \$800,000,000 in the aggregate during the term of this Agreement;

(f) obsolete, surplus or worn out property disposed of by a Credit Party or any of its Restricted Subsidiaries in the ordinary course of business of such Person;

(g) transfers resulting from any casualty or condemnation of property or assets;

(h) licenses or sublicenses of intellectual property and general intangibles and licenses, leases or subleases of other property in the ordinary course of business of the Credit Parties and their Restricted Subsidiaries and which do not materially interfere with the business of the Credit Parties and their Restricted Subsidiaries;

(i) Dispositions of shares of Capital Stock in order to qualify members of the board of directors or equivalent governing body of a Credit Party or Restricted Subsidiary or such other nominal shares required to be held other than by such Credit Party or Restricted Subsidiary, as required by applicable law;

(j) the sale, discount, forgiveness or other compromise of notes or other accounts in the ordinary course of business or in connection with collection thereof;

(k) issuances of Capital Stock (i) by a directly or indirectly Wholly-Owned Subsidiary of Holdings to Holdings or to one or more Wholly-Owned Subsidiaries of Holdings (*provided* that except in compliance with Section 6.12 or Section 7.02(i), any direct Wholly-Owned Subsidiary of a Credit Party shall only issue Capital Stock to such Credit Party), (ii) by a non-Wholly-Owned Subsidiary of Holdings to the respective equity holders of such non-Wholly-Owned Subsidiary, on a pro rata basis or (iii) by the IPO Entity pursuant to the IPO and any Post-IPO Offerings (so long as no Event of Default shall have occurred and be continuing or would result therefrom); and

(l) Dispositions not otherwise permitted hereunder (other than pursuant to Reinsurance Agreements, which shall be subject to the limitations in clause (e) above); *provided* that (i) the aggregate fair value of all property Disposed of in any Disposition made in reliance on this clause (l), together with the aggregate fair value of all other property Disposed of in reliance on this clause (l), shall not exceed 25% of the Consolidated Total Assets of Holdings and its Restricted Subsidiaries at the time of such Disposition, (ii) each Disposition made in reliance on this clause (l) shall be for fair market value and at least 75% of the consideration therefor shall be in the form of cash or Cash Equivalents and (iii) after giving effect to each Disposition made in reliance on this clause (l), Holdings and its Restricted Subsidiaries shall be in compliance with Sections 7.09 and 7.10.

Except as otherwise permitted in Section 7.06, notwithstanding the foregoing no Credit Party or Restricted Subsidiary shall Dispose of (whether in one or a series of transactions) or otherwise cease to hold any Capital Stock of (a)(i) any Subsidiary of Holdings that directly or indirectly owns any Capital Stock of any Insurance Subsidiary or (ii) any Insurance Subsidiary, in each case, whether newly issued or otherwise, other than in accordance with clause (i), (k), or (l) above or (b) GA Bermuda or CwA.

Upon consummation of a sale, transfer or other Disposition permitted under this Section 7.02, (i) Liens created under the Collateralized L/C Security Documents in respect of the assets Disposed of shall be automatically released and the Administrative Agent shall (to the extent applicable) deliver to the Borrower, upon the Borrower's request and at the Borrower's expense, such documentation as necessary to evidence the release of the Administrative Agent's security interests, if any, in the assets being Disposed of, including amendments or terminations of Uniform Commercial Code financing statements and (ii) in the case of a sale, transfer or other Disposition permitted under this Section 7.02 of all of the Capital Stock of any Subsidiary that is a Guarantor to any Person other than Holdings or a Subsidiary of Holdings, the Guarantee of such Subsidiary shall be automatically released and the Administrative Agent shall (to the extent applicable) deliver to the Borrower, upon the Borrower's request and at the Borrower's expense, such documentation as necessary to evidence the release of the Guarantee of such Subsidiary; *provided* that the Borrower shall have provided to the Administrative Agent such certificates evidencing compliance with the Loan Documents as the Administrative Agent shall reasonably request. Notwithstanding anything to the contrary contained in this Section 7.02, (x) none of the Liens created under the Collateralized L/C Security Documents shall be released upon the IPO and (y) none of the Guarantees shall be released upon the IPO (other than the Guarantee of GAFL, if and only if, (1) the IPO Entity is not GAFL, and (2) prior to or substantially simultaneously with such release, the Guarantee Requirement has been satisfied with respect to the IPO Entity.

Section 7.03 Sales and Lease Backs. Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, directly or indirectly, become or remain liable as lessee or as a guarantor or other surety with respect to any lease of any property (whether real, personal or mixed), whether now owned or hereafter acquired, which such Credit Party or Restricted Subsidiary (a) has sold or transferred or is to sell or to transfer to any other Person (other than Holdings or any of its Restricted Subsidiaries), or (b) intends to use for substantially the same purpose as any other property which has been or is to be sold or transferred by such Credit Party

or Restricted Subsidiary to any Person (other than Holdings or any of its Restricted Subsidiaries) in connection with such lease.

Section 7.04 *Transactions with Affiliates*. Such Credit Party shall not, and shall not suffer or permit any of its Restricted Subsidiaries to, enter into any transaction with any Affiliate of Holdings, other than (a) transactions no less favorable to such Credit Party or Restricted Subsidiary than would be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of Holdings, (b) insurance transactions, intercompany pooling and other reinsurance transactions entered into in the ordinary course of business and consistent with past practice, (c) transactions between or among Holdings and its Restricted Subsidiaries and between or among Restricted Subsidiaries, (d) any Restricted Payment permitted by Section 7.07, (e) arrangements for indemnification payments for directors and officers of Holdings and its Restricted Subsidiaries, (f) intercompany transactions between or among GAFGL, KKR or any of its Subsidiaries, Holdings and Restricted Subsidiaries and between or among Restricted Subsidiaries, relating to any or all of the (i) provision of management services and other corporate overhead services, (ii) provision of personnel to other locations within Holdings' consolidated group on a temporary basis, and (iii) provision, purchase or lease of services, operational support, assets, equipment, data, information and technology, that, in the case of any such intercompany transaction referred to in this clause (f), are subject to reasonable reimbursement or cost-sharing arrangements (as determined in good faith by Holdings), which reimbursement or cost-sharing arrangements may be effected through transfers of cash or other assets or through book-entry credits or debits made on the ledgers of each involved Subsidiary; provided that any such intercompany transaction is either (1) entered into in the ordinary course of business or (2) otherwise entered into pursuant to the reasonable requirements of the business of Holdings and the Restricted Subsidiaries, (g) transactions entered into in connection with the IPO or any Post-IPO Offerings (including various shareholder agreements), (h) ordinary-course business transactions (other than transactions of the type described in clause (c) or (f) above) that (A) do not involve the sale, transfer or other Disposition of operations or assets and (B) do not materially adversely affect the Lenders and (i) loans, Investments and guarantees among Holdings and the Restricted Subsidiaries to the extent not prohibited under this Article 7.

Section 7.05 *Change in Business*. Such Credit Party shall not, and shall not suffer or permit any of its Restricted Subsidiaries to, engage in any business other than the businesses conducted by the Credit Parties and their Restricted Subsidiaries on the date of this Agreement or any business reasonably related, incidental or complementary thereto as reasonably determined by the board of directors of Holdings or such Person.

Section 7.06 ~~Fundamental Changes~~Fundamental Changes. Such Credit Party shall not, and shall not suffer or permit any of its Restricted Subsidiaries to, merge, consolidate, amalgamate or sell all or substantially all of the assets of any Credit Party or any of its Restricted Subsidiaries, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), except if at the time thereof and immediately after giving effect thereto no Event of Default shall have occurred and be continuing, (a) any Restricted Subsidiary that is not a Credit Party may merge, consolidate, amalgamate or sell all or substantially all of its assets to another Restricted Subsidiary that is not a Credit Party; *provided* that, if either such Restricted Subsidiary is a direct Subsidiary of a Credit Party, the surviving entity or the transferee entity, as applicable, shall be a direct Subsidiary of a Credit Party; (b) any Restricted Subsidiary that is a Credit Party (other than

the Borrower) may merge, consolidate, amalgamate or sell all or substantially all of its assets to another Restricted Subsidiary that is a Credit Party (including the Borrower); *provided* that the surviving entity or the transferee entity, as applicable, shall be a Credit Party; *provided, further*, that, in the event that any of the foregoing involves the Borrower, the surviving entity or the transferee entity, as applicable, shall be the Borrower; (c) the Borrower may merge, consolidate, amalgamate or sell all or substantially all of its assets to a Restricted Subsidiary owned directly by Holdings or the Borrower immediately prior to such transactions; *provided* that (i) the surviving entity of a merger with the Borrower or the transferee entity that receives all or substantially all of the Borrower's assets, as applicable (the "Successor Entity"), shall be a corporation or limited liability company organized and existing under the laws of the United States, any State thereof or the District of Columbia and shall expressly assume all of the obligations of the Borrower under the Loan Documents pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent, (ii) immediately after giving effect to such merger, consolidation, amalgamation or sale, as applicable, no Default or Event of Default shall have occurred and be continuing or would result therefrom, (iii) except as the Administrative Agent may otherwise agree, each Guarantor, unless it is the other party to such merger, consolidation, amalgamation or sale, as applicable, shall execute and deliver a reaffirmation agreement with respect to its obligations under the other Loan Documents in form and substance reasonably satisfactory to the Administrative Agent, (iv) the Successor Entity shall provide the documentation and other information to the Administrative Agent as the Administrative Agent and the Lenders reasonably determine are required by bank regulatory authorities under applicable "know-your-customer" and Anti-Money Laundering Laws, including the PATRIOT Act; *provided* that, the Borrower shall have notified the Administrative Agent in writing at least seven (7) Business Days prior to such merger, consolidation, amalgamation or sale, as applicable, and each Lender shall have been provided with documentation and other information it reasonably determines are required by bank regulatory authorities under applicable "know-your-customer" and Anti-Money Laundering Laws, including the PATRIOT Act, at least five (5) Business Days prior to the consummation of such merger, consolidation, amalgamation or sale, as applicable, as has been reasonably requested in writing at least six (6) Business Days prior to such merger, consolidation, amalgamation or sale, as applicable, and (v) the Successor Entity shall deliver an officer's certificate to the Administrative Agent to the effect that after giving effect to such merger, consolidation, amalgamation or sale, as applicable, no Default or Event of Default shall have occurred and be continuing or would result therefrom (it being understood and agreed that, if the foregoing conditions under clauses (i) through (v) are satisfied, the Successor Entity will succeed to, and be substituted for, the Borrower under this Agreement and the other Loan Documents); and (d) any of its Restricted Subsidiaries that is not a Credit Party may liquidate, wind up or dissolve so long as the assets of such Restricted Subsidiary are distributed to a Guarantor; *provided* that, no such action pursuant to clause (a), (b), (c) or (d) above is permitted if such action would reasonably be expected, in the judgment of Holdings, to (i) have a material adverse effect on the Lenders, (ii) be disproportionately beneficial to the holders of any Material Indebtedness of Holdings or its Restricted Subsidiaries as compared to the Lenders or (iii) be disproportionately adverse to the Lenders as compared to such other holders.

Section 7.07 ~~Restricted Payments~~*Restricted Payments*. Such Credit Party shall not, and shall not suffer or permit any of its Restricted Subsidiaries to, declare or pay any dividend on (or make any payment to a related trust for the purpose of paying a dividend), or make any

payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of a Credit Party or such Restricted Subsidiary (or any related trust), whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of a Credit Party or such Restricted Subsidiary (collectively, "Restricted Payments"), except that:

(a) any of its Restricted Subsidiaries may declare or pay dividends with respect to its Capital Stock to Holdings and to any Wholly-Owned Subsidiary (and in the case of a non-Wholly-Owned Subsidiary, to Holdings and any of its Restricted Subsidiaries and to each other owner of Capital Stock or other equity interests of such Restricted Subsidiary on a pro rata basis based on their relative ownership interests);

(b) Holdings may pay dividends solely in the form of shares of its Capital Stock;

(c) Holdings may make Restricted Payments so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom;

(d) Holdings may make cash payments in lieu of fractional shares in connection with the exercise of warrants, options or other securities, convertible or exchangeable for Capital Stock; and

(e) Holdings may pay any dividend within ninety (90) days after the date of declaration thereof; *provided* that on the date of declaration such payment shall comply with one of the exceptions to this Section 7.07 listed in clauses (b) through (d) hereof.

Section 7.08 *Prepayment of Certain Indebtedness; Modifications of Certain Agreements; Synthetic Purchase Agreements:*

(a) Such Credit Party shall not, nor shall it suffer or permit any of its Restricted Subsidiaries to, pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property, and including optional prepayments and open market purchases) of or in respect of principal of or interest on any Subordinated Indebtedness, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, defeasance or termination of any Subordinated Indebtedness, other than (i) payment of regularly scheduled principal and interest payments as and when due in respect thereof, other than any payment prohibited by the subordination provisions thereof, (ii) to the extent the consideration thereof consists of Capital Stock of Holdings or (iii) so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom.

(b) Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, amend, modify, waive or otherwise change, or consent to any amendment, modification, waiver or other change to, the subordination provisions within documents or instruments governing or evidencing any Subordinated Indebtedness in any manner adverse in any material respect to the Lenders.



(c) Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, amend or modify its respective Organization Documents, other than any amendments or modifications which are not adverse in any material respect to the interests of the Lenders.

(d) Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, enter into or be party to, or make any payment under, any Synthetic Purchase Agreement.

Section 7.09 *Debt to Total Capitalization Ratio*. Holdings shall not permit the Debt to Total Capitalization Ratio of Holdings as at the end of any Fiscal Quarter to be more than 35% for Holdings and its consolidated Restricted Subsidiaries.

Section 7.10 *Holdings Net Worth*. Holdings shall not permit the GAAP Net Worth of Holdings and its consolidated Restricted Subsidiaries, at all times when such calculations are available and, in any event, at the end of any calendar month, to be less than the sum of 70% of the Net Worth of GAFL and its consolidated Restricted Subsidiaries as of the last day of the Fiscal Quarter most recently ended prior to the Effective Date, plus 50% of the aggregate Net Income since the last day of the Fiscal Quarter most recently ended prior to the Effective Date for Holdings and its consolidated Restricted Subsidiaries (to the extent positive).

Section 7.11 *Non-Contravention of OFAC*.

(a) Such Credit Party shall not, and shall not permit any of its Restricted Subsidiaries or, to the Knowledge of such Credit Party, any of such Credit Party's or any of its Subsidiaries' officers, directors or employees to (i) become an Embargoed Person or (ii) except as otherwise authorized by OFAC or any other relevant sanctions authority, otherwise permitted for U.S. persons by a U.S. Governmental Authority or by any rule, regulation or order of a U.S. Governmental Authority, use any proceeds of the Revolving Loans, or lend, contribute or otherwise make available such proceeds to any Person for the purpose of financing the activities of or with any Person or in any country or territory that is an Embargoed Person.

(b) Except as otherwise authorized by OFAC or any other relevant sanctions authority, such Credit Party shall not and shall not permit any of its Restricted Subsidiaries or, to the Knowledge of Holdings or the Borrower, any of such Credit Party's or any of its Subsidiaries' officers, directors or employees to (i) conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any Embargoed Person, (ii) deal in, or otherwise engage in any transaction related to, any property or interests in property blocked pursuant to any applicable Economic Sanctions Laws or (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the applicable prohibitions set forth in any Economic Sanctions Laws.

Section 7.12 ~~*Restrictive Agreements*~~*Restrictive Agreements*. Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, directly or indirectly, enter into or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition on (a) the ability of Holdings or any of its Restricted Subsidiaries to create or permit to exist any Lien on any of its property to secure the Obligations or (b) the ability of any of its Restricted Subsidiaries to pay dividends or other distributions with respect to any shares of its

Capital Stock (other than dividends or distributions on the Capital Stock of Holdings or the Borrower) or to make, repay or prepay intercompany loans or advances to Holdings or any other Restricted Subsidiary or to Dispose of assets to Holdings or any other Restricted Subsidiary; *provided* that (i) the foregoing shall not apply to restrictions and conditions imposed by applicable law (including pursuant to regulatory restrictions), (ii) the foregoing shall not apply to restrictions and conditions existing on the date hereof and under any document identified on Schedule 7.12 (but shall apply to any amendment or modification, or any extension or renewal, of any such restriction or condition that has the effect of making such restriction or condition materially more restrictive), (iii) the foregoing shall not apply to restrictions that are not more restrictive than those contained in this Agreement contained in any documents governing any Indebtedness not prohibited by this Agreement, (iv) clause (a) of this Section 7.12 shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness or other obligations permitted to be secured hereunder (including Capitalized Lease Liabilities and Purchase Money Debt) not prohibited by this Agreement if such restrictions or conditions apply only to the collateral securing such Indebtedness or such other obligations permitted to be secured hereunder, (v) clause (a) of this Section 7.12 shall not apply to customary provisions in leases or licenses or other contracts and agreements restricting the assignment, subletting or sublicensing thereof and (vi) this Section 7.12 shall not apply to (A) any of its Restricted Subsidiaries that is not a Wholly-Owned Subsidiary with respect to restrictions and conditions imposed by such Restricted Subsidiary's Organization Documents or any related joint venture or similar agreement so long as any such restriction or condition applies only to such Subsidiary and to any Capital Stock in such Restricted Subsidiary, (B) restrictions and conditions imposed on any of its Restricted Subsidiaries in existence at the time such Restricted Subsidiary became a Subsidiary (but shall apply to any amendment or modification expanding the scope of any such restriction or condition which makes such restrictions and conditions, taken as a whole, materially more restrictive); *provided* that such restrictions and conditions (x) apply only to such Restricted Subsidiary and (y) were not imposed in anticipation of the Facility, (C) customary provisions contained in leases, sub-leases, licenses, sub-licenses or similar agreements, including with respect to intellectual property and other agreements, in each case entered into in the ordinary course of business; *provided* that such provisions apply only to the assets that are the subject of such lease, sub-lease, license, sub-license or other agreement and shall not apply to any other assets of Holdings or any of its Restricted Subsidiaries and (D) restrictions on pledging joint venture interests included in customary provisions in joint venture agreements or arrangements and other similar agreements applicable to joint ventures.

Section 7.13 Holding Company Activities. Notwithstanding anything herein to the contrary, each of Holdings and the Borrower shall not (a) incur, directly or indirectly, any Indebtedness other than the Indebtedness not prohibited to be incurred by them under this Agreement; (b) create or suffer to exist any Lien upon any property or assets now owned or hereafter acquired, leased or licensed by it other than the Liens (x) created under the Collateralized L/C Security Documents to which it is a party and (y) permitted pursuant to Section 7.01; (c) engage in any business other than as permitted by this Agreement; (d) merge, consolidate or amalgamate with, or sell all or substantially all of its assets to, any other Person except as permitted by Section 7.06; (e) sell or otherwise dispose of any Capital Stock of any of its Subsidiaries other than as permitted to be disposed by them under this Agreement; or (f) fail to hold itself out to the public as a legal entity separate and distinct from all other Persons.

Section 7.14 *Changes in Accounting Policies; Fiscal Year*. Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries to, (a) make any change to its accounting policies or reporting practices, except as required or permitted by GAAP or SAP or applicable securities laws or (b) change the last day of its fiscal year from December 31 of each year.

ARTICLE 8  
EVENTS OF DEFAULT

Section 8.01 *Events of Default*. Each of the following shall constitute an “**Event of Default**”:

(a) Non-Payment. The Borrower fails to pay (i) when and as required to be paid herein, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise, any amount of principal of any Revolving Loans, or (ii) within five (5) Business Days after the same becomes due, any interest, fee or any other amount payable hereunder (including pursuant to Sections 2.02(h) or 2.02(l)(vi)) or under any other Loan Document; or

(b) Representation or Warranty. Any representation or warranty by any Credit Party made or deemed made herein or in any other Loan Document (other than any Collateralized L/C Security Document) or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or contained in any certificate, document or financial or other written statement by a Credit Party, any Restricted Subsidiary or any Responsible Officer, furnished at any time in connection with this Agreement or in any other Loan Document (other than any Collateralized L/C Security Document) or any written amendment or modification hereof or thereof or waiver hereunder or thereunder, is incorrect in any material respect on or as of the date made or deemed made; or

(c) Specific Defaults. Any Credit Party fails to perform or observe any term, covenant or agreement contained in any of Section 6.03(a), Section 6.04(a) (with respect to corporate existence), or Article 7 on its part to be performed; or

(d) Other Defaults. Any Credit Party or any of their Restricted Subsidiaries fails to perform or observe any other term or covenant contained in this Agreement (other than Section 2.02(l)(vi)) or any other Loan Document (other than any Collateralized L/C Security Document) on its part to be performed, and such default shall continue unremedied for a period of thirty (30) days after the date upon which written notice thereof is given to the Borrower by the Administrative Agent or the Required Lenders; or

(e) Cross-Default. (i) Any Credit Party or any of their Restricted Subsidiaries (A) fails to make any payment in respect of any Material Indebtedness (other than in respect of Swap Contracts), when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) beyond the applicable grace or cure period thereunder or (B) fails to perform or observe any other condition or covenant, or any other event shall occur or condition exist, under any agreement or instrument relating to any such Indebtedness beyond the applicable grace or cure period thereunder if the effect of such failure, event or condition is to cause, or to permit (or, with the giving of notice or lapse of time or both, would permit) the holder or holders of any Material Indebtedness or beneficiary or beneficiaries of such Indebtedness (or a trustee or

agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, any Material Indebtedness to be declared to be due and payable prior to its stated maturity; or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (x) any event of default under such Swap Contract as to which a Credit Party or any Restricted Subsidiary is the Defaulting Party (as defined in such Swap Contract) or (y) any Termination Event (as so defined) as to which any Credit Party or any of their Restricted Subsidiaries is an Affected Party (as so defined), and, in either event, the Swap Termination Value owed by a Credit Party or such Restricted Subsidiary as a result thereof is greater than \$75,000,000 (in the aggregate for all such Swap Contracts) beyond the applicable grace or cure period thereunder (and, in the case of clause (y), a Credit Party or such Restricted Subsidiary fails to pay such Swap Termination Value when due beyond the applicable grace or cure period thereunder); *provided, however*, that no Default or Event of Default shall be deemed to occur under clause (i)(B) of this Section 8.01(e) in respect of the failure to perform or observe any such condition or covenant, or the occurrence of any such event or existence of any such condition, under any agreement or instrument relating to any Material Indebtedness owing to the Federal Home Loan Bank of Boston that is cured, remedied or otherwise resolved within five (5) Business Days of the occurrence thereof and prior to such Material Indebtedness being declared to be due and payable prior to its stated maturity; or

(f) Insolvency; Voluntary Proceedings. Any Credit Party or any Restricted Subsidiary of Holdings (i) generally fails to pay, or admits in writing its inability to pay, its debts as they become due, subject to applicable grace periods, if any, whether at stated maturity or otherwise; (ii) voluntarily ceases to conduct its business in the ordinary course; (iii) commences any Insolvency Proceeding with respect to itself; (iv) applies for or consents to the appointment of a receiver, trustee, custodian, conservator, liquidator, provisional liquidator, mortgagee in possession (or agent therefor) or other similar Person for itself or for a substantial part of its assets; or (v) takes any corporate action to effectuate or authorize any of the foregoing; or

(g) Involuntary Proceedings. (i) Any involuntary Insolvency Proceeding is commenced or filed against any Credit Party or any Restricted Subsidiary of Holdings, or any writ, judgment, warrant of attachment, execution or similar process, is issued or levied against a substantial part of any Credit Party's or any Restricted Subsidiary's properties, and any such proceeding or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be released, vacated or fully bonded within sixty (60) days after commencement, filing or levy; (ii) any Credit Party or any Restricted Subsidiary of Holdings admits the material allegations of a petition against it in any Insolvency Proceeding, or an order for relief, the appointment of a liquidator or provisional liquidator or for winding-up (or other similar order under non-U.S. law) is ordered in any Insolvency Proceeding; (iii) any Credit Party or any Restricted Subsidiary of Holdings acquiesces in the appointment of a receiver, trustee, custodian, conservator, liquidator, provisional liquidator, mortgagee in possession (or agent therefor) or other similar Person for itself or a substantial portion of its property or business; or (iv) any Credit Party or any Restricted Subsidiary of Holdings shall become subject to any conservation, rehabilitation or liquidation order, directive or mandate issued by any Governmental Authority; or

(h) Pension Plans and Welfare Plans. With respect to any Single Employer Pension Plan or Multiemployer Plan, any ERISA Event has occurred that would reasonably be expected

to result in the incurrence of liability by Holdings, or any of its Restricted Subsidiaries, or steps are taken to terminate any Multiemployer Plan and such termination would reasonably be expected to result in any liability of Holdings, or any of its Restricted Subsidiaries, where in any event, individually or in the aggregate, the liability incurred by Holdings and its Restricted Subsidiaries could have a Material Adverse Effect; or

(i) Material Judgments. One or more monetary judgments or decrees shall be entered against any Credit Party or any of its Restricted Subsidiaries involving in the aggregate a liability (not paid or fully covered by insurance as to which the relevant insurance company has not denied coverage) of \$75,000,000 or more, and all such judgments or decrees shall not have been paid, vacated, discharged, stayed or bonded pending appeal within sixty (60) days from the entry thereof, or any action shall be taken by a judgment creditor to attach or levy upon any asset of any Credit Party or any of their Restricted Subsidiaries to enforce any such judgment or decree; or

(j) Material Regulatory Matters. (i) Any Insurance Subsidiary shall not make a scheduled payment of interest or principal on any surplus note or similar form of indebtedness (due to actions (as opposed to any inaction) of any Governmental Authority), (ii) any Insurance Subsidiary's ability to pay fees to its Affiliates under existing agreements (or extensions of existing agreements) shall be restricted (due to actions (as opposed to any inaction) of any Governmental Authority) or (iii) in any Fiscal Year, an Insurance Subsidiary's ability to pay dividends to its stockholders is restricted in any manner (due to actions (as opposed to any inaction) of any Governmental Authority), other than by restrictions relating to dividends that apply generally to other insurance companies domiciled in the Insurance Subsidiary's state of domicile under the insurance law of the state, and (1) in the cases of subclauses (i) through (iii) above, such event or condition, together with all other such events or conditions, would reasonably be expected to have a Material Adverse Effect and (2) in each case, such event or condition was not in effect as of the date hereof; or

(k) Change of Control. There occurs any Change of Control; or

(l) Invalidity of Loan Documents. Any provision of any Loan Document (other than any Collateralized L/C Security 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 Obligations, ceases to be in full force and effect; or any Credit Party contests in writing the validity or enforceability of any provision of any Loan Document (other than any Collateralized L/C Security Document); or any Credit Party denies in writing that it has any further liability or obligation under any provision of any Loan Document (other than any Collateralized L/C Security Document), or purports to revoke, terminate or rescind any provision of any Loan Document (other than any Collateralized L/C Security Document).

Section 8.02 Remedies~~Remedies~~. If any Event of Default shall have occurred and be continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders:

(a) declare the obligation of each Lender to make extensions of the Revolving Loans or issuances, extensions or renewals of Letters of Credit to be terminated;

(b) declare the unpaid principal amount of all outstanding Revolving 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, whereupon such outstanding principal amount of the Revolving Loans, all interest accrued and unpaid thereon and all other amounts owing or payable hereunder or under any other Loan Document shall become immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents or applicable law;

(d) exercise on behalf of itself and the Secured Parties all rights and remedies available to it and the Secured Parties under the Collateralized L/C Security Documents or applicable law;

*provided* that upon the occurrence of any event specified in Section 8.01(f) or Section 8.01(g) (upon the expiration of the 60-day period mentioned therein, if applicable), the obligation of each Lender to make Revolving Loans or issue, extend or renew Letters of Credit shall automatically terminate and the unpaid principal amount of all outstanding Revolving Loans and all interest and other amounts as aforesaid shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower.

Section 8.03 *Rights Not Exclusive*. The rights provided for in this Agreement and the other Loan Documents are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law or in equity, or under any other instrument, document or agreement now existing or hereafter arising.

#### ARTICLE 9 THE AGENTS

Section 9.01 *Appointment and Authority*. Each of the Lenders hereby irrevocably appoints Wells Fargo to act on its behalf as the Administrative Agent hereunder and 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 9 are solely for the benefit of the Administrative Agent, the Arrangers, the Bookrunners, the Syndication Agents, the Documentation Agents and the Lenders, and neither the Borrower nor any other Credit Party shall have rights as a third-party beneficiary of any of such provisions (other than Sections 9.06 and 9.10).

Section 9.02 *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, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower, any Credit Party 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.

Section 9.03 ~~Exculpatory Provisions~~*Exculpatory Provisions*. No Agent-Related Person shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, no Agent-Related Person:

(a) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall 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 it 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 no Agent-Related Person shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent-Related Person to liability or that is contrary to any Loan Document or applicable law; and

(c) shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, or shall be liable for the failure to disclose, any information relating to Holdings or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent, any Agent-Related Person or any of their respective Affiliates in any capacity.

No Agent-Related Person shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as such Person shall believe in good faith shall be necessary, under the circumstances as provided in Sections 8.02 and 10.01) or (ii) in the absence of such Agent-Related Person’s own gross negligence or willful misconduct. No Agent-Related Person shall be deemed to have knowledge of any Default unless and until notice describing such Default is given to such Agent-Related Person by the Borrower or a Lender.

No Agent-Related Person shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this 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 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent-Related Person.

Section 9.04 *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 Revolving Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Revolving Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 9.05 *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 it. 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 9 shall apply to any such sub-agent selected by the Administrative Agent with reasonable care and to the Related Parties of the Administrative Agent, and shall apply to their respective activities in connection with the syndication of the Facility as well as activities as Administrative Agent.

Section 9.06 *Resignation of Administrative Agent*. The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed), 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 thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above; *provided* that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring 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 under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) 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 directly, until such time as the Required Lenders appoint a successor



Administrative Agent, with the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed), as provided for above in this [Section 9.06](#). 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 retired) Administrative Agent, and the retiring 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 9.06](#)). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this [Article 9](#) and [Sections 10.04](#) and [10.05](#) shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

*Section 9.07 Non-Reliance on Administrative Agent and Other Lenders.* Each Lender acknowledges that it has, independently and without reliance upon any Agent-Related Person, any Arranger, any Bookrunner, any Syndication Agent, any Documentation 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 also acknowledges that it will, independently and without reliance upon any Agent-Related Person, any Arranger, any Bookrunner, any Syndication Agent, any Documentation 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.

*Section 9.08 No Other Duties; Other Agents; Etc.* Each of RBC and US Bank are hereby appointed Syndication Agents hereunder, and each Lender hereby authorizes RBC and US Bank to act as Syndication Agents in accordance with the terms hereof and the other Loan Documents. Each of BMO Harris Bank N.A., KeyBank National Association, The Bank of Nova Scotia and JPMorgan Chase Bank, N.A. are hereby appointed Documentation Agents hereunder, and each Lender hereby authorizes BMO Harris Bank N.A., KeyBank National Association, The Bank of Nova Scotia and JPMorgan Chase Bank, N.A. to act as Documentation Agents in accordance with the terms hereof and the other Loan Documents. The Syndication Agents, Documentation Agents and any other Agent may resign from such role at any time, with immediate effect, by giving prior written notice thereof to the Administrative Agent and the Borrower. Anything herein to the contrary notwithstanding, none of the Arrangers, Bookrunners, Syndication Agents or Documentation 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 or a Lender hereunder.

*Section 9.09 Administrative Agent May File Proofs of Claim.* In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of the Revolving Loan 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 the Borrower) 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 Revolving Loans 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 and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.02, 2.08, 10.04 and 10.05) 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;

(c) and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, 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 2.02, 2.08, 10.04 and 10.05.

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 any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 9.10 *Collateral and Guarantee Matters*. No Secured Party shall have any right individually to realize upon any of the Collateralized L/C Collateral or to enforce any Guarantee, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Parties in accordance with the terms thereof. The Lenders irrevocably authorize the Administrative Agent to:

(a) release (x) any Guarantor from the Guarantee or (y) any Lien on any property granted to or held by the Administrative Agent under any Loan Document, (i) upon payment in full of all Obligations (other than unmatured, surviving contingent indemnification obligations) and the termination of all Revolving Commitments and the cancellation or expiration of all Letters of Credit (or Cash Collateralization of outstanding Letters of Credit at the Minimum Cash Collateral Amount), (ii) as expressly permitted under the Loan Documents, (iii) in connection with a merger, consolidation, amalgamation or sale of all or substantially all of the assets of a Restricted Subsidiary that is a Guarantor with or to the Borrower in accordance with Section 7.06(b) or (iv) in the case of clause (y), subject to Section 10.01, if approved, authorized or ratified in writing by Lenders having or holding Revolving Exposure and unused Revolving Commitments representing more than 66-2/3% of the aggregate Revolving Exposure and unused Revolving Commitments of all Revolving Lenders (*provided* that the aggregate amount of

Revolving Exposure shall be determined with respect to any Defaulting Lender by disregarding the Revolving Exposure of such Defaulting Lender); and

(b) subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by [Section 7.01\(j\)](#).

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the authority of the Administrative Agent to release or subordinate its interest in particular types or items of property, pursuant to this [Section 9.10](#).

[Section 9.11 Indemnification of Agent-Related Persons](#). Whether or not the transactions contemplated hereby are consummated, the Lenders shall indemnify upon demand each Agent-Related Person (to the extent not reimbursed by or on behalf of the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective portions of the total Revolving Loans and unused Revolving Commitments held on the date on which indemnification is sought, and hold harmless each Agent-Related Person from and against any and all Indemnified Liabilities incurred by it; *provided* that no Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Liabilities to the extent determined in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Agent-Related Person's own gross negligence or willful misconduct; and *provided, further*, that no action taken in accordance with the directions of the Required Lenders shall be deemed to constitute gross negligence or willful misconduct for purposes of this [Section 9.11](#). Without limitation of the foregoing, each Lender shall reimburse each Agent-Related Person upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by such Agent-Related Person in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document or any document contemplated by or referred to herein, to the extent that such Agent-Related Person is not reimbursed for such expenses by or on behalf of the Borrower. The undertaking in this [Section 9.11](#) shall survive the payment of all other Obligations and the resignation of the Administrative Agent or any Agent-Related Person.

[Section 9.12 Withholding Tax](#)~~[Withholding Tax](#)~~. To the extent required by any applicable law, the Administrative Agent shall withhold from any payment to any Lender an amount equal to any applicable withholding Tax. If the IRS or any Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from any amount paid to or for the account of any Lender for any reason (including because the appropriate form was not delivered or was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding Tax ineffective), such Lender shall indemnify and hold harmless the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by the Borrower and without limiting or expanding the obligation of the Borrower to do so) for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties, additions to Tax or interest thereon, together with all expenses incurred, including legal expenses and any out-of-pocket expenses, whether or not such

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Tax was correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this Article 9. The agreements in this Article 9 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Revolving Loans and the repayment, satisfaction or discharge of all obligations under this Agreement. 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 any refund of Taxes withheld or deducted from funds paid for the account of such Lender.

Section 9.13 *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, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Revolving Loans, the Letters of Credit or the Revolving Commitments,

(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 Revolving Loans, the Letters of Credit, the Revolving 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 Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Revolving Loans, the Letters of Credit, the Revolving 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 Revolving Loans, the Letters of Credit, the Revolving 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 sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that none of the Administrative Agent, or the Arrangers 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 Revolving Loans, the Letters of Credit, the Revolving 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 to hereto or thereto).

Section 9.14 *Erroneous Payments*:

(a) Each Lender and any other party hereto hereby severally agrees that if (i) the Administrative Agent notifies (which such notice shall be conclusive absent manifest error) such Lender or any other Person that has received funds from the Administrative Agent or any of its Affiliates, either for its own account or on behalf of a Lender (each such recipient, a "**Payment Recipient**") that the Administrative Agent has determined in its sole discretion that any funds received by such Payment Recipient were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) or (ii) any Payment Recipient receives any payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, or (z) that such Payment Recipient otherwise becomes aware was transmitted or received in error or by mistake (in whole or in part) then, in each case, an error in payment shall be presumed to have been made (any such amounts specified in clauses (i) or (ii) of this Section 9.14(a), whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise; individually and collectively, an "**Erroneous Payment**"), then, in each case, such Payment Recipient is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment; provided that nothing in this Section 9.14 shall require the Administrative Agent to provide any of the notices specified in clauses (i) or (ii) above. Each Payment Recipient agrees that it shall not assert any right or claim to any Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative

Agent for the return of any Erroneous Payments, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(b) Without limiting the immediately preceding clause (a), each Payment Recipient agrees that, in the case of clause (a)(ii) above, it shall promptly notify the Administrative Agent in writing of such occurrence.

(c) In the case of either clause (a)(i) or (a)(ii) above, such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and upon demand from the Administrative Agent such Payment Recipient shall (or, shall cause any Person who received any portion of an Erroneous Payment on its behalf to), promptly, but in all events no later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in immediately available funds and in the currency so received, together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the Federal Funds Rate.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (c), from any Lender that is a Payment Recipient or an Affiliate of a Payment Recipient (such unrecovered amount as to such Lender, an “Erroneous Payment Return Deficiency”), then at the sole discretion of the Administrative Agent and upon the Administrative Agent’s written notice to such Lender (i) such Lender shall be deemed to have made a cashless assignment of the full face amount of the portion of its Loans (but not its Revolving Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Class”) to the Administrative Agent or, at the option of the Administrative Agent, the Administrative Agent’s applicable lending affiliate in an amount that is equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the “Erroneous Payment Deficiency Assignment”) plus any accrued and unpaid interest on such assigned amount, without further consent or approval of any party hereto and without any payment by the Administrative Agent or its applicable lending affiliate as the assignee of such Erroneous Payment Deficiency Assignment. Without limitation of its rights hereunder, the Administrative Agent may cancel any Erroneous Payment Deficiency Assignment at any time by written notice to the applicable assigning Lender and upon such revocation all of the Loans assigned pursuant to such Erroneous Payment Deficiency Assignment shall be reassigned to such Lender without any requirement for payment or other consideration. The parties hereto acknowledge and agree that (1) any assignment contemplated in this clause (d) shall be made without any requirement for any payment or other consideration paid by the applicable assignee or received by the assignor, (2) the provisions of this clause (d) shall govern in the event of any conflict with the terms and conditions of Section 10.07 and (3) the Administrative Agent may reflect such assignments in the Register without further consent or action by any other Person.

(e) Each party hereto hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent (1) shall be subrogated to all the rights of such Payment Recipient with respect to such amount and (2) is authorized to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under this Section 9.14 or under the indemnification provisions of this Agreement, (y) the receipt of an Erroneous Payment by a Payment Recipient shall not for the purpose of this Agreement be treated as a payment, prepayment, repayment, discharge or other satisfaction of any Obligations owed by the Borrower or any other Credit Party, except, in each case of clause (x) and this clause (y), to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Credit Party for the purpose of making a payment on the Obligations and (z) except to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Credit Party for the purpose of making a payment on the Obligations, to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the Obligations, the Obligations or any part thereof that were so credited, and all rights of the Payment Recipient, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received.

(f) Each party's obligations under this Section 9.14 shall survive the resignation or replacement of the Administrative Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Revolving Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

(g) Nothing in this Section 9.14 will constitute a waiver or release of any claim of any party hereunder arising from any Payment Recipient's receipt of an Erroneous Payment.

ARTICLE 10  
MISCELLANEOUS

Section 10.01 *Amendments and Waivers*. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Credit Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Credit Party, as the case may be, and acknowledged by the Administrative Agent, and each such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided* that the Administrative Agent may, with the consent of the Borrower only, amend, modify or supplement this Agreement or any other Loan Document to cure any ambiguity, omission, defect or inconsistency (as reasonably determined by the Administrative Agent), so long as such amendment, modification or supplement does not adversely affect the rights of any Lender or the Lenders shall have received at least five (5) Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required

Lenders object to such amendment, modification or supplement; *provided, further*, that no such amendment, waiver or consent shall:

(a) extend or increase the Revolving Commitment of any Lender (or reinstate any Revolving Commitment terminated pursuant to Section 8.02) without the written consent of such Lender; *provided* that no amendment, modification or waiver of any condition precedent, covenant, Default or Event of Default prior to the termination of the Revolving Commitments pursuant to Section 8.02 shall constitute an increase in any Revolving Commitment of any Lender;

(b) postpone or delay the maturity of the Revolving Loans or any reimbursement obligation in respect of any Letter of Credit or any date for the payment of any interest, premium or fees due to the Lenders (or any of them) hereunder or under any other Loan Document, or reduce the amount of, or rate, as applicable, waive or excuse any such payment, without the written consent of each Lender directly and adversely affected thereby (other than as a result of waiving (i) an Event of Default in accordance with the terms hereof, (ii) default interest hereunder to the extent a waiver of the underlying default giving rise to such default interest does not require a vote of all Lenders or (iii) a mandatory prepayment to be made hereunder); *provided* that, for the avoidance of doubt, the provisions of Section 3.05(b) shall not be deemed to be a reduction of the amount of, or rate of, interest payable on any Revolving Loan;

(c) amend the definition of “Required Lenders” or “Pro Rata Share” without the consent of each Lender; *provided* that with the consent of Required Lenders, additional extensions of credit pursuant hereto may be included in the determination of “Required Lenders” or “Pro Rata Share” on substantially the same basis as the Revolving Commitments and the Revolving Loans are included on the Effective Date without the written consent of each Lender;

(d) amend the definition of “Interest Period” to permit Interest Periods with a duration of longer than six months without the written consent of each Lender;

(e) release all or substantially all of the Collateralized L/C Collateral from the Collateralized L/C Liens or any Guarantor from the Guarantee except as expressly permitted under the Loan Documents (including Section 9.10(a)) and except in connection with a “credit bid” undertaken by the Administrative Agent at the direction of the Required Lenders pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code or other sale or disposition of assets in connection with an enforcement action with respect to the Collateralized L/C Collateral, as applicable, permitted pursuant to the applicable Loan Documents (in which case only the consent of the Required Lenders will be needed for such release), without the written consent of each Lender;

(f) extend the stated expiration date of any Letter of Credit beyond the Commitment Termination Date without the written consent of each Lender and the Administrative Agent, unless all such Letters of Credit are Cash Collateralized at the Minimum Cash Collateral Amount in accordance with Section 2.02(a)(vi);



(g) amend this Section 10.01, or any other provision of this Agreement that by its express terms requires the consent of all or all affected Lenders, without the written consent of each Lender or each affected Lender, as applicable;

(h) subject to Section 2.12, change Section 2.11 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender;

(i) consent to the assignment or transfer by any Credit Party of any of its rights and obligations under any Loan Document without the written consent of each Lender;

(j) amend, modify or waive this Agreement or the Guarantee Agreement so as to alter the ratable treatment of Obligations arising under the Loan Documents and Guaranteed Obligations arising under the Guaranteed Swap Contracts or the definition of "Guaranteed Swap Contract", "Obligations" or "Guaranteed Obligations" in each case in a manner adverse to any contractual counterparty to any such Guaranteed Swap Contract with Guaranteed Obligations then outstanding without the written consent of any such contractual counterparty;

(k) modify (i) the Collateralized L/C Aggregate Collateral Amount or any component thereof with the effect of increasing the Collateralized L/C Aggregate Collateral Amount or (ii) the Minimum Collateralized L/C Aggregate Collateral Amount or any component thereof with the effect of decreasing the Minimum Collateralized L/C Aggregate Collateral Amount, in each case, without the written consent of each Lender; or

(l) amend, modify, terminate or waive any provision of the Loan Documents as the same applies to the Administrative Agent, or any other provision hereof as the same applies to the rights or obligations of the Administrative Agent, in each case without the consent of the Administrative Agent;

*provided, further*, that (i) no such agreement shall, unless in writing and signed by the Administrative Agent, in addition to the Required Lenders or all the Lenders, as the case may be, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document (except with respect to the removal of the Administrative Agent) and (ii) any fee agreement referred to in Section 2.08 may be amended, or rights or privileges thereunder waived, in a writing executed 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, except for any amendment, waiver or consent pursuant to Section 10.01(a), (b) or (c).

#### Section 10.02 *Notices*

(a) Unless otherwise expressly provided herein, all notices and other communications *provided* for hereunder shall be in writing (including by facsimile or electronic transmission). All such written notices shall be mailed, emailed, faxed or delivered to the applicable address, facsimile number (*provided* that any matter transmitted by the Borrower by facsimile (1) shall be immediately confirmed by a telephone call to the recipient at the number specified on Schedule 10.02, and (2) shall be followed promptly by delivery of a hard copy original thereof) or (subject to clause (c) below) electronic mail address, and all notices and other

communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower, any other Credit Party or the Administrative Agent, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 10.02 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its administrative questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the Borrower and the Administrative Agent.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, four (4) Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile or electronic mail, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail (which form of delivery is subject to the provisions of clause (c) below), when delivered; *provided* that notices and other communications to the Administrative Agent pursuant to Article 2 shall not be effective until actually received by such Person. In no event shall a voicemail message be effective as a notice, communication or confirmation hereunder.

(b) Electronic Communications:

(1) Notices and other communications to the Administrative Agent, and the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by the Administrative Agent, *provided* that the foregoing shall not apply to notices to the Administrative Agent or any Lender pursuant to Article 2 if such Person has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment); *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended

recipient at its e-mail address as described in the foregoing subclause (i) of notification that such notice or communication is available and identifying the website address therefor.

(2) Holdings and each of its Subsidiaries understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent that such losses, costs, expenses or liabilities are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of the Administrative Agent.

(3) The Platform and any Approved Electronic Communications are provided “as is” and “as available”. None of the Agent-Related Persons warrant the accuracy, adequacy or completeness of the Approved Electronic Communications or the Platform and each expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications, except for such losses, costs, expenses or liabilities as 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 Person. 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 the Agent-Related Persons in connection with the Platform or the Approved Electronic Communications.

(4) Holdings, each of its Subsidiaries and each Lender agrees that the Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with the Administrative Agent’s customary document retention procedures and policies.

(c) The Agent-Related Persons and the Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify each Agent-Related Person and each Lender from all losses, costs, out-of-pocket expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower; *provided* that such indemnity shall not, as to any such Person, be available to the extent that such losses, costs, expenses or liabilities 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 Person. All telephonic notices to and other communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

Section 10.03 *No Waiver; Cumulative Remedies*. No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of

any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

**Section 10.04 *Costs and Expenses.*** The Borrower agrees to pay or reimburse (a) the Administrative Agent, each Arranger, each Bookrunner and each Syndication Agent, in each case together with their respective Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates, for all reasonable costs and out-of-pocket expenses incurred in connection with the development, preparation, negotiation and execution of this Agreement and the other Loan Documents, including all Attorney Costs, which Attorney Costs shall be limited to the reasonable fees and reasonable disbursements of Milbank LLP and, if reasonably necessary (in the sole discretion of the Administrative Agent), a single local counsel in each appropriate jurisdiction and a single insurance regulatory counsel, collectively, for each of the foregoing Persons, (b) each Agent-Related Person for all reasonable costs and out-of-pocket expenses incurred in connection with any amendment, waiver, consent or other modification of the provisions hereof and thereof and the consummation and administration of the transactions contemplated hereby and thereby, including all Attorney Costs, which Attorney Costs shall be limited to the reasonable fees and reasonable disbursements of a single primary counsel and, if reasonably necessary (in the sole discretion of the Administrative Agent), a single local counsel in each appropriate jurisdiction and a single insurance regulatory counsel, collectively, for each Agent-Related Person, and (c) each Agent-Related Person and each Lender for all costs and expenses incurred in connection with the enforcement, attempted enforcement or preservation of any rights or remedies under this Agreement (including this Section 10.04) or the other Loan Documents (including all such costs and expenses incurred during any “workout” or restructuring in respect of the Obligations and during any legal proceeding, including in any Insolvency Proceeding or appellate proceeding), including all reasonable fees, expenses and disbursements of any law firm or other external legal counsel. The foregoing costs and expenses shall include all search, filing, recording, title insurance and appraisal charges and fees and taxes (other than income taxes) related thereto and other out-of-pocket expenses incurred by each Agent-Related Person and the cost of independent public accountants and other outside experts (subject to the limitations above) retained by such Agent-Related Person or any Lender, as applicable. All amounts due under this Section 10.04 shall be payable within ten (10) Business Days after written demand therefor. The agreements in this Section 10.04 shall survive the repayment of the Revolving Loans and the other Obligations.

**Section 10.05 *Borrower Indemnification; Damage Waiver.***

(a) Whether or not the transactions contemplated hereby are consummated, the Borrower shall indemnify and hold harmless the Administrative Agent, each Arranger, each Bookrunner, each Syndication Agent, each Documentation Agent, each Lender and their respective Affiliates, and the directors, officers, employees, agents and partners (to the extent such Person is a partnership) of such Persons and Affiliates involved with the Transactions (collectively, the “**Indemnified Persons**”) from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, charges and costs, expenses and disbursements (including reasonable Attorney Costs) of any kind or nature whatsoever (including those arising from or relating to any environmental matters) that may at any time be imposed on, incurred by or asserted against any such Indemnified Person by any third party or by the Borrower or any other Credit Party (x) that directly or indirectly owns the

equity interests of the Borrower or (y) whose equity interests are owned directly or indirectly by the Borrower, in any way relating to or arising out of or in connection with (i) the execution, delivery, enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby, (ii) any Revolving Commitment, Revolving Loan or Letter of Credit or the use or proposed use of the proceeds therefrom, (iii) any Environmental Liability related to Holdings 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 (including any investigation of, preparation for or defense of any pending or threatened claim, investigation, litigation or proceeding) and regardless of whether any Indemnified Person is a party thereto (all the foregoing, collectively, the “**Indemnified Liabilities**”), in all cases, whether or not caused by or arising, in whole or in part, out of the negligence of the Indemnified Person; *provided* that such indemnity shall not, as to any Indemnified Person, be available to the extent that such liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses or disbursements (including Attorney Costs) (A) 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 Indemnified Person in connection with or as a result of the transactions hereunder or (B) arise out of or are in connection with any claim, litigation, loss or proceeding not involving an act or omission of Holdings or any of its Subsidiaries (other than an Indemnified Person) and that is brought by an Indemnified Person against another Indemnified Person (other than against the Administrative Agent, any Arranger, any Bookrunner, any Syndication Agent or any Documentation Agent in their capacities as such or any other Indemnified Person in performing the services that are the subject of the Loan Documents). No Indemnified Person shall be liable for any damages arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement other than for any direct damages (and specifically excluding indirect, consequential, special or punitive damages) determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person. Neither any Credit Party nor any Indemnified Person will have any liability for any indirect, consequential, special or punitive damages in connection with or as a result of such Credit Party’s or such Indemnified Person’s activities related to the transactions hereunder; *provided* that, that nothing contained in this sentence shall limit the Credit Parties’ indemnification obligations hereunder to the extent such indirect, consequential, special or punitive damages are included in any third-party claim whereby any Indemnified Person is entitled to indemnification hereunder. All amounts due under this Section 10.05 shall be payable within thirty (30) days after written demand therefor together with, if requested by the Borrower, backup documentation supporting such indemnification request. The agreements in this Section 10.05 shall survive the resignation of the Administrative Agent, the replacement of any Lender and the repayment, satisfaction or discharge of all the other Obligations.

(b) No Indemnified Person shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for any direct damages (and specifically excluding indirect, consequential, special or

punitive damages) determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person.

Section 10.06 *Marshaling; Payments Set Aside*. Neither of the Administrative Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Credit Party or any other Person or against or in payment of any or all of the Obligations. To the extent that the Borrower makes a payment to the Administrative Agent or the Lenders (or to the Administrative Agent on behalf of the Lenders), or the Administrative Agent or any Lender enforces any security interests or exercises any right of set-off, and such payment or the proceeds of such enforcement or the proceeds of such set-off or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any Insolvency Proceeding 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 set-off had not occurred and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its pro rata share of any amount so recovered from or repaid by the Administrative Agent.

Section 10.07 *Assignments, Successors, Participations, Etc.*

(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 Credit Party may assign or otherwise transfer any of its rights or obligations hereunder (except as expressly permitted in Section 7.06) without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of Section 10.07(b) or (ii) by way of participation in accordance with the provisions of Section 10.07(d) (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 (as defined below) to the extent provided in Section 10.07(e)) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolving Commitment and Revolving Loans at the time owing to it (*provided, however,* that each assignment shall be of a uniform, and not varying, percentage of all rights and obligations under and in respect of any applicable Revolving Loan and any related Revolving Commitments)); *provided that*:

(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Revolving Loans or Revolving Commitment at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund

with respect to a Lender, the aggregate amount of the Revolving 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, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing under Section 8.01(a), (f) or (g), the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); *provided* that the Borrower shall be deemed to have consented unless it shall object thereto by written notice to the Administrative Agent within fifteen (15) Business Days after having received notice thereof;

(ii) 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 Revolving Loans or the Revolving Commitments assigned under this Agreement;

(iii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption; such Assignment and Assumption to be (A) electronically executed and delivered to the Administrative Agent via an electronic settlement system then acceptable to the Administrative Agent (or, if previously agreed with the Administrative Agent, manually) and (B) delivered together with a processing and recordation fee of \$[\*\*], unless waived or reduced by the Administrative Agent in its sole discretion; *provided* that, no processing and recordation fee shall be payable in connection with an assignments by or to any Arranger or its Affiliates; and

(iv) if the Eligible Assignee shall not be a Lender, (A) the relevant assignor, at the time that it notifies the Administrative Agent of such proposed assignment, shall deliver to the Administrative Agent a duly executed Form W-9 of the proposed Eligible Assignee and (B) such Eligible Assignee shall deliver to the Administrative Agent an administrative questionnaire, in the form prescribed by the Administrative Agent.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 10.07(c), from and after the effective date specified in each Assignment and Assumption, the Eligible 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, (*provided* that, with respect to circumstances in effect on the effective date of such Assignment and Assumption, an Eligible Assignee shall not be entitled to receive any greater payment under Section 3.01 than the applicable Lender would have been entitled to receive had the assignment not taken place) 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, 3.03, 3.04, 10.04 and 10.05 with respect to facts and circumstances occurring prior to the effective date of such assignment). Upon request, the Borrower (at their expense) shall execute and deliver a Revolving Loan Note to the assignee Lender. Any assignment or

*[\*\*] = Certain information contained in this document, marked by “[\*\*]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

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 10.07(d).

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Revolving Commitments of, and principal and interest amounts of the Revolving Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and each Lender (with respect to its own interests in the Facility only) at any reasonable time and from time to time upon reasonable prior notice. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a Natural Person or the Borrower, Holdings or any Affiliate or Subsidiary of the Borrower or Holdings (other than Goldman Sachs & Co. LLC and any lending affiliates thereof, but excluding Holdings and its Subsidiaries) or any Disqualified Lender) (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 Revolving Commitment and/or the 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 Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that directly affects such Participant. Except to the extent limited by Section 10.07(e), the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.03 and 3.04 (subject to the limitations and requirements of such Sections (including Section 3.01(e) and Section 3.01(f)) and Section 3.07, as if such Participant were a Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.07(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.09 as though it were a Lender; *provided* that such Participant agrees to be subject to Section 2.11 as though it were a Lender.

Each Lender that sells a participation pursuant to this Section 10.07(d) shall, acting solely for U.S. federal income tax purposes as a non-fiduciary agent of the Borrower, maintain a register on which it records the name and address of each participant and the principal amounts of each participant's participation interest with respect to the Revolving Loans or other



obligations under the Loan Documents (each, a “**Participant Register**”); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any participant or any information relating to a participant’s interest in any Revolving Commitments, Revolving Loans or its other obligations under this Agreement) except to the extent that the relevant parties, acting reasonably and in good faith, determine that such disclosure is necessary to establish that such Revolving Commitment, Revolving Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations and Section 1.163-5(b)(1) of the proposed 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.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.03 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant; *provided* that this Section 10.07(e) shall not apply if the sale of the participation to such Participant is made with the Borrower’s prior written consent.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Revolving Loan Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank of similar function having jurisdiction over such Lender; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Electronic Execution of Assignments. The words “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.08 ~~Confidentiality~~Confidentiality. The Administrative Agent, each Arranger, each Bookrunner, each Syndication Agent, each Documentation Agent and each Lender shall maintain the confidentiality of all information provided to it by or on behalf of Holdings or any Subsidiary, or by the Administrative Agent on Holdings’ or such Subsidiary’s behalf, under this Agreement or any other Loan Document, it being understood and agreed by the Credit Parties that, in any event, the Administrative Agent may disclose such information to the Lenders and the Administrative Agent, each Arranger, each Bookrunner, each Syndication Agent, each Documentation Agent and each Lender may make disclosures thereof to the extent such information (i) was or becomes generally available to the public other than as a result of disclosure by such Person on breach of the provisions of this Section 10.08, or (ii) was or becomes available on a non-confidential basis from a source other than Holdings or its

Subsidiaries; *provided* that such source is not bound by a confidentiality agreement with Holdings or any of its Subsidiaries known to such Person; *provided, further*, that the Administrative Agent, any Arranger, any Bookrunner, any Syndication Agent, any Documentation Agent or any Lender may disclose such information (a) at the request or pursuant to any requirement of any Governmental Authority or representative thereof to which such Person is subject (including the NAIC) or in connection with an examination of such Person by any such authority; (b) pursuant to subpoena or other court process; (c) when required to do so in accordance with the provisions of any applicable Requirement of Law; (d) to the extent reasonably required in connection with the exercise of any remedy hereunder or under any other Loan Document; (e) to such Person's independent auditors and other professional advisors on a confidential basis; (f) to any Participant, Lender or Eligible Assignee, actual or potential; *provided* that such Person agrees to be bound by the terms of this Section 10.08 (or language substantially similar to this Section 10.08) which agreement may be pursuant to customary syndication practice; (g) as to any Lender or its Affiliate, as expressly permitted under the terms of any other document or agreement regarding confidentiality to which Holdings or any Subsidiary is party with such Lender or such Affiliate; (h) to its Affiliates and to their respective officers, directors, partners, members, employees, legal counsel, independent auditors and other advisors, experts or agents who need to know such information and who have been informed of the confidential nature thereof (and to other Persons authorized by a Lender or the Administrative Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.08); (i) to any other party to this Agreement; (j) to any pledgee referred to in Section 10.07(f) or any direct or indirect contractual counterparty or prospective counterparty (or such counterparty's or prospective counterparty's professional advisor) to any swap or derivative transaction relating to the Revolving Loans who have been informed of the confidential nature of the information; (k) to Moody's and S&P and other rating agencies in connection with the ratings contemplated by the Loan Documents; (l) on a confidential basis to the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Revolving Loans and (m) with the consent of the Borrower. In addition, the Administrative Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, and on a need to know and confidential basis, similar services providers to the lending industry, and service providers to the Administrative Agent and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents. In the case of confidential information received from Holdings or any Subsidiary after the date hereof, such information shall be clearly identified at the time of delivery as confidential. In the case of clauses (b) and (c), the disclosing party shall give notice of such disclosure to the Borrower (other than any disclosure in connection with routine bank examinations), to the extent not otherwise prohibited by any Requirement of Law.

Section 10.09 ~~Set-off~~Set-off. In addition to any rights and remedies of the Lenders provided by law, if an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is authorized at any time and from time to time, without prior notice to the Borrower, any such notice being waived by the Borrower, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by, and other indebtedness at any time owing by, such Lender or Affiliate to or for the credit or the account of the Borrower against any and all Obligations owing to such Lender, now or hereafter existing, irrespective of whether or not the Administrative Agent or

such Lender shall have made demand under this Agreement or any Loan Document and although such Obligations may be contingent or unmatured; *provided* that neither any Lender nor any of its Affiliates shall be entitled to exercise any such set off with respect to any trust, tax reserve, employee benefit or payroll account. Each Lender agrees to promptly notify the Borrower and the Administrative Agent after any such set-off and application made by such Lender; *provided* that the failure to give such notice shall not affect the validity of such set-off and application.

Section 10.10 *Notification of Addresses, Lending Offices, Etc.* Each Lender shall notify the Administrative Agent in writing of any changes in the address to which notices to the Lender should be directed, of addresses of any Lending Office, of payment instructions in respect of all payments to be made to it hereunder and of such other administrative information as the Administrative Agent shall reasonably request.

Section 10.11 *Effectiveness; Counterparts.* (a) This Agreement shall become effective upon (i) the execution of a counterpart hereof by each of the parties hereto, (ii) the receipt by the Borrower and the Administrative Agent of written notification of such execution and authorization of delivery thereof and (iii) the satisfaction or waiver of the conditions precedent set forth in Section 4.01. This Agreement may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument.

(a) Electronic Signatures. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement and any other document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, 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 nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent, *provided* that, the Administrative Agent hereby agrees to accept, and hereby consents to the use of, electronic signatures to this Agreement from all parties hereto. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders and the Borrower, electronic images of this Agreement or any other Loan Documents (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity or enforceability of the Loan Documents based solely on the lack of paper original copies of any Loan Documents, including with respect to any signature pages thereto. Upon the request of the Administrative Agent or any Lender, any

Electronic Signature shall be followed by a manually executed counterpart thereof, if and when reasonably practicable.

Section 10.12 *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 shall continue in full force and effect as long as the Revolving Loans or any other Obligation hereunder shall remain unpaid or unsatisfied.

Section 10.13 ~~Severability~~*Severability*. If any provision of any Loan Document is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of the Loan Documents shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Lenders in order to carry out the intentions of the parties thereto as nearly as may be possible and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 10.14 *Replacement of Defaulting Lenders and Non-Consenting Lenders*. If any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.07), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided that*:

(a) the Administrative Agent shall have received the assignment fee specified in Section 10.07(b) from the Borrower; and

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Revolving Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Sections 2.06(c), 3.01, 3.03 and 3.04) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts).

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 Borrower to require such assignment and delegation cease to apply.

No action by or consent of a Defaulting Lender or a Non-Consenting Lender shall be necessary in connection with such assignment, which shall be immediately and automatically effective upon payment of such purchase price. In connection with any such assignment the

Borrower, the Administrative Agent, such Defaulting Lender or such Non-Consenting Lender and the replacement Lender shall otherwise comply with this Section 10.14; *provided* that if such Defaulting Lender or such Non-Consenting Lender does not comply with this Section 10.14 within one (1) Business Day after the Borrower's request, compliance with this Section 10.14 shall not be required to effect such assignment.

Section 10.15 *Governing Law; Jurisdiction; Consent to Service of Process*;

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) Each of the parties hereto irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court for the Southern District of New York, and any relevant appellate court, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each party hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Credit Party that is organized under the laws of a jurisdiction outside the United States hereby appoints the Borrower, and the Borrower hereby accepts such appointment, as agent for service of process of each such Credit Party in any matter related to this Agreement or the other Loan Documents. Nothing in any Loan Document shall affect any right that any Lender or the Administrative Agent may otherwise have to bring any action or proceeding relating to any Loan Document against any Credit Party or its properties in the courts of any jurisdiction.

(c) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to any Loan Document in any court referred to in clause (b) of this Section 10.15. Each party hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(d) To the extent permitted by applicable law, each party hereto irrevocably consents to service of process in the manner provided for notices in Section 10.02. Nothing in any Loan Document will affect the right of any party hereto to serve process in any other manner permitted by law.

Section 10.16 *Waiver of Jury Trial*. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER FOUNDED IN

CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 10.16 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO OR OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

Section 10.17 *PATRIOT Act Notice*. Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Credit Party that pursuant to the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “**PATRIOT Act**”), it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Credit Party in accordance with the PATRIOT Act.

Section 10.18 ~~*Entire Agreement*~~*Entire Agreement*. This Agreement, together with the other Loan Documents and any separate agreements with respect to fees payable to the Administrative Agent, the Arrangers and the Bookrunners, embodies the entire agreement and understanding among the Credit Parties, the Lenders and the Administrative Agent and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof.

Notwithstanding the foregoing, other than the provisions of the Fee Letters and those provisions of the Commitment Letter which by the terms of the Commitment Letter remain in full force and effect after execution and delivery of the Loan Documents, on the Effective Date, all of the obligations of the Arrangers, Bookrunners and engagement parties under the Commitment Letter shall terminate and be superseded by the Loan Documents and the Arrangers, Bookrunners and engagement parties under the Commitment Letter shall be released from all liability in connection therewith, including any claim for injury or damages, whether consequential, special, direct, indirect, punitive or otherwise.

Section 10.19 *Independence of Covenants*. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

Section 10.20 *Obligations Several; Independent Nature of Lenders Right*. The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Revolving Commitment of any other Lender hereunder. Nothing contained herein or in any other Loan Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and

independent debt, and each Lender shall be entitled to protect and enforce its rights arising out hereof and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

Section 10.21 *No Fiduciary Duty.* The Administrative Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the “Lenders”), may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (a) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm’s-length commercial transactions between the Lenders, on the one hand, and the Credit Parties, on the other, and (b) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit Party except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Credit Party, its management, stockholders, creditors or any other Person. Each Credit Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

Section 10.22 *Judgment Currency.*

(a) This is an international loan transaction in which the specification of a particular currency (the “**Specified Currency**”) and place of payment (the “**Specified Place**”) is of the essence, and the obligation of each Credit Party under this Agreement to make payment to or for account of a Guaranteed Party in the Specified Currency shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed or converted into any other currency or in another place except to the extent that such tender or recovery results in the effective receipt by such Guaranteed Party in the Specified Place of the full amount of the Specified Currency payable to such Guaranteed Party under this Agreement.

(b) If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Specified Currency into another currency (the “**Judgment Currency**”), the rate of exchange that shall be applied shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase such Specified Currency at the principal office of the Administrative Agent in the Specified Place with the Judgment Currency on the Business Day next preceding the day on which such judgment is rendered. The obligation of each Credit Party in respect of any such sum due from it to the Administrative Agent or any Guaranteed Party (the “**Entitled Person**”) shall, notwithstanding the rate of

exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by such Entitled Person of any sum adjudged to be due hereunder in the Judgment Currency such Entitled Person may in accordance with normal banking procedures purchase and transfer of the Specified Currency to the Specified Place with the amount of the Judgment Currency so adjudged to be due; and each Credit Party hereby, as a separate obligation and notwithstanding any such judgment, agrees to indemnify such Entitled Person against, and to pay such Entitled Person on demand, in the Specified Currency, the amount (if any) by which the sum originally due to such Entitled Person in the Specified Currency hereunder exceeds the amount of the Specified Currency so purchased and transferred.

Section 10.23 *Acknowledgment and Consent to Bail-In of Affected Financial Institutions*. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, 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 party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent 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.

Section 10.24 ~~Acknowledgement~~ Acknowledgment *Regarding Any Supported QFCs*. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Guaranteed Swap Contracts 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 10.24, 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).

[SIGNATURE PAGES FOLLOW]

## CO-CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Joseph Y. Bae, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of KKR & Co. 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 officers 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 officers 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: November 8, 2022

/s/ Joseph Y. Bae

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Joseph Y. Bae

*Co-Chief Executive Officer*

## CO-CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Scott C. Nuttall, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of KKR & Co. 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 officers 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 officers 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: November 8, 2022

/s/ Scott C. Nuttall

Scott C. Nuttall

*Co-Chief Executive Officer*

## CHIEF FINANCIAL OFFICER CERTIFICATION

I, Robert H. Lewin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 of KKR & Co. 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 officers 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 officers 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: November 8, 2022

/s/ Robert H. Lewin

Robert H. Lewin

*Chief Financial Officer*

**CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER**

**Pursuant to 18 U.S.C. §1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of KKR & Co. Inc. (the "Corporation") on Form 10-Q for the quarter ended September 30, 2022 as filed with the Securities and Exchange Commission (the "Report"), I, Joseph Y. Bae, Co-Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: November 8, 2022

/s/ Joseph Y. Bae

Joseph Y. Bae

*Co-Chief Executive Officer*

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

**CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER**

**Pursuant to 18 U.S.C. §1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of KKR & Co. Inc. (the "Corporation") on Form 10-Q for the quarter ended September 30, 2022 as filed with the Securities and Exchange Commission (the "Report"), I, Scott C. Nuttall, Co-Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: November 8, 2022

/s/ Scott C. Nuttall

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Scott C. Nuttall

*Co-Chief Executive Officer*

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**

**Pursuant to 18 U.S.C. §1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of KKR & Co. Inc. (the "Corporation") on Form 10-Q for the quarter ended September 30, 2022 as filed with the Securities and Exchange Commission (the "Report"), I, Robert H. Lewin, Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: November 8, 2022

/s/ Robert H. Lewin

Robert H. Lewin

*Chief Financial Officer*

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.