

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

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

For the quarterly period ended June 30, 2020

Or

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

Commission File Number 001-5424



DELTA AIR LINES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

58-0218548

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

Post Office Box 20706

Atlanta, Georgia

(Address of principal executive offices)

30320-6001

(Zip Code)

Registrant's telephone number, including area code: (404) 715-2600

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	DAL	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

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

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Number of shares outstanding by each class of common stock, as of June 30, 2020:

Common Stock, \$0.0001 par value - 637,856,746 shares outstanding

This document is also available through our website at <http://ir.delta.com/>.

Table of Contents

	Page
Forward Looking Statements	1
Report of Independent Registered Public Accounting Firm	2
 Part I. Financial Information	
Item 1. Financial Statements	3
Consolidated Balance Sheets	3
Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income	4
Condensed Consolidated Statements of Cash Flows	5
Consolidated Statements of Stockholders' Equity	6
Notes to the Condensed Consolidated Financial Statements	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	28
Item 3. Quantitative and Qualitative Disclosures About Market Risk	54
Item 4. Controls and Procedures	54
 Part II. Other Information	
Item 1. Legal Proceedings	54
Item 1A. Risk Factors	54
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	58
Item 6. Exhibits	59
 Signature	60

Unless otherwise indicated, the terms "Delta," "we," "us" and "our" refer to Delta Air Lines, Inc. and its subsidiaries.

FORWARD-LOOKING STATEMENTS

Statements in this Form 10-Q (or otherwise made by us or on our behalf) that are not historical facts, including statements about our estimates, expectations, beliefs, intentions, projections or strategies for the future, may be "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from historical experience or our present expectations. Known material risk factors applicable to Delta are described in "Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 ("Form 10-K") and "Item 1A. Risk Factors" of Part II of this Form 10-Q, other than risks that could apply to any issuer or offering. All forward-looking statements speak only as of the date made, and we undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this report except as required by law.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Delta Air Lines, Inc.

Results of Review of Interim Financial Statements

We have reviewed the accompanying consolidated balance sheet of Delta Air Lines, Inc. (the Company) as of June 30, 2020, the related condensed consolidated statements of operations and comprehensive (loss) income, and stockholders' equity for the three-month and six-month periods ended June 30, 2020 and 2019, the condensed consolidated statements of cash flows for the six-month periods ended June 30, 2020 and 2019 and the related notes (collectively referred to as the "condensed consolidated interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated interim financial statements for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2019, the related consolidated statements of operations, comprehensive income, cash flows, and stockholders' equity for the year then ended, and the related notes (not presented herein); and in our report dated February 12, 2020, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2019, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Ernst & Young LLP

Atlanta, Georgia
July 14, 2020

DELTA AIR LINES, INC.
Consolidated Balance Sheets
(Unaudited)

(in millions, except share data)	June 30, 2020	December 31, 2019
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 11,366	\$ 2,882
Short-term investments	4,302	—
Accounts receivable, net of an allowance for uncollectible accounts of \$121 and \$13 at June 30, 2020 and December 31, 2019, respectively	1,375	2,854
Fuel inventory	353	730
Expendable parts and supplies inventories, net of an allowance for obsolescence of \$135 and \$82 at June 30, 2020 and December 31, 2019, respectively	494	521
Prepaid expenses and other	1,025	1,262
Total current assets	18,915	8,249
Noncurrent Assets:		
Property and equipment, net of accumulated depreciation and amortization of \$17,267 and \$17,027 at June 30, 2020 and December 31, 2019, respectively	28,473	31,310
Operating lease right-of-use assets	5,650	5,627
Goodwill	9,753	9,781
Identifiable intangibles, net of accumulated amortization of \$878 and \$873 at June 30, 2020 and December 31, 2019, respectively	6,017	5,163
Cash restricted for airport construction	339	636
Equity investments	1,633	2,568
Other noncurrent assets	1,481	1,198
Total noncurrent assets	53,346	56,283
Total assets	\$ 72,261	\$ 64,532
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current maturities of debt and finance leases	\$ 5,230	\$ 2,287
Current maturities of operating leases	732	801
Air traffic liability	4,686	5,116
Accounts payable	2,332	3,266
Accrued salaries and related benefits	1,809	3,701
Loyalty program deferred revenue	1,195	3,219
Fuel card obligation	839	736
Other accrued liabilities	3,327	1,078
Total current liabilities	20,150	20,204
Noncurrent Liabilities:		
Debt and finance leases	19,412	8,873
Noncurrent air traffic liability	315	—
Pension, postretirement and related benefits	8,160	8,452
Loyalty program deferred revenue	5,786	3,509
Noncurrent operating leases	5,371	5,294
Deferred income taxes, net	447	1,456
Other noncurrent liabilities	3,930	1,386
Total noncurrent liabilities	43,421	28,970
Commitments and Contingencies		
Stockholders' Equity:		
Common stock at \$0.0001 par value; 1,500,000,000 shares authorized, 647,454,215 and 651,731,443 shares issued at June 30, 2020 and December 31, 2019, respectively	—	—
Additional paid-in capital	11,192	11,129
Retained earnings	5,706	12,454
Accumulated other comprehensive loss	(7,937)	(7,989)
Treasury stock, at cost, 9,597,469 and 8,959,730 shares at June 30, 2020 and December 31, 2019, respectively	(271)	(236)
Total stockholders' equity	8,690	15,358

Total liabilities and stockholders' equity	\$	72,261	\$	64,532
--	----	--------	----	--------

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

DELTA AIR LINES, INC.
Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income
(Unaudited)

(in millions, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Operating Revenue:				
Passenger	\$ 678	\$ 11,368	\$ 8,247	\$ 20,622
Cargo	108	186	261	378
Other	682	982	1,552	2,008
Total operating revenue	1,468	12,536	10,060	23,008
Operating Expense:				
Salaries and related costs	2,086	2,752	4,858	5,391
Aircraft fuel and related taxes	372	2,291	1,967	4,269
Regional carriers expense, excluding fuel	497	905	1,399	1,798
Depreciation and amortization	591	713	1,268	1,328
Contracted services	344	657	1,019	1,288
Landing fees and other rents	350	442	817	861
Ancillary businesses and refinery	401	316	620	667
Aircraft maintenance materials and outside repairs	43	434	512	910
Passenger commissions and other selling expenses	45	538	403	965
Passenger service	88	322	345	593
Aircraft rent	96	107	196	209
Restructuring charges	2,454	—	2,454	—
CARES Act grant recognition	(1,280)	—	(1,280)	—
Profit sharing	—	518	—	739
Other	196	413	707	842
Total operating expense	6,283	10,408	15,285	19,860
Operating (Loss)/Income	(4,815)	2,128	(5,225)	3,148
Non-Operating Expense:				
Interest expense, net	(194)	(75)	(273)	(158)
Impairments and equity method losses	(2,058)	(17)	(2,318)	(71)
Gain/(loss) on investments, net	8	(82)	(104)	18
Miscellaneous, net	45	(47)	299	(84)
Total non-operating expense, net	(2,199)	(221)	(2,396)	(295)
(Loss)/Income Before Income Taxes	(7,014)	1,907	(7,621)	2,853
Income Tax Benefit/(Provision)	1,297	(464)	1,370	(680)
Net (Loss)/Income	\$ (5,717)	\$ 1,443	\$ (6,251)	\$ 2,173
Basic (Loss)/Earnings Per Share	\$ (9.01)	\$ 2.22	\$ (9.83)	\$ 3.30
Diluted (Loss)/Earnings Per Share	\$ (9.01)	\$ 2.21	\$ (9.83)	\$ 3.29
Cash Dividends Declared Per Share	\$ —	\$ 0.35	\$ 0.40	\$ 0.70
Comprehensive (Loss)/Income	\$ (5,756)	\$ 1,515	\$ (6,199)	\$ 2,304

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

DELTA AIR LINES, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Six Months Ended June 30,	
	2020	2019
Net Cash Provided by Operating Activities	\$ 68	\$ 5,211
Cash Flows from Investing Activities:		
Property and equipment additions:		
Flight equipment, including advance payments	(659)	(2,226)
Ground property and equipment, including technology	(559)	(694)
Proceeds from sale-leaseback transactions	465	—
Purchase of short-term investments	(4,955)	—
Redemption of short-term investments	654	206
Acquisition of strategic investments	(2,099)	(89)
Other, net	107	144
Net cash used in investing activities	(7,046)	(2,659)
Cash Flows from Financing Activities:		
Payments on debt and finance lease obligations	(1,712)	(2,450)
Repurchase of common stock	(344)	(1,593)
Cash dividends	(260)	(461)
Proceeds from short-term obligations	3,261	1,750
Proceeds from long-term obligations	11,747	500
Proceeds from sale-leaseback transactions	2,306	—
Fuel card obligation	103	(8)
Other, net	(35)	(9)
Net cash provided by/(used in) financing activities	15,066	(2,271)
Net Increase in Cash, Cash Equivalents and Restricted Cash Equivalents	8,088	281
Cash, cash equivalents and restricted cash equivalents at beginning of period	3,730	2,748
Cash, cash equivalents and restricted cash equivalents at end of period	\$ 11,818	\$ 3,029
Non-Cash Transactions:		
Right-of-use assets acquired under operating leases	\$ 393	\$ 357
Flight and ground equipment acquired under finance leases	213	158
Operating leases converted to finance leases	—	189

The following table provides a reconciliation of cash, cash equivalents and restricted cash equivalents reported within the Consolidated Balance Sheets to the total of the same such amounts shown above:

(in millions)	June 30,	
	2020	2019
Current assets:		
Cash and cash equivalents	\$ 11,366	\$ 2,009
Restricted cash included in prepaid expenses and other	113	127
Noncurrent assets:		
Cash restricted for airport construction	339	893
Total cash, cash equivalents and restricted cash equivalents	\$ 11,818	\$ 3,029

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

DELTA AIR LINES, INC.
Consolidated Statements of Stockholders' Equity
(Unaudited)

(in millions, except per share data)	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance at December 31, 2019	652	\$ —	\$ 11,129	\$ 12,454	\$ (7,989)	9	\$ (236)	\$ 15,358
Net loss	—	—	—	(534)	—	—	—	(534)
Dividends declared	—	—	—	(257)	—	—	—	(257)
Other comprehensive income	—	—	—	—	91	—	—	91
Shares of common stock issued and compensation expense associated with equity awards (Treasury shares withheld for payment of taxes, \$56.48 ⁽¹⁾ per share)	1	—	29	—	—	1	(34)	(5)
Stock purchased and retired	(6)	—	(104)	(240)	—	—	—	(344)
Balance at March 31, 2020	647	\$ —	\$ 11,054	\$ 11,423	\$ (7,898)	10	\$ (270)	\$ 14,309
Net loss	—	—	—	(5,717)	—	—	—	(5,717)
Other comprehensive loss	—	—	—	—	(39)	—	—	(39)
Shares of common stock issued and compensation expense associated with equity awards (Treasury shares withheld for payment of taxes, \$25.56 ⁽¹⁾ per share)	—	—	38	—	—	—	(1)	37
CARES Act warrant issuance	—	—	100	—	—	—	—	100
Balance at June 30, 2020	647	\$ —	\$ 11,192	\$ 5,706	\$ (7,937)	10	\$ (271)	\$ 8,690

(in millions, except per share data)	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance at December 31, 2018	688	\$ —	\$ 11,671	\$ 10,039	\$ (7,825)	8	\$ (198)	\$ 13,687
Net income	—	—	—	730	—	—	—	730
Dividends declared	—	—	—	(232)	—	—	—	(232)
Other comprehensive income	—	—	—	—	59	—	—	59
Shares of common stock issued and compensation expense associated with equity awards (Treasury shares withheld for payment of taxes, \$49.75 ⁽¹⁾ per share)	2	—	27	—	—	1	(35)	(8)
Stock purchased and retired	(26)	—	(444)	(881)	—	—	—	(1,325)
Balance at March 31, 2019	664	\$ —	\$ 11,254	\$ 9,656	\$ (7,766)	9	\$ (233)	\$ 12,911
Net income	—	—	—	1,443	—	—	—	1,443
Dividends declared	—	—	—	(229)	—	—	—	(229)
Other comprehensive income	—	—	—	—	72	—	—	72
Shares of common stock issued and compensation expense associated with equity awards (Treasury shares withheld for payment of taxes, \$55.06 ⁽¹⁾ per share)	—	—	31	—	—	—	(2)	29
Stock purchased and retired	(5)	—	(84)	(184)	—	—	—	(268)
Balance at June 30, 2019	659	\$ —	\$ 11,201	\$ 10,686	\$ (7,694)	9	\$ (235)	\$ 13,958

⁽¹⁾ Weighted average price per share.

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

DELTA AIR LINES, INC.
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of Delta Air Lines, Inc. and our consolidated subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information. Consistent with these requirements, this Form 10-Q does not include all the information required by GAAP for complete financial statements. As a result, this Form 10-Q should be read in conjunction with the Consolidated Financial Statements and accompanying Notes in our Form 10-K for the year ended December 31, 2019.

Management believes the accompanying unaudited Condensed Consolidated Financial Statements reflect all adjustments, including normal recurring items, considered necessary for a fair statement of results for the interim periods presented.

Due to severe impacts from the global COVID-19 (coronavirus) pandemic, seasonal variations in the demand for air travel, the volatility of aircraft fuel prices and other factors, operating results for the three and six months ended June 30, 2020 are not necessarily indicative of operating results for the entire year.

We reclassified certain prior period amounts to conform to the current period presentation. Unless otherwise noted, all amounts disclosed are stated before consideration of income taxes.

Recent Accounting Standards

Credit Losses. In 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, "Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." Under this ASU, an entity is required to utilize an "expected credit loss model" on certain financial instruments, including trade and financing receivables. This model requires consideration of a broader range of reasonable and supportable information and requires an entity to estimate expected credit losses over the lifetime of the asset. We adopted this standard effective January 1, 2020 and due to the COVID-19 pandemic, we recorded reserves on certain receivables, which are discussed further in Note 5, "Investments."

NOTE 2. IMPACT OF THE COVID-19 PANDEMIC

The unprecedented and rapid spread of COVID-19 and the related travel restrictions and social distancing measures implemented throughout the world have significantly reduced demand for air travel. After initially impacting our service to China beginning in January, the spread of the virus and the resulting global pandemic next affected the majority of our international network and ultimately has significantly affected our domestic network. Beginning in March, large public events were cancelled, governmental authorities began imposing restrictions on non-essential activities, businesses suspended travel and popular leisure destinations temporarily closed to visitors. Certain countries that are key markets for our business have imposed bans on international travelers for specified periods or indefinitely.

As a result, demand for travel declined at a rapid pace and has remained depressed, which has had an unprecedented and materially adverse impact on our revenues and financial position. Although demand improved through the quarter, it remains significantly below the prior year. The exact timing and pace of the recovery are uncertain as certain markets have reopened, some of which have since experienced a resurgence of COVID-19 cases, while others, particularly international markets, remain closed or are enforcing extended quarantines for most U.S. residents. Additionally, some states have instituted travel restrictions or advisories for travelers from other states. Our forecasted expense and liquidity management initiatives may be modified as the demand environment evolves.

In response to these developments, beginning in March and continuing throughout the June 2020 quarter, we have implemented enhanced measures focusing on the safety of our customers and employees, while at the same time seeking to mitigate the impact on our financial position and operations.

Taking Care of our Customers and Employees. The safety of our customers and employees is our primary focus. As the COVID-19 pandemic has progressed, we have taken numerous steps to help promote the safety of our customers and employees on the ground and in the air in keeping with current health-expert recommendations, including:

- Adopting new cleaning procedures on all flights, including disinfectant electrostatic spraying on aircraft and sanitizing high-touch areas like tray tables, entertainment screens, armrests and seat-back pockets before each flight.
- Taking steps to help employees and customers practice social distancing and promote safety, including:
 - Creating a Global Cleanliness Division to ensure a consistently safe and sanitized experience across our facilities and aircraft.
 - Requiring all customers and customer-facing employees to wear masks.
 - Blocking middle seats and capping load factor at 60% throughout our aircraft through at least September 30, 2020.
 - Modifying our boarding and deplaning processes, while providing food and beverage service that is designed to reduce physical touch points.
 - Installing plexiglass shields at all Delta check-in counters, Delta Sky Clubs and gate counters across the U.S. as well as adding social distance markers in the check-in lobby, Delta Sky Clubs, at the gate and throughout the jetbridge.
 - Implementing significant workforce social distancing and protection measures, including reconfiguring call center spaces to promote social distancing, increasing cleaning and disinfecting of our facilities and having virtually all employees who can telecommute do so.
- Giving customers flexibility to plan, re-book and travel including extending expiration on travel credits through September 2022. Additionally, we are extending 2020 Medallion Status an additional year, rolling Medallion Qualification Miles into 2021 and extending Delta SkyMiles American Express Card benefits and Delta Sky Club memberships.
- Offering pay protection to employees who have been diagnosed with COVID-19, who must quarantine due to exposure to COVID-19 or who have self-identified as being at high-risk for illness from COVID-19 according to the Centers for Disease Control and Prevention ("CDC") guidelines and do not have the ability to telecommute (through July 31 for high-risk individuals).
- Beginning in June 2020, onsite COVID-19 testing became available for employees in select Delta hubs. Testing began in our Atlanta and Minneapolis hubs and is expanding through the September 2020 quarter, with the expectation that all employees will be tested.

Capacity Reductions. Beginning in the second half of March, we experienced a precipitous decrease in demand as COVID-19 spread throughout the world. We significantly reduced our system capacity to a level that maintained essential services to align capacity with expected demand. For the June 2020 quarter, system capacity was reduced 85% compared to the June 2019 quarter, with international capacity reduced by 94% and domestic flying reduced by 80%. For the September 2020 quarter, system capacity is expected to be down approximately 60% compared to the September 2019 quarter, with international capacity to be reduced approximately 80% and domestic capacity to be reduced approximately 50%. As a result of reduced demand expectations and lower capacity in the September 2020 quarter and beyond, we have parked approximately 50% of our fleet, including the permanent retirement of certain aircraft, as discussed further below.

Expense Management. In response to the reduction in revenue, we have implemented, and will continue to implement, cost saving initiatives, including:

- Reducing capacity as described above to align with expected demand, which has resulted in parking approximately 600 aircraft as of June 30, 2020. In the June 2020 quarter we retired our MD-90 fleet, seven 767-300ER aircraft and 10 A320 aircraft and will retire our 777 and 737-700 fleets by October 2020. These retirement decisions follow the March 2020 quarter decision to accelerate the retirement of our MD-88 fleet from December 2020 to June 2020.
- Consolidating our footprint at our airport facilities, including temporarily closing most Delta Sky Clubs.
- Reducing employee-related costs, including:
 - Voluntary unpaid leaves of 30 days to 12 months offered to most employees. Approximately 45,000 of our employees have taken or have volunteered to take voluntary leaves.
 - Offering employees early retirement and voluntary separation programs, with most departures scheduled for August 1, 2020. The enrollment period for these programs will close in July 2020. See Note 8, "Employee Benefit Plans," for additional information.
 - Pilots are also eligible for an early retirement program, however, separation dates will be based on training and staffing requirements.

- Salary reductions of 50% for our officers and, with respect to our director level employees through the June 2020 quarter, 25%. Beginning in the September 2020 quarter, a 25% reduction in work hours has been implemented for our director level employees, consistent with the 25% reduction in work hours for all other management and most front-line employee work groups.
- Instituting a company-wide hiring freeze.
- Delaying non-essential maintenance projects and eliminating nearly all other discretionary spending.

Balance Sheet, Cash Flow and Liquidity. Our cash, cash equivalents, short-term investments and aggregate principal amount committed and available to be drawn under our revolving credit facilities balance ("liquidity") as of June 30, 2020 was \$15.7 billion as a result of the following actions to increase liquidity and strength our financial position during the six months ended June 30, 2020:

- Reducing planned capital expenditures by approximately \$3.5 billion for the year, including working with original equipment manufacturers ("OEM") to optimize the timing of our future aircraft deliveries, delaying aircraft modifications and postponing certain information technology initiatives and replacement of ground equipment.
- Receiving \$4.9 billion as part of the CARES Act payroll support program as described below.
- Obtaining financing through the following actions:
 - Drawing \$3.0 billion from our previously undrawn revolving credit facilities. We have extended the maturity for \$1.3 billion of these borrowings from April 2021 to April 2022 and also secured \$2.7 billion of these borrowings with our Pacific route authorities and certain related assets.
 - Entering into a \$3.0 billion 364-day secured term loan facility.
 - Entering into \$2.8 billion of sale-leaseback transactions as described below.
 - Issuing \$3.5 billion of senior secured notes and entering into a \$1.5 billion term loan, both of which are secured by certain slots, gates and routes.
 - Issuing \$1.3 billion of unsecured notes.
 - Completing \$1.4 billion in transactions secured by aircraft, including EETC issuances and aircraft loans.
- Amending our credit facilities to replace fixed charge coverage ratio covenants with liquidity-based covenants.
- Suspending share repurchases and dividends.
- Postponing \$500 million of planned voluntary pension funding.

We continue to evaluate leveraging our unencumbered assets to pursue future financing opportunities and our possible participation in the CARES Act loan program, discussed below.

In response to the impact that the demand environment has had on our financial condition, our credit rating has been downgraded by Standard & Poor's to BB in March 2020 and by Fitch to BB+ in April 2020. Our credit rating from Moody's remains Baa3.

Our primary credit facilities have various financial and other covenants that require us to maintain a minimum liquidity ratio and a minimum collateral coverage ratio. The minimum liquidity ratio replaced the fixed charge coverage ratio previously in the facilities as part of the amendments we completed in June 2020. We expect to remain in compliance with these and other covenants in our debt agreements.

See Note 7, "Debt," and the sale-leaseback transactions section in this footnote for more information on our financing activities during the six months ended June 30, 2020.

Valuation of Goodwill and Indefinite-Lived Intangibles

We apply a fair value-based impairment test to the carrying value of goodwill and indefinite-lived intangible assets on an annual basis (as of October 1) and, if certain events or circumstances indicate that an impairment loss may have been incurred, on an interim basis. Our December 2019 quarter quantitative impairment tests of goodwill and intangibles concluded that there was no indication of impairment as the fair value exceeded our carrying value:

(in millions)	Carrying Value at		Fair Value Excess at 2019 Testing Date
	June 30, 2020	December 31, 2019	
Goodwill ⁽¹⁾	\$ 9,753	\$ 9,781	234%
International routes and slots	2,583	2,583	15% to 29%
Airline alliances ⁽²⁾	1,863	1,005	67% to 576%
Delta tradename	850	850	185%
Domestic slots	622	622	61% to 181%
Total	\$ 15,671	\$ 14,841	

⁽¹⁾ The reduction in goodwill relates to the combination of Delta Private Jets with Wheels Up in the March 2020 quarter. See Note 5, "Investments," for more information on this transaction.

⁽²⁾ As part of our strategic alliance with and investment in LATAM Airlines Group S.A. ("LATAM"), we have recorded an alliance-related indefinite-lived intangible asset of \$1.2 billion, which was not reflected in the 2019 quantitative impairment assessment. See Note 5, "Investments," for more information on this transaction.

Despite the significant excess fair value identified in our 2019 impairment assessment, we determined that the reduced cash flow projections and the significant decline in Delta's market capitalization as a result of the COVID-19 pandemic indicate that an impairment loss may have been incurred. Therefore, we qualitatively assessed whether it was more likely than not that the goodwill and indefinite-lived intangible assets were impaired as of June 30, 2020. We reviewed our previous forecasts and assumptions based on our current projections that are subject to various risks and uncertainties, including: (1) forecasted revenues, expenses and cash flows, including the duration and extent of impact to our business and our alliance partners from the COVID-19 pandemic, (2) current discount rates, (3) the reduction in Delta's market capitalization, (4) observable market transactions, (5) changes to the regulatory environment and (6) the nature and amount of government support that has been and is expected to be provided in the future.

Based on our interim impairment assessment as of June 30, 2020, we have determined that our goodwill and indefinite-lived intangible assets are not impaired. However, we are unable to predict how long these conditions will persist, what additional measures may be introduced by governments or private parties or what effect any such additional measures may have on air travel and our business. Any measure that requires or encourages potential travelers to stay in their homes, engage in social distancing or avoid larger gatherings of people is highly likely to be harmful to the air travel industry in general, and consequently our business. We expect any traveler wariness of airports and commercial aircraft to have a similar effect.

Valuation of Long-Lived Assets

Our flight equipment and other long-lived assets, which are classified as property and equipment, net on our Consolidated Balance Sheet ("balance sheet"), have a recorded value of \$28.5 billion at June 30, 2020. We review flight equipment and other long-lived assets used in operations for impairment losses when events and circumstances indicate the assets may be impaired.

As part of our capacity reductions related to the negative effect on our business from the COVID-19 pandemic, we have removed approximately 600 aircraft from active service as of June 30, 2020. Other than the MD-88, MD-90, 777 and 737-700 fleets and certain of our 767-300ER and A320 aircraft, which we have retired or are in the process of retiring, the aircraft removed from service are being temporarily parked.

In the March 2020 quarter we recorded an impairment charge of \$22 million related to the MD-88 fleet. In the June 2020 quarter we recorded impairment charges of \$1.4 billion related to the 777 fleet, \$330 million related to the MD-90 fleet, \$220 million related to the 737-700 fleet, \$180 million related to the seven retired 767-300ER aircraft and \$60 million related to the ten retired A320 aircraft in restructuring charges in our Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income ("income statement"). These impairment charges were calculated using Level 3 fair value inputs based primarily upon forecasted future cash flows, recent market transactions, published pricing guides and our assessment of existing market conditions based on industry knowledge. Following the impairment charges, the remaining cumulative net book value for these aircraft is \$370 million.

To determine whether impairments exist for active and temporarily parked aircraft, we group assets at the fleet-type level or at the contract level for aircraft operated by regional carriers (i.e., the lowest level for which there are identifiable cash flows) and then estimate future cash flows based on projections of capacity, passenger mile yield, fuel and labor costs and other relevant factors. Given the substantial reduction in our active aircraft and diminished projections of future cash flows in the near term, we evaluated the remainder of our fleet and determined that only the fleet-types discussed above were impaired as the future cash flows from operation of the fleet through the respective retirement dates exceeded the carrying value. As we obtain greater clarity about the duration and extent of reduced demand and potentially execute further capacity adjustments, we will continue to evaluate our current fleet compared to network requirements and may decide to permanently retire additional aircraft.

See Note 5, "Investments," for information on the valuation of our equity investments.

CARES Act

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") into law. The CARES Act is a relief package intended to assist many aspects of the American economy, including providing the airline industry with up to \$25 billion in grants to be used for employee wages, salaries and benefits.

In April 2020, we entered into an agreement with the U.S. Department of the Treasury to receive \$5.4 billion in emergency relief through the CARES Act payroll support program to be paid in installments through July 2020. The relief payments are conditioned on our agreement to refrain from conducting involuntary employee layoffs or furloughs through September 30, 2020. Other conditions include prohibitions on share repurchases and dividends through September 30, 2021, continuing essential air service as directed by the U.S. Department of Transportation and certain limitations on executive compensation. The relief payments include \$3.8 billion in a grant and \$1.6 billion in an unsecured 10-year low interest loan. The loan bears interest at an annual rate of 1.00% for the first five years (through April 2025) and the Secured Overnight Financing Rate ("SOFR") plus 2.00% in the final five years. In return, we agreed to issue to the U.S. Department of the Treasury warrants to acquire over 6.5 million shares of Delta common stock. These warrants have an exercise price of \$24.39 per share and a five-year term.

The relative fair value of the warrants is recorded within stockholder's equity and as a discount reducing the carrying value of the loan which will be amortized as interest expense in our income statement over the term of the loan. The proceeds of the grant are recorded in cash and cash equivalents when received and will be recognized as contra-expense in CARES Act grant recognition in our income statement over the periods that the funds are intended to compensate, which is expected to be through the end of 2020.

In the June 2020 quarter, we received \$4.9 billion under the CARES Act payroll support program, which consists of \$3.5 billion in a grant and \$1.4 billion in an unsecured loan. The remaining amount will be received in July 2020. As of June 30, 2020, we recognized \$1.3 billion of the grant as contra-expense with the remaining \$2.2 billion recorded as a deferred contra-expense in other accrued liabilities on our balance sheet. We expect to recognize the remainder of the grant proceeds from the CARES Act payroll support program as contra-expense by the end of 2020. See Note 7, "Debt," for further discussion of the unsecured loans and warrants to acquire Delta shares issued under the CARES Act payroll support program.

The CARES Act also provides for up to \$25 billion in secured loans to the airline industry. We are eligible and have entered into a non-binding letter of intent to the U.S. Department of the Treasury for \$4.6 billion under the loan program. We have not decided if we will participate, and we have until September 30, 2020 to decide whether to participate in this program.

Finally, the CARES Act also provides for deferred payment of the employer portion of social security taxes through the end of 2020, with 50% of the deferred amount due December 31, 2021 and the remaining 50% due December 31, 2022. This is expected to provide us with approximately \$200 million of additional liquidity during the current year.

Sale-Leaseback Transactions

In the June 2020 quarter, we entered into \$2.8 billion of sale-leaseback transactions for 85 aircraft including 25 A321-200s, 25 A220-100s, 23 CRJ-900s, 10 737-900ERs and two A330-900s. Of these transactions, 74 did not qualify as a sale as they are finance leases or have an option to repurchase at a stated price. The assets associated with these transactions remain on our balance sheet within property and equipment, net and we recorded the related liabilities under the lease. These liabilities are classified within other accrued or other noncurrent liabilities on our balance sheet. These transactions are treated as financing inflows on the Condensed Consolidated Statements of Cash Flows ("cash flows statement").

The other 11 transactions qualified as sales, generating an immaterial loss, and the associated assets were removed from our balance sheet within property and equipment, net and recorded within operating lease right-of-use assets. The liabilities are recorded within current maturities of operating leases and noncurrent operating leases on our balance sheet. These transactions are treated as investing cash inflows on the cash flows statement.

NOTE 3. REVENUE RECOGNITION

Passenger Revenue

Passenger revenue is primarily composed of passenger ticket sales, loyalty travel awards and travel-related services performed in conjunction with a passenger's flight.

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Ticket	\$ 568	\$ 9,969	\$ 7,078	\$ 17,957
Loyalty travel awards	45	751	588	1,442
Travel-related services	65	648	581	1,223
Total passenger revenue	\$ 678	\$ 11,368	\$ 8,247	\$ 20,622

Ticket. We defer sales of passenger tickets to be flown by us or that we sell on behalf of other airlines in air traffic liability. Passenger revenue is recognized when we provide transportation or when ticket breakage occurs. For tickets that we sell on behalf of other airlines, we reduce the air traffic liability when consideration is remitted to those airlines. The air traffic liability primarily includes sales of passenger tickets to be flown in the future, as well as credits which can be applied as payment toward the cost of a ticket. The credits are typically issued as a result of ticket cancellations prior to their expiration dates.

Prior to April 2020, passenger tickets sold and credits issued were generally valid for one year from the date of original ticket issuance. In April 2020, we announced that credits issued for cancelled travel in March through September 2020 will have an extended expiration date through September 2022. This change shifted \$315 million of our air traffic liability to noncurrent in the June 2020 quarter, which represents our current estimate of tickets to be flown, as well as credits to be used, beyond one year. We will continue to monitor our customers' travel behavior and may adjust our estimates in the future.

The air traffic liability typically increases during the winter and spring months as advanced ticket sales grow prior to the summer peak travel season and decreases during the summer and fall months. However, the current reduction in demand for air travel due to the COVID-19 pandemic has resulted in an unprecedented low level of advance bookings and the associated cash received. We also began experiencing significant ticket cancellations in the second half of March, which has led to issuance of refunds to customers, while the remainder of cancellations have been rebooked on future flights or received credits in lieu of cash refunds. The total value of refunds, excluding taxes and related fees, issued to customers during the three and six months ended June 30, 2020 was approximately \$1.3 billion and \$2.1 billion, respectively.

We recognized approximately \$2.9 billion in passenger revenue during the six months ended June 30, 2020 that was recorded in our air traffic liability balance at December 31, 2019. Due to the uncertainty around the return of demand for air travel, we are unable to estimate the amount of the December 31, 2019 air traffic liability that will be recognized in earnings compared to amounts that will be refunded to customers or issued as a credit for future travel through the end of 2020.

Other Revenue

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Loyalty program	\$ 269	\$ 484	\$ 743	\$ 958
Ancillary businesses and refinery	390	330	613	699
Miscellaneous	23	168	196	351
Total other revenue	\$ 682	\$ 982	\$ 1,552	\$ 2,008

Loyalty Program. Our SkyMiles loyalty program generates customer loyalty by rewarding customers with incentives to travel on Delta. This program allows customers to earn mileage credits ("miles") by flying on Delta, Delta Connection and other airlines that participate in the loyalty program. When traveling, customers earn redeemable miles based on the passenger's loyalty program status and ticket price. Customers can also earn miles through participating companies such as credit card companies, hotels, car rental agencies and ridesharing companies. Miles are redeemable by customers in future periods for air travel on Delta and other participating airlines, membership in our Sky Club and other program awards. To facilitate transactions with participating companies, we sell miles to non-airline businesses, customers and other airlines. Our most significant contract to sell miles relates to our co-brand credit card relationship with American Express. During the six months ended June 30, 2020 and 2019, total cash sales from marketing agreements related to our loyalty program were \$1.5 billion and \$2.0 billion, respectively, which are allocated to travel and other performance obligations.

Current Activity of the Loyalty Program. Miles are combined in one homogeneous pool and are not separately identifiable. As such, the revenue is comprised of miles that were part of the loyalty program deferred revenue balance at the beginning of the period as well as miles that were issued during the period.

The table below presents the activity of the current and noncurrent loyalty program deferred revenue and includes miles earned through travel and miles sold to participating companies, which are primarily through marketing agreements.

(in millions)	2020	2019
Balance at January 1	\$ 6,728	\$ 6,641
Miles earned	872	1,542
Travel miles redeemed	(588)	(1,443)
Non-travel miles redeemed	(31)	(86)
Balance at June 30	\$ 6,981	\$ 6,654

The timing of mile redemptions can vary widely; however, the majority of new miles have historically been redeemed within two years. The loyalty program deferred revenue classified as a current liability represents our current estimate of revenue expected to be recognized in the next 12 months based on projected redemptions, while the balance classified as a noncurrent liability represents our current estimate of revenue expected to be recognized beyond 12 months. As a result of the COVID-19 pandemic, a larger portion of mile redemptions is projected to occur beyond 12 months and is therefore reflected as a noncurrent liability as of June 30, 2020. We will continue to monitor redemptions as the situation evolves.

Revenue by Geographic Region

Operating revenue for the airline segment is recognized in a specific geographic region based on the origin, flight path and destination of each flight segment. The majority of the revenues of the refinery, consisting of fuel sales to the airline, have been eliminated in the Condensed Consolidated Financial Statements. The remaining operating revenue for the refinery segment is included in the domestic region. Our passenger and operating revenue by geographic region is summarized in the following tables:

(in millions)	Passenger Revenue			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Domestic	\$ 564	\$ 8,093	\$ 6,165	\$ 14,834
Atlantic	64	1,873	882	2,947
Latin America	18	753	783	1,614
Pacific	32	649	417	1,227
Total	\$ 678	\$ 11,368	\$ 8,247	\$ 20,622

(in millions)	Operating Revenue			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Domestic	\$ 1,264	\$ 8,809	\$ 7,531	\$ 16,325
Atlantic	119	2,129	1,113	3,416
Latin America	26	831	889	1,800
Pacific	59	767	527	1,467
Total	\$ 1,468	\$ 12,536	\$ 10,060	\$ 23,008

NOTE 4. FAIR VALUE MEASUREMENTS

Assets (Liabilities) Measured at Fair Value on a Recurring Basis

(in millions)	June 30, 2020	Level 1	Level 2	Level 3
Cash equivalents	\$ 8,225	\$ 8,225	\$ —	\$ —
Restricted cash equivalents	452	452	—	—
Short-term investments				
U.S. Government securities	4,302	4,244	58	—
Long-term investments	1,384	924	226	234
Hedge derivatives, net				
Fuel hedge contracts	(6)	—	(6)	—
Interest rate contracts	26	—	26	—
Foreign currency exchange contracts	6	—	6	—

(in millions)	December 31, 2019	Level 1	Level 2
Cash equivalents	\$ 586	\$ 586	\$ —
Restricted cash equivalents	847	847	—
Long-term investments	1,099	881	218
Hedge derivatives, net			
Fuel hedge contracts	1	(1)	2
Interest rate contracts	61	—	61
Foreign currency exchange contracts	6	—	6

Cash Equivalents and Restricted Cash Equivalents. Cash equivalents generally consist of money market funds. Restricted cash equivalents generally consist of money market funds, time deposits, commercial paper and negotiable certificates of deposit, which primarily relate to proceeds from debt issued to finance a portion of the construction costs for our new terminal facilities at New York's LaGuardia Airport. The fair value of these cash equivalents is based on a market approach using prices generated by market transactions involving identical or comparable assets.

Short-Term Investments. The fair values of short-term investments are based on a market approach using industry standard valuation techniques that incorporate observable inputs such as quoted market prices, interest rates, benchmark curves, credit ratings of the security and other observable information.

Long-Term Investments. Our long-term investments that are measured at fair value primarily consist of equity investments, which are valued based on market prices or other observable transactions and inputs, and are recorded in equity investments on our balance sheet. As of June 30, 2020, our equity investment in Wheels Up is classified as Level 3 in the fair value hierarchy as its equity is not traded on a public exchange and our equity investments in LATAM and Grupo Aeroméxico are classified as Level 3 investments due to having recently entered into bankruptcy proceedings. See Note 5, "Investments," for further information on our equity investments.

Hedge Derivatives. A portion of our derivative contracts are negotiated over-the-counter with counterparties without going through a public exchange. Accordingly, our fair value assessments give consideration to the risk of counterparty default (as well as our own credit risk). Such contracts are classified as Level 2 within the fair value hierarchy. The remainder of our hedge contracts are comprised of futures contracts, which are traded on a public exchange. These contracts are classified within Level 1 of the fair value hierarchy.

- *Fuel Hedge Contracts.* Our fuel hedge portfolio consists of options, swaps and futures. Option and swap contracts are valued under income approaches using option pricing models and discounted cash flow models, respectively, based on data either readily observable in public markets, derived from public markets or provided by counterparties who regularly trade in public markets. Futures contracts and options on futures contracts are traded on a public exchange and valued based on quoted market prices.
- *Interest Rate Contracts.* Our interest rate derivatives are swap contracts, which are valued based on data readily observable in public markets.
- *Foreign Currency Exchange Contracts.* Our foreign currency derivatives consist of forward contracts and are valued based on data readily observable in public markets.

NOTE 5. INVESTMENTS

Short-Term Investments

At June 30, 2020, the estimated fair value of our short-term investments was \$4.3 billion, which approximates cost. These investments are expected to mature in one year or less. Actual maturities may differ from contractual maturities because certain issuers of the securities may have the right to retire certain of our investments without prepayment penalties.

Long-Term Investments

We have developed strategic relationships with a number of airlines and airline services companies through equity investments and other forms of cooperation and support. Our equity investments reinforce our commitment to these relationships and provide us with the ability to participate in strategic decision-making, often through representation on the board of directors of the investee.

LATAM. In January 2020, we acquired 20% of the shares of LATAM for \$1.9 billion, or \$16 per share, through a tender offer as part of our plan to enter into a strategic alliance with LATAM. In addition, to support the establishment of the strategic alliance, we agreed to make transition payments to LATAM totaling \$350 million, \$200 million of which was disbursed in 2019. The remaining \$150 million will be disbursed in equal quarterly payments through 2021, beginning in the September 2020 quarter. As part of our planned strategic alliance with LATAM, we also agreed to acquire four A350 aircraft from LATAM and assumed ten of LATAM's A350 purchase commitments with Airbus for deliveries through 2025.

The total consideration of \$2.3 billion, including the tender offer and the transition payments, was allocated in the March 2020 quarter to the shares (\$1.1 billion) and to the alliance-related indefinite-lived intangible asset (\$1.2 billion) based on their relative fair values. We expect to record the ten aircraft at cost upon delivery.

In May 2020, LATAM filed for bankruptcy under Chapter 11 of the United States bankruptcy code and, as part of LATAM's reorganization, we have terminated the purchase agreement for the four A350 aircraft from LATAM for a fee of \$62 million, which is recorded in restructuring charges in our income statement. While our ownership interest remains at 20%, we no longer have significant influence over LATAM and have discontinued accounting for the investment under the equity method in the June 2020 quarter. This investment is now accounted for at fair value.

During the June 2020 quarter, we eliminated our investment basis in LATAM and recorded expense of \$1.1 billion in impairments and equity method losses within non-operating expenses in our income statement. This charge reflects the recognition of both our 20% share of LATAM's March 2020 quarter losses (due to the timing of information available from LATAM) and the decline in our expected realizable value for LATAM's shares following its bankruptcy filing. The impairment charge for our investment in LATAM was calculated using Level 3 fair value inputs. We expect that no more than an immaterial amount will be distributed to current equity holders following the settlement of unsecured claims upon LATAM's emergence from bankruptcy.

In May 2020, we signed a trans-American joint venture agreement with LATAM that, subject to regulatory approvals, will combine our highly complementary route networks between North and South America, with the goal of providing customers with a seamless travel experience and industry-leading connectivity. In addition, we believe LATAM intends to request that the bankruptcy court approve the assumption of our strategic partnership agreement, which contributes to supporting the value of our \$1.2 billion alliance-related indefinite-lived intangible asset. We continue to believe this alliance will generate growth opportunities, building upon Delta's and LATAM's global footprint and joint ventures. See Note 2, "Impact of the COVID-19 Pandemic," for further discussion of our qualitative impairment assessment of indefinite-lived intangible assets.

Grupo Aeroméxico. In June 2020, Grupo Aeroméxico filed for bankruptcy under Chapter 11 of the United States bankruptcy code. We have a non-controlling 51% ownership interest in Grupo Aeroméxico, however Grupo Aeroméxico's corporate bylaws (as authorized by the Mexican Foreign Investment Commission) limit our voting interest to a maximum of 49%. Therefore, we accounted for our investment under the equity method prior to Grupo Aeroméxico's bankruptcy filing.

As a result of Grupo Aeroméxico's bankruptcy filing, while our ownership interest has not changed, we no longer have significant influence over Grupo Aeroméxico and have discontinued accounting for the investment under the equity method in the June 2020 quarter. This investment is now accounted for at fair value.

During the June 2020 quarter, we eliminated our investment basis in Grupo Aeroméxico and recorded expense of \$770 million in impairments and equity method losses within non-operating expenses in our income statement. This charge reflects the recognition of both our 51% share of Grupo Aeroméxico's June 2020 quarter losses and the decline in our expected realizable value for Grupo Aeroméxico's shares following its bankruptcy filing. The impairment charge for our investment in Grupo Aeroméxico was calculated using Level 3 fair value inputs. We expect that no more than an immaterial amount will be distributed to current equity holders following the settlement of unsecured claims upon Grupo Aeroméxico's emergence from bankruptcy.

In addition, in its bankruptcy proceeding, Grupo Aeroméxico has requested the bankruptcy court's approval to assume our joint cooperation agreement.

GOL. In 2019, we sold our ownership stake of GOL Linhas Aéreas Inteligentes, the parent company of VRG Linhas Aéreas (operating as GOL), and have ended our commercial agreements. Additionally, GOL has a \$300 million five-year term loan facility with third parties maturing in August 2020, which we have guaranteed. Based on market value at June 30, 2020, approximately 60% of our guaranty is secured by GOL's ownership interest in Smiles, GOL's publicly traded loyalty program. Because GOL remains in compliance with the terms of its loan facility, we have not recorded a liability for the full value of the term loan on our balance sheet as of June 30, 2020. However, as the COVID-19 pandemic continues to impact the global economy, there is an increased risk related to GOL's ability to repay this term loan, which may require our performance under this guaranty. Therefore, we recorded an immaterial reserve in other accrued liabilities on our balance sheet and restructuring charges in our income statement related to the decline in value of our security interest in GOL's Smiles shares compared to our guaranty of GOL's term loan.

Fair Value Investments

We account for the following investments at fair value on a recurring basis with adjustments to fair value recognized in gain/(loss) on investments within non-operating expense in our income statement. We recorded gains of \$8 million and losses of \$104 million on our fair value investments during the three and six months ended June 30, 2020, respectively. These results were driven by changes in stock prices, foreign currency fluctuations and other valuation techniques for investments in companies without publicly-traded shares.

(in millions)	Ownership Interest		Carrying Value	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Hanjin-KAL	15 %	10 %	\$ 588	\$ 205
Air France-KLM	9 %	9 %	170	418
China Eastern	3 %	3 %	166	258
Wheels Up	25 %	— %	234	—
Other investments			226	218
Total fair value investments			\$ 1,384	\$ 1,099

Wheels Up. In January 2020, we combined Delta Private Jets, our wholly owned subsidiary which provides private jet operations, with Wheels Up. Upon closing, we received a 27% equity stake in Wheels Up which we have elected to record using the fair value option as this is expected to better reflect the economics of our ownership interest. This transaction resulted in a gain of \$240 million which was recorded within miscellaneous, net in our income statement in the March 2020 quarter.

Equity Method Investments

We account for the investments listed below under the equity method of accounting.

(in millions)	Ownership Interest		Carrying Value	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Virgin Atlantic ⁽¹⁾	49 %	49 %	\$ —	\$ 375
Unifi (formerly AirCo)	49 %	49 %	143	142

⁽¹⁾ We have a non-controlling equity stake in Virgin Atlantic Limited, the parent company of Virgin Atlantic Airways, and similar non-controlling interests in certain affiliated Virgin Atlantic companies.

Virgin Atlantic. As a result of the COVID-19 pandemic and the resulting travel restrictions, Virgin Atlantic has incurred significant losses during 2020. In recording our 49% share in Virgin Atlantic's results during the six months ended June 30, 2020 and based on our review of Virgin Atlantic's financial projections, we have reduced the basis in our investment to zero and recorded expense of \$200 million in impairments and equity method losses within non-operating expense in our income statement. Under the equity method of accounting, we will track our share of Virgin Atlantic's future losses, but will not reflect our share of their results in our financial statements until such time that our share of their earnings eliminates the losses beyond our basis in the investment. We continue to monitor and support Virgin Atlantic's ongoing restructuring efforts.

Effective January 2020, we combined our separate transatlantic joint venture agreements with Air France-KLM and Virgin Atlantic into a single three-party transatlantic joint venture. Under the new agreement, certain measurement thresholds were reset from the previous joint venture with Virgin Atlantic, reducing the value we would have received over the original term. In consideration for this reduced value, we entered into a transition agreement with Virgin Atlantic, which would have resulted in payments to us in future periods. However, as of June 30, 2020, based on our assessment of collectibility, we do not have any assets or liabilities recorded on our balance sheet related to this transition agreement.

Unifi. Our share of Unifi's financial results is recorded in contracted services in our income statement as this entity is integral to the operations of our business. Based on discussions with Unifi's management and review of their liquidity and financial projections, we do not believe our investment is other than temporarily impaired as we have the intent and ability to retain this investment for a period of time sufficient to allow for anticipated recovery in value. However, we will continue to monitor the continuing effects of the pandemic and self-help measures Unifi executes.

Receivables from Investees and Business Partners

Based on our assessment of collectibility, we have recorded \$98 million of reserves against the outstanding receivables with Virgin Atlantic, Virgin Australia, LATAM, Grupo Aeroméxico and others reflecting our expected recoveries given their restructuring efforts or recent bankruptcy filings. In determining the appropriate amount to reserve, we also considered the valuation of and our ability to realize the value of any collateral associated with each receivable. The reserves are recorded within accounts receivable, net on our balance sheet and within restructuring charges in our income statement.

NOTE 6. DERIVATIVES AND RISK MANAGEMENT

Changes in fuel prices, interest rates and foreign currency exchange rates impact our results of operations. In an effort to manage our exposure to these risks, we enter into derivative contracts and adjust our derivative portfolio as market conditions change. We recognize derivative contracts at fair value on our balance sheet.

Cash flows associated with purchasing and settling hedge contracts generally are classified as operating cash flows.

Fuel Price Risk

Our derivative contracts to hedge the financial risk from changing fuel prices are primarily related to Monroe's inventory.

Interest Rate Risk

Our exposure to market risk from adverse changes in interest rates is primarily associated with our debt obligations. Market risk associated with our fixed and variable rate debt relates to the potential reduction in fair value and negative impact to future earnings, respectively, from an increase in interest rates.

In the March 2020 quarter, we unwound a majority of our interest rate swap contracts. The unwind of these contracts generated approximately \$100 million of cash in the March 2020 quarter. These gains are being reflected in our income statement over the remaining term of the related debt agreements.

Foreign Currency Exchange Risk

We are subject to foreign currency exchange rate risk because we have revenue, expense and equity investments denominated in foreign currencies. To manage exchange rate risk, we execute both our international revenue and expense transactions in the same foreign currency to the extent practicable. From time to time, we may also enter into foreign currency option and forward contracts.

Hedge Position as of June 30, 2020

(in millions)	Volume	Final Maturity Date	Prepaid Expenses and Other	Other Noncurrent Assets	Other Accrued Liabilities	Other Noncurrent Liabilities	Hedge Derivatives, net
<i>Designated as hedges</i>							
Interest rate contracts (fair value hedges)	150 U.S. dollars	April 2028	\$ 3	\$ 23	\$ —	\$ —	\$ 26
<i>Not designated as hedges</i>							
Foreign currency exchange contracts	238 Euros	December 2020	5	—	—	—	5
Foreign currency exchange contracts	177,045 South Korean won	April 2023	—	1	—	—	1
Fuel hedge contracts	245 gallons - crude oil and refined products	April 2021	7	—	(13)	—	(6)
Total derivative contracts			\$ 15	\$ 24	\$ (13)	\$ —	\$ 26

Hedge Position as of December 31, 2019

(in millions)	Volume	Final Maturity Date	Prepaid Expenses and Other	Other Noncurrent Assets	Other Accrued Liabilities	Other Noncurrent Liabilities	Hedge Derivatives, net
Designated as hedges							
Interest rate contracts (fair value hedges)	1,872 U.S. dollars	April 2028	\$ 12	\$ 53	\$ (4)	\$ —	\$ 61
Not designated as hedges							
Foreign currency exchange contracts	397 Euros	December 2020	9	—	—	—	9
Foreign currency exchange contracts	177,045 South Korean won	April 2023	1	—	—	(4)	(3)
Fuel hedge contracts	243 gallons - crude oil and refined products	July 2020	16	—	(15)	—	1
Total derivative contracts			\$ 38	\$ 53	\$ (19)	\$ (4)	\$ 68

Balance Sheet Location of Hedged Item in Fair Value Hedges

(in millions)	Carrying Amount of Hedge Instruments		Cumulative Amount of Fair Value Hedge Adjustments ⁽¹⁾	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Current maturities of debt and finance leases	\$ 21	\$ (19)	\$ 21	\$ 8
Debt and finance leases	\$ (53)	\$ (1,783)	\$ 96	\$ 53

⁽¹⁾ As of June 30, 2020, these amounts include the cumulative amount of fair value hedging adjustments remaining for which hedge accounting has been discontinued of approximately \$91 million.

Offsetting Assets and Liabilities

We have master netting arrangements with our counterparties giving us the right to offset hedge assets and liabilities. However, we have elected not to offset the fair value positions recorded on our balance sheet. The following table shows the net fair value of our counterparty positions had we elected to offset.

(in millions)	Prepaid Expenses and Other	Other Noncurrent Assets	Other Accrued Liabilities	Other Noncurrent Liabilities	Hedge Derivatives, net
June 30, 2020					
Net derivative contracts	\$ 8	\$ 24	\$ (6)	\$ —	\$ 26
December 31, 2019					
Net derivative contracts	\$ 24	\$ 53	\$ (5)	\$ (4)	\$ 68

Not Designated Hedge Gains (Losses)

Gains (losses) related to our foreign currency exchange and fuel hedge contracts are as follows:

	Location of Gain (Loss) Recognized in Income	Amount of Gain (Loss) Recognized in Income	
(in millions)		2020	2019
Three Months Ended June 30,			
Foreign currency exchange contracts	Gain/(loss) on investments, net	\$ (7)	\$ (3)
Fuel hedge contracts	Aircraft fuel and related taxes	(68)	19
Total		\$ (75)	\$ 16
Six Months Ended June 30,			
Foreign currency exchange contracts	Gain/(loss) on investments, net	\$ 1	\$ 7
Fuel hedge contracts	Aircraft fuel and related taxes	149	(36)
Total		\$ 150	\$ (29)

Credit Risk

To manage credit risk associated with our fuel price, interest rate and foreign currency hedging programs, we evaluate counterparties based on several criteria, including their credit ratings, and limit our exposure to any one counterparty.

NOTE 7. DEBT

The following table summarizes our debt:

(in millions)	Maturity Dates			Interest Rate(s) Per Annum at June 30, 2020			June 30, 2020	December 31, 2019
Unsecured notes	2020	to	2029	2.60%	to	7.38%	\$ 5,800	\$ 5,550
Unsecured CARES Act Payroll Support Program Loan	2030			1.00%			1,438	—
Financing arrangements secured by slots, gates and/or routes:								
2020 Senior Secured Notes	2025			7.00%			3,500	—
2020 Term Loan ⁽¹⁾⁽²⁾	2020	to	2023	5.75%			1,500	—
2018 Revolving Credit Facility ⁽¹⁾	2021	to	2023	3.75%			2,650	—
2020 Secured Term Loan Facility ⁽¹⁾	2021			2.43%	to	2.44%	2,950	—
Financing arrangements secured by aircraft:								
Certificates ⁽²⁾	2021	to	2028	2.00%	to	8.02%	2,731	1,669
Notes ⁽¹⁾⁽²⁾	2020	to	2025	0.91%	to	5.75%	1,146	1,193
NYTDC Special Facilities Revenue Bonds, Series 2018 ⁽²⁾	2022	to	2036	4.00%	to	5.00%	1,383	1,383
Other financings ⁽¹⁾⁽²⁾⁽³⁾	2021	to	2030	1.16%	to	8.75%	214	196
Other revolving credit facilities ⁽¹⁾	2021			1.93%	to	3.36%	270	—
Total secured and unsecured debt							23,582	9,991
Unamortized (discount)/premium and debt issue cost, net and other							(89)	115
Total debt							23,493	10,106
Less: current maturities							(4,954)	(2,054)
Total long-term debt							\$ 18,539	\$ 8,052

⁽¹⁾ Certain financings are comprised of variable rate debt. All variable rates are equal to LIBOR (generally subject to a floor) or another index rate, in each case plus a specified margin.

⁽²⁾ Due in installments.

⁽³⁾ Primarily includes unsecured bonds and debt secured by certain accounts receivable and real estate.

2020 Unsecured Notes

In June 2020, we issued \$1.3 billion in aggregate principal amount of 7.375% unsecured notes due 2026. The unsecured notes are equal in right of payment with our other unsubordinated indebtedness and senior in right of payment to future subordinated debt. The unsecured notes are subject to covenants that, among other things, limit our ability to incur liens securing indebtedness for borrowed money or finance leases and engage in mergers and consolidations or transfer all or substantially all of our assets, in each case subject to certain exceptions. The unsecured notes also contain event of default provisions consistent with those in our recent unsecured debt offerings.

Unsecured CARES Act Payroll Support Program Loan

In the June 2020 quarter, we entered into a promissory note for \$1.4 billion of the CARES Act payroll support program loan and issued warrants to acquire more than 5.9 million shares of Delta common stock under the program. We have recorded the value of the promissory note and warrants on a relative fair value basis as \$1.3 billion of noncurrent debt and \$100 million in additional paid in capital, respectively. We expect to enter into the final \$163 million installment of the promissory note and issue the related warrants in July 2020 in connection with receipt of the final payment under the payroll support program. See Note 2, "Impact of the COVID-19 Pandemic," for further discussion of the terms of the payroll support program loan.

2020 Senior Secured Notes and Term Loan

In April 2020, we issued \$3.5 billion of senior secured notes and entered into a \$1.5 billion term loan secured by certain slots, gates and routes. The senior secured notes bear interest at an annual rate of 7.00% and mature in May 2025. The term loan bears interest at a variable rate equal to LIBOR plus a specified margin and is subject to payments of 1% per year, payable quarterly beginning in September 2020, with the balance due in April 2023.

2020 Secured Term Loan Facility

In March 2020, we entered into a \$2.7 billion 364-day secured term loan facility ("the facility"), and we increased the borrowings thereunder to \$3.0 billion in April 2020. Borrowings under the facility are secured by certain aircraft. The facility also contains an accordion feature under which the aggregate commitment can be increased to \$4.0 billion upon our request, provided that the new lenders agree to the existing terms of the facility.

In the June 2020 quarter, the facility was amended to include a minimum liquidity covenant, as discussed further below.

2020-1 EETC

We completed a \$1.0 billion offering of Class AA and A Pass Through Certificates, Series 2020-1 ("2020-1 EETC") utilizing a pass through trust during March 2020. The proceeds of this issuance were used to pay the unsecured notes that matured in the March 2020 quarter. In April 2020, we issued an additional \$135 million of Class B certificates. The amounts of all 2020-1 EETC are included in Certificates in the table above. The details of the 2020-1 EETC, which is secured by 33 aircraft, are shown in the table below:

(in millions)	Total Principal	Fixed Interest Rate	Issuance Date	Final Maturity Date
2020-1 Class AA Certificates	\$ 796	2.00%	March 2020	June 2028
2020-1 Class A Certificates	204	2.50%	March 2020	June 2028
2020-1 Class B Certificates	135	8.00%	April 2020	June 2027
Total	\$ 1,135			

2019-1 EETC

In April 2020, we issued an additional \$108 million of certificates under the 2019-1 EETC offering initially completed in March 2019. The additional certificates were issued as 2019-1 Class B Certificates with a fixed interest rate of 8.00% and mature in April 2023.

2018 Revolving Credit Facility

In June 2020, we amended the 2018 revolving credit facility agreement ("Amended Revolving Credit Facility") to be secured by our Pacific route authorities and certain related assets. Additionally, the revolving credit facility was amended to extend the maturities of \$1.3 billion of the revolver previously due in April 2021 to April 2022 and to include a minimum liquidity covenant, as discussed further below.

Availability Under Revolving Facilities

During the March 2020 quarter, we drew \$3.0 billion on our revolving credit facilities. We have approximately \$39 million undrawn as of June 30, 2020. The amounts drawn are spread across several lines within the debt summary table above.

Fair Value of Debt

Market risk associated with our fixed- and variable-rate debt relates to the potential reduction in fair value and negative impact to future earnings, respectively, from an increase in interest rates. The fair value of debt, shown below, is principally based on reported market values, recently completed market transactions and estimates based on interest rates, maturities, credit risk and underlying collateral. Debt is primarily classified as Level 2 within the fair value hierarchy.

(in millions)	June 30, 2020	December 31, 2019
Net carrying amount	\$ 23,493	\$ 10,106
Fair value	\$ 22,900	\$ 10,400

Covenants

Our credit facilities contain affirmative, negative and financial covenants that, among other things, may restrict our ability to place liens on collateral, sell or otherwise dispose of assets if we are not in compliance with a collateral coverage ratio, and pay dividends or repurchase stock. These covenants also require us to maintain \$2.0 billion of minimum liquidity (defined as cash, cash equivalents, short-term investments and aggregate principal amount committed and available to be drawn under our revolving credit facilities).

We were in compliance with the covenants in our financing agreements at June 30, 2020.

NOTE 8. EMPLOYEE BENEFIT PLANS

The following table shows the components of net periodic (benefit) cost:

(in millions)	Pension Benefits		Other Postretirement and Postemployment Benefits	
	2020	2019	2020	2019
Three Months Ended June 30,				
Service cost	\$ —	\$ —	\$ 24	\$ 21
Interest cost	175	208	28	34
Expected return on plan assets	(343)	(296)	(11)	(12)
Amortization of prior service credit	—	—	(2)	(2)
Recognized net actuarial loss	74	72	10	9
Settlements	3	2	—	—
Net periodic (benefit) cost	\$ (91)	\$ (14)	\$ 49	\$ 50
Six Months Ended June 30,				
Service cost	\$ —	\$ —	\$ 48	\$ 42
Interest cost	351	417	56	68
Expected return on plan assets	(687)	(593)	(22)	(24)
Amortization of prior service credit	—	—	(4)	(5)
Recognized net actuarial loss	149	145	21	20
Settlements	3	2	—	—
Net periodic (benefit) cost	\$ (184)	\$ (29)	\$ 99	\$ 101

Service cost is recorded in salaries and related costs in our income statement while all other components are recorded within miscellaneous, net under non-operating expense.

We have no minimum funding requirements for our defined benefit pension plans. Due to the impact of the COVID-19 pandemic on our liquidity, we no longer plan to make any voluntary contributions during 2020.

During the June 2020 quarter, we announced voluntary early retirement and separation programs. These primarily apply to eligible U.S. merit, ground and flight attendant and pilot employees. The enrollment period for these programs will close in July 2020. Employees electing to participate in the retirement programs will be eligible for separation payments, continued healthcare benefits and certain participants will receive enhanced retiree healthcare benefits. As the election windows will close in the September 2020 quarter, we did not record any charges for these programs in the June 2020 quarter.

We currently estimate we will record a \$2.7 billion to \$3.3 billion charge associated with these programs during the September 2020 quarter. We anticipate that approximately \$500 million to \$600 million of this charge will result in cash payments to participants in the September 2020 quarter. Certain of the programs remain open and these represent our best estimates based on the employees who have signed up to date.

NOTE 9. COMMITMENTS AND CONTINGENCIES

Aircraft Purchase Commitments

We have committed to the future aircraft purchases reflected below. However, we are working with the OEMs to optimize the timing of our future aircraft deliveries. Our future aircraft purchase commitments totaled approximately \$14.2 billion at June 30, 2020:

(in millions)	Total
Six months ending December 31, 2020	\$ 2,350
2021	4,290
2022	3,070
2023	1,860
2024	980
Thereafter	1,690
Total	\$ 14,240

Our future aircraft purchase commitments included the following aircraft at June 30, 2020:

Aircraft Type	Purchase Commitments
A220-100	14
A220-300	50
A321-200	27
A321-200neo	100
A330-900neo ⁽¹⁾	32
A350-900	22
CRJ-900	4
Total	249

⁽¹⁾ Includes two A330-900neo lease commitments with one in each of 2020 and 2021.

LATAM A350 Commitments

We have assumed ten of LATAM's A350 purchase commitments from Airbus, with deliveries through 2025, which are included as purchase commitments in the table above. We had previously agreed to acquire four A350 aircraft from LATAM, but have terminated the purchase agreement for a fee of \$62 million during the June 2020 quarter. See Note 5, "Investments," for further information on our strategic alliance with LATAM.

Legal Contingencies

We are involved in various legal proceedings related to employment practices, environmental issues, antitrust matters and other matters concerning our business. We record liabilities for losses from legal proceedings when we determine that it is probable that the outcome in a legal proceeding will be unfavorable and the amount of loss can be reasonably estimated. Although the outcome of the legal proceedings in which we are involved cannot be predicted with certainty, we believe that the resolution of current matters will not have a material adverse effect on our Condensed Consolidated Financial Statements.

Credit Card Processing Agreements

Our VISA/MasterCard and American Express credit card processing agreements provide that no cash reserve ("Reserve") is required, and no withholding of payment related to receivables collected will occur, except in certain circumstances, including when we do not maintain a required level of liquidity as outlined in the merchant processing agreements. In circumstances in which the credit card processor can establish a Reserve or withhold payments, the amount of the Reserve or payments that may be withheld would be equal to the potential liability of the credit card processor for tickets purchased with VISA/MasterCard or American Express credit cards, as applicable, that had not yet been used for travel. We did not have a Reserve or an amount withheld as of June 30, 2020 or December 31, 2019.

Other Contingencies

General Indemnifications

We are the lessee under many commercial real estate leases. It is common in these transactions for us, as the lessee, to agree to indemnify the lessor and the lessor's related parties for tort, environmental and other liabilities that arise out of or relate to our use or occupancy of the leased premises. This type of indemnity would typically make us responsible to indemnified parties for liabilities arising out of the conduct of, among others, contractors, licensees and invitees at, or in connection with, the use or occupancy of the leased premises. This indemnity often extends to related liabilities arising from the negligence of the indemnified parties but usually excludes any liabilities caused by either their sole or gross negligence or their willful misconduct.

Our aircraft and other equipment lease and financing agreements typically contain provisions requiring us, as the lessee or obligor, to indemnify the other parties to those agreements, including certain of those parties' related persons, against virtually any liabilities that might arise from the use or operation of the aircraft or other equipment.

We believe that our insurance would cover most of our exposure to liabilities and related indemnities associated with the commercial real estate leases and aircraft and other equipment lease and financing agreements described above. While our insurance does not typically cover environmental liabilities, we have insurance policies in place as required by applicable environmental laws.

Some of our aircraft and other financing transactions include provisions that require us to make payments to preserve an expected economic return to the lenders if that economic return is diminished due to specified changes in laws or regulations. In some of these financing transactions, we also bear the risk of changes in tax laws that would subject payments to non-U.S. lenders to withholding taxes.

We cannot reasonably estimate our potential future payments under the indemnities and related provisions described above because we cannot predict (1) when and under what circumstances these provisions may be triggered and (2) the amount that would be payable if the provisions were triggered because the amounts would be based on facts and circumstances existing at such time.

Other

We have certain contracts for goods and services that require us to pay a penalty, acquire inventory specific to us or purchase contract-specific equipment, as defined by each respective contract, if we terminate the contract without cause prior to its expiration date. Because these obligations are contingent on our termination of the contract without cause prior to its expiration date, no obligation would exist unless such a termination occurs.

NOTE 10. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following tables show the components of accumulated other comprehensive loss:

(in millions)	Pension and Other Benefit Liabilities ⁽²⁾	Other ⁽³⁾	Total
Balance at January 1, 2020 (net of tax effect of \$1,549)	\$ (8,095)	\$ 106	\$ (7,989)
Changes in value (net of tax effect of \$4)	(6)	8	2
Reclassifications into earnings (net of tax effect of \$123) ⁽¹⁾	133	(83)	50
Balance at June 30, 2020 (net of tax effect of \$1,431)	\$ (7,968)	\$ 31	\$ (7,937)
Balance at January 1, 2019 (net of tax effect of \$1,492)	\$ (7,925)	\$ 100	\$ (7,825)
Changes in value (net of tax effect of \$2)	6	1	7
Reclassifications into earnings (net of tax effect of \$38) ⁽¹⁾	124	—	124
Balance at June 30, 2019 (net of tax effect of \$1,452)	\$ (7,795)	\$ 101	\$ (7,694)

⁽¹⁾ Amounts reclassified from AOCI for pension and other benefit liabilities and for derivative contracts designated as foreign currency cash flow hedges are recorded in miscellaneous, net in non-operating expense and in passenger revenue, respectively, in our income statement.

⁽²⁾ Includes \$755 million of deferred income tax expense primarily related to pension and other benefit obligations that will not be recognized in net income until these obligations are fully extinguished. We consider all income sources, including other comprehensive income, in determining the amount of tax benefit allocated to results from operations.

⁽³⁾ In June 2020, all remaining foreign currency hedges expired, and we recognized an \$83 million tax benefit which was released from AOCI.

NOTE 11. SEGMENTS

Refinery Operations

Our refinery segment operates for the benefit of the airline segment by providing jet fuel to the airline segment from its own production and through jet fuel obtained through agreements with third parties. The refinery's production consists of jet fuel, as well as non-jet fuel products. We use several counterparties to exchange the non-jet fuel products produced by the refinery for jet fuel consumed in our airline operations. The gross fair value of the products exchanged under these agreements during the three and six months ended June 30, 2020 was \$65 million and \$895 million, respectively, compared to \$1.1 billion and \$1.8 billion, respectively for the three and six months ended June 30, 2019.

Segment Reporting

Segment results are prepared based on our internal accounting methods described below, with reconciliations to consolidated amounts in accordance with GAAP. Our segments are not designed to measure operating income or loss directly related to the products and services included in each segment on a stand-alone basis.

(in millions)	Airline	Refinery	Intersegment Sales/Other	Consolidated
Three Months Ended June 30, 2020				
Operating revenue:	\$ 1,176	\$ 513		\$ 1,468
Sales to airline segment			\$ (3)	(1)
Exchanged products			(65)	(2)
Sales of refined products			(153)	(3)
Operating loss	(4,701)	(114)	—	(4,815)
Interest expense (income), net	196	(2)	—	194
Depreciation and amortization	591	25	(25)	(4) 591
Restructuring charges	2,454	—	—	2,454
Total assets, end of period	70,707	1,554	—	72,261
Capital expenditures	281	1	—	282
Three Months Ended June 30, 2019				
Operating revenue:	\$ 12,496	\$ 1,501		\$ 12,536
Sales to airline segment			\$ (307)	(1)
Exchanged products			(1,078)	(2)
Sales of refined products			(76)	(3)
Operating income	2,091	37	—	2,128
Interest expense (income), net	84	(9)	—	75
Depreciation and amortization	713	25	(25)	(4) 713
Total assets, end of period	60,685	1,833	—	62,518
Capital expenditures	1,552	8	—	1,560

(1) Represents transfers, valued on a market price basis, from the refinery to the airline segment for use in airline operations. We determine market price by reference to the market index for the primary delivery location, which is New York Harbor, for jet fuel from the refinery.

(2) Represents value of products delivered under our exchange agreements, as discussed above, determined on a market price basis.

(3) These sales were at or near cost; accordingly, the margin on these sales is de minimis.

(4) Refinery segment operating results, including depreciation and amortization, are included within aircraft fuel and related taxes in our income statement.

(in millions)	Airline	Refinery	Intersegment Sales/Other	Consolidated
Six Months Ended June 30, 2020				
Operating revenue:	\$ 9,768	\$ 1,697		\$ 10,060
Sales to airline segment			\$ (214) ⁽¹⁾	
Exchanged products			(895) ⁽²⁾	
Sales of refined products			(296) ⁽³⁾	
Operating loss	(5,140)	(85)	—	(5,225)
Interest expense (income), net	277	(4)	—	273
Depreciation and amortization	1,268	49	(49) ⁽⁴⁾	1,268
Restructuring charges	2,454	—	—	2,454
Capital expenditures	1,206	12	—	1,218
Six Months Ended June 30, 2019				
Operating revenue:	\$ 22,920	\$ 2,785		\$ 23,008
Sales to airline segment			\$ (578) ⁽¹⁾	
Exchanged products			(1,811) ⁽²⁾	
Sales of refined products			(308) ⁽³⁾	
Operating income	3,145	3	—	3,148
Interest expense (income), net	177	(19)	—	158
Depreciation and amortization	1,328	48	(48) ⁽⁴⁾	1,328
Capital expenditures	2,902	18	—	2,920

⁽¹⁾ Represents transfers, valued on a market price basis, from the refinery to the airline segment for use in airline operations. We determine market price by reference to the market index for the primary delivery location, which is New York Harbor, for jet fuel from the refinery.

⁽²⁾ Represents value of products delivered under our exchange agreements, as discussed above, determined on a market price basis.

⁽³⁾ These sales were at or near cost; accordingly, the margin on these sales is de minimis.

⁽⁴⁾ Refinery segment operating results, including depreciation and amortization, are included within aircraft fuel and related taxes in our income statement.

NOTE 12. (LOSS)/EARNINGS PER SHARE

We calculate basic (loss)/earnings per share and diluted (loss) per share by dividing net (loss)/income by the weighted average number of common shares outstanding, excluding restricted shares. We calculate diluted earnings per share by dividing net income by the weighted average number of common shares outstanding plus the dilutive effect of outstanding share-based awards, including stock options and restricted stock awards. Antidilutive common stock equivalents excluded from the diluted (loss)/earnings per share calculation are not material. The following table shows the computation of basic and diluted (loss)/earnings per share:

(in millions, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net (loss)/income	\$ (5,717)	\$ 1,443	\$ (6,251)	\$ 2,173
Basic weighted average shares outstanding	635	650	636	658
Dilutive effect of share-based awards	—	2	—	2
Diluted weighted average shares outstanding	635	652	636	660
Basic (loss)/earnings per share	\$ (9.01)	\$ 2.22	\$ (9.83)	\$ 3.30
Diluted (loss)/earnings per share	\$ (9.01)	\$ 2.21	\$ (9.83)	\$ 3.29

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes and other financial information included elsewhere in the Quarterly Report on Form 10-Q and our audited consolidated financial statements and related notes included in our 2019 Annual Report on Form 10-K.

Impact of the COVID-19 Pandemic

The unprecedented and rapid spread of COVID-19 and the related travel restrictions and social distancing measures implemented throughout the world have significantly reduced demand for air travel. After initially impacting our service to China beginning in January, the spread of the virus and the resulting global pandemic next affected the majority of our international network and ultimately has significantly affected our domestic network. Beginning in March, large public events were cancelled, governmental authorities began imposing restrictions on non-essential activities, businesses suspended travel and popular leisure destinations temporarily closed to visitors. Certain countries that are key markets for our business have imposed bans on international travelers for specified periods or indefinitely.

As a result, demand for travel declined at a rapid pace and has remained depressed, which has had an unprecedented and materially adverse impact on our revenues and financial position. Although demand improved through the quarter, it remains significantly below the prior year. The exact timing and pace of the recovery are uncertain as certain markets have reopened, some of which have since experienced a resurgence of COVID-19 cases, while others, particularly international markets, remain closed or are enforcing extended quarantines for most U.S. residents. Additionally, some states have instituted travel restrictions or advisories for travelers from other states. Our forecasted expense and liquidity management initiatives may be modified as the demand environment evolves.

In response to these developments, beginning in March and continuing throughout the June 2020 quarter, we have implemented enhanced measures focusing on the safety of our customers and employees, while at the same time seeking to mitigate the impact on our financial position and operations.

Taking Care of our Customers and Employees. The safety of our customers and employees is our primary focus. As the COVID-19 pandemic has progressed, we have taken numerous steps to help promote the safety of our customers and employees on the ground and in the air in keeping with current health-expert recommendations, including:

- Adopting new cleaning procedures on all flights, including disinfectant electrostatic spraying on aircraft and sanitizing high-touch areas like tray tables, entertainment screens, armrests and seat-back pockets before each flight.
- Taking steps to help employees and customers practice social distancing and promote safety, including:
 - Creating a Global Cleanliness Division to ensure a consistently safe and sanitized experience across our facilities and aircraft.
 - Requiring all customers and customer-facing employees to wear masks.
 - Blocking middle seats and capping load factor at 60% throughout our aircraft through at least September 30, 2020.
 - Modifying our boarding and deplaning processes, while providing food and beverage service that is designed to reduce physical touch points.
 - Installing plexiglass shields at all Delta check-in counters, Delta Sky Clubs and gate counters across the U.S. as well as adding social distance markers in the check-in lobby, Delta Sky Clubs, at the gate and throughout the jetbridge.
 - Implementing significant workforce social distancing and protection measures, including reconfiguring call center spaces to promote social distancing, increasing cleaning and disinfecting of our facilities and having virtually all employees who can telecommute do so.
- Giving customers flexibility to plan, re-book and travel including extending expiration on travel credits through September 2022. Additionally, we are extending 2020 Medallion Status an additional year, rolling Medallion Qualification Miles into 2021 and extending Delta SkyMiles American Express Card benefits and Delta Sky Club memberships.
- Offering pay protection to employees who have been diagnosed with COVID-19, who must quarantine due to exposure to COVID-19 or who have self-identified as being at high-risk for illness from COVID-19 according to the Centers for Disease Control and Prevention ("CDC") guidelines and do not have the ability to telecommute (through July 31 for high-risk individuals).

- Beginning in June 2020, onsite COVID-19 testing became available for employees in select Delta hubs. Testing began in our Atlanta and Minneapolis hubs and is expanding through the September 2020 quarter, with the expectation that all employees will be tested.

Capacity Reductions. Beginning in the second half of March, we experienced a precipitous decrease in demand as COVID-19 spread throughout the world. We significantly reduced our system capacity to a level that maintained essential services to align capacity with expected demand. For the June 2020 quarter, system capacity was reduced 85% compared to the June 2019 quarter, with international capacity reduced by 94% and domestic flying reduced by 80%. For the September 2020 quarter, system capacity is expected to be down approximately 60% compared to the September 2019 quarter, with international capacity to be reduced approximately 80% and domestic capacity to be reduced approximately 50%. As a result of reduced demand expectations and lower capacity in the September 2020 quarter and beyond, we have parked approximately 50% of our fleet, including the permanent retirement of certain aircraft, as discussed further below.

Expense Management. In response to the reduction in revenue, we have implemented, and will continue to implement, cost saving initiatives, including:

- Reducing capacity as described above to align with expected demand, which has resulted in parking approximately 600 aircraft as of June 30, 2020. In the June 2020 quarter we retired our MD-90 fleet, seven 767-300ER aircraft and 10 A320 aircraft and will retire our 777 and 737-700 fleets by October 2020. These retirement decisions follow the March 2020 quarter decision to accelerate the retirement of our MD-88 fleet from December 2020 to June 2020.
- Consolidating our footprint at our airport facilities, including temporarily closing most Delta Sky Clubs.
- Reducing employee-related costs, including:
 - Voluntary unpaid leaves of 30 days to 12 months offered to most employees. Approximately 45,000 of our employees have taken or have volunteered to take voluntary leaves.
 - Offering employees early retirement and voluntary separation programs, with most departures scheduled for August 1, 2020. The enrollment period for these programs will close in July 2020. See Note 8 of the Notes to the Condensed Consolidated Financial Statements for additional information.
 - Pilots are also eligible for an early retirement program, however, separation dates will be based on training and staffing requirements.
 - Salary reductions of 50% for our officers and, with respect to our director level employees through the June 2020 quarter, 25%. Beginning in the September 2020 quarter, a 25% reduction in work hours has been implemented for our director level employees, consistent with the 25% reduction in work hours for all other management and most front-line employee work groups.
 - Instituting a company-wide hiring freeze.
- Delaying non-essential maintenance projects and eliminating nearly all other discretionary spending.

Balance Sheet, Cash Flow and Liquidity. Our cash, cash equivalents, short-term investments and aggregate principal amount committed and available to be drawn under our revolving credit facilities balance ("liquidity") as of June 30, 2020 was \$15.7 billion as a result of the following actions to increase liquidity and strength our financial position during the six months ended June 30, 2020:

- Reducing planned capital expenditures by approximately \$3.5 billion for the year, including working with original equipment manufacturers ("OEM") to optimize the timing of our future aircraft deliveries, delaying aircraft modifications and postponing certain information technology initiatives and replacement of ground equipment.
- Receiving \$4.9 billion as part of the CARES Act payroll support program as described below.
- Obtaining financing through the following actions:
 - Drawing \$3.0 billion from our previously undrawn revolving credit facilities. We have extended the maturity for \$1.3 billion of these borrowings from April 2021 to April 2022 and also secured \$2.7 billion of these borrowings with our Pacific route authorities and certain related assets.
 - Entering into a \$3.0 billion 364-day secured term loan facility.
 - Entering into \$2.8 billion of sale-leaseback transactions.
 - Issuing \$3.5 billion of senior secured notes and entering into a \$1.5 billion term loan, both of which are secured by certain slots, gates and routes.
 - Issuing \$1.3 billion of unsecured notes.
 - Completing \$1.4 billion in transactions secured by aircraft, including EETC issuances and aircraft loans.
- Amending our credit facilities to replace fixed charge coverage ratio covenants with liquidity-based covenants.
- Suspending share repurchases and dividends.
- Postponing \$500 million of planned voluntary pension funding.

We continue to evaluate leveraging our unencumbered assets to pursue future financing opportunities and our possible participation in the CARES Act loan program, discussed below.

In response to the impact that the demand environment has had on our financial condition, our credit rating has been downgraded by Standard & Poor's to BB in March 2020 and by Fitch to BB+ in April 2020. Our credit rating from Moody's remains Baa3.

Our primary credit facilities have various financial and other covenants that require us to maintain a minimum liquidity ratio and a minimum collateral coverage ratio. The minimum liquidity ratio replaced the fixed charge coverage ratio previously in the facilities as part of the amendments we completed in June 2020. We expect to remain in compliance with these and other covenants in our debt agreements.

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") into law. The CARES Act is a relief package intended to assist many aspects of the American economy, including providing the airline industry with up to \$25 billion in grants to be used for employee wages, salaries and benefits.

In April 2020, we entered into an agreement with the U.S. Department of the Treasury to receive \$5.4 billion in emergency relief through the CARES Act payroll support program to be paid in installments through July 2020. The relief payments are conditioned on our agreement to refrain from conducting involuntary employee layoffs or furloughs through September 30, 2020. Other conditions include prohibitions on share repurchases and dividends through September 30, 2021, continuing essential air service as directed by the U.S. Department of Transportation and certain limitations on executive compensation. The relief payments include \$3.8 billion in a grant and \$1.6 billion in an unsecured 10-year low interest loan. The loan bears interest at an annual rate of 1.00% for the first five years (through April 2025) and the Secured Overnight Financing Rate ("SOFR") plus 2.00% in the final five years. In return, we agreed to issue to the U.S. Department of the Treasury warrants to acquire over 6.5 million shares of Delta common stock. These warrants have an exercise price of \$24.39 per share and a five-year term.

The relative fair value of the warrants is recorded within stockholder's equity and as a discount reducing the carrying value of the loan which will be amortized as interest expense in our income statement over the term of the loan. The proceeds of the grant are recorded in cash and cash equivalents when received and will be recognized as contra-expense in CARES Act grant recognition in our income statement over the periods that the funds are intended to compensate, which is expected to be through the end of 2020.

In the June 2020 quarter, we received \$4.9 billion under the CARES Act payroll support program, which consists of \$3.5 billion in a grant and \$1.4 billion in an unsecured loan. The remaining amount will be received in July 2020. As of June 30, 2020, we recognized \$1.3 billion of the grant as contra-expense with the remaining \$2.2 billion recorded as a deferred contra-expense in other accrued liabilities on our balance sheet. We expect to recognize the remainder of the grant proceeds from the CARES Act payroll support program as contra-expense by the end of 2020.

The CARES Act also provides for up to \$25 billion in secured loans to the airline industry. We are eligible and have entered into a non-binding letter of intent to the U.S. Department of the Treasury for \$4.6 billion under the loan program. We have not decided if we will participate, and we have until September 30, 2020 to decide whether to participate in this program.

Finally, the CARES Act also provides for deferred payment of the employer portion of social security taxes through the end of 2020, with 50% of the deferred amount due December 31, 2021 and the remaining 50% due December 31, 2022. This is expected to provide us with approximately \$200 million of additional liquidity during the current year.

June 2020 Quarter Financial Overview

Our pre-tax loss for the June 2020 quarter was \$7.0 billion, representing an \$8.9 billion decrease compared to the corresponding prior year quarter primarily resulting from an 88% decrease in revenue on the reduction in demand from the impact of the pandemic. Pre-tax loss, adjusted (a non-GAAP financial measure) was \$3.9 billion, a decrease of \$5.9 billion compared to the corresponding prior year period. Adjustments for the June 2020 quarter were primarily related to restructuring charges, CARES Act grant recognition and impairments and equity method losses.

Revenue. Compared to the June 2019 quarter, our operating revenue decreased \$11.1 billion, or 88%, due to reduced demand resulting from the COVID-19 pandemic.

Operating Expense. Total operating expense decreased \$4.1 billion, or 40%, compared to the prior year quarter, primarily resulting from lower volume-related expenses, including fuel. This decrease was achieved despite \$2.5 billion in restructuring charges which were partially offset by a \$1.3 billion contra-expense from the payroll support program grant. Total adjusted operating expense for the June quarter decreased \$5.5 billion, or 53%, compared to the June 2019 quarter.

Non-Operating Results. Total non-operating expense was \$2.2 billion in the June 2020 quarter, \$2.0 billion higher than the June 2019 quarter, primarily due to impairments and our proportionate share of our equity method investment losses related to our investments in LATAM, Grupo Aeroméxico and Virgin Atlantic.

Cash Flow. Losses during the quarter due to the COVID-19 pandemic resulted in operating activities using \$290 million. During the quarter, we incurred \$4.1 billion of investing cash outflows, primarily related to the purchase of short-term investments, ending the quarter with \$4.3 billion of short-term investments in addition to \$11.4 billion of cash and cash equivalents. These results generated \$21 million of negative free cash flow (a non-GAAP financial measure) compared to \$1.8 billion of free cash flow in the June 2019 quarter. Despite this negative free cash flow, we ended the June 2020 quarter with \$15.7 billion of liquidity due to proceeds from loans, debt issuances and sale-leaseback transactions, relief payments under the CARES Act payroll support program and other liquidity initiatives.

The above non-GAAP financial measures for pre-tax loss, adjusted, operating expenses, adjusted, and free cash flow are defined and reconciled in "Supplemental Information" below.

Results of Operations - Three Months Ended June 30, 2020 and 2019

Operating Revenue

(in millions) ⁽¹⁾	Three Months Ended June 30,		Increase (Decrease)	% Increase (Decrease)
	2020	2019		
Ticket - Main cabin	\$ 378	\$ 5,938	\$ (5,560)	(94) %
Ticket - Business cabin and premium products	190	4,031	(3,841)	(95) %
Loyalty travel awards	45	751	(706)	(94) %
Travel-related services	65	648	(583)	(90) %
Total passenger revenue	\$ 678	\$ 11,368	\$ (10,690)	(94) %
Cargo	108	186	(78)	(42) %
Other	682	982	(300)	(31) %
Total operating revenue	\$ 1,468	\$ 12,536	\$ (11,068)	(88) %
TRASM (cents)	13.85 ¢	17.47 ¢	(3.62) ¢	(21) %
Third-party refinery sales ⁽²⁾	(2.76)	(0.06)	(2.70)	NM
Delta Private Jets adjustment ⁽²⁾	—	(0.07)	0.07	NM
TRASM, adjusted	11.10 ¢	17.35 ¢	(6.25) ¢	(36) %

⁽¹⁾ This reconciliation may not calculate exactly due to rounding.

⁽²⁾ For additional information on adjustments to TRASM, see "Supplemental Information" below.

Operating Revenue

Compared to the June 2019 quarter, our operating revenue decreased \$11.1 billion, or 88%, due to reduced demand resulting from the COVID-19 pandemic. The decrease in operating revenue generated a 21% decrease in TRASM and a 36% decrease in TRASM, adjusted compared to the June 2019 quarter. The increase in third-party refinery sales resulted from the refinery's shift to producing more non-jet fuel products due to the decline in demand for jet fuel.

The length and severity of the reduction in travel demand due to the COVID-19 pandemic are uncertain. We expect these trends in revenue to continue until the global pandemic has moderated and demand for air travel returns.

Passenger Revenue by Geographic Region

(in millions)	Three Months Ended June 30, 2020	Increase (Decrease) vs. Three Months Ended June 30, 2019					
		Passenger Revenue	RPMs (Traffic)	ASMs (Capacity)	Passenger Mile Yield	PRASM	Load Factor
Domestic	\$ 564	(93) %	(92) %	(80) %	(9) %	(65) %	(55) pts
Atlantic	64	(97) %	(98) %	(95) %	49 %	(37) %	(50) pts
Latin America	18	(98) %	(98) %	(97) %	49 %	(30) %	(47) pts
Pacific	32	(95) %	(96) %	(90) %	29 %	(50) %	(52) pts
Total	\$ 678	(94) %	(94) %	(85) %	4 %	(60) %	(54) pts

Passenger revenue decreased \$10.7 billion, or 94%, compared to the June 2019 quarter. Passenger revenue per available seat mile ("PRASM") decreased 60%, and passenger mile yield increased 4% on 85% lower capacity. Load factor decreased 54 points from the prior year to 34%.

Domestic

Passenger unit revenue related to our domestic region for the June 2020 quarter decreased 65% with capacity down 80% compared to the prior year period. We are planning for incremental improvement to the demand environment to continue in the September 2020 quarter and beyond, though still significantly lower than the prior year period. Specifically, we are planning for our domestic capacity to be approximately 50% lower in the September 2020 quarter than the September 2019 quarter.

International

Passenger revenue related to our international regions decreased 97% year-over-year. The reductions in revenue and capacity discussed below were a result of reduced demand and government travel directives limiting or suspending air travel due to the spread of COVID-19. We expect this significantly lower demand environment to continue in the September 2020 quarter, and beyond, with improvement expected to lag behind the domestic recovery once government travel restrictions begin to lift and customer demand starts to return.

Atlantic. Unit revenue decreased 37% on a capacity reduction of 95% in the June 2020 quarter compared to the prior year period. We are planning for our capacity in the September 2020 quarter to be approximately 80% lower than the September 2019 quarter.

Latin America. Unit revenue decreased 30% on a capacity reduction of 97% in the June 2020 quarter compared to the prior year period. We are planning for our capacity in the September 2020 quarter to be approximately 80% lower than the September 2019 quarter. In May 2020, we signed a trans-American joint venture agreement with LATAM that, subject to regulatory approvals, will combine our highly complementary route networks between North and South America, with the goal of providing customers with a seamless travel experience and industry-leading connectivity. We continue to believe this alliance will generate growth opportunities, building upon Delta's and LATAM's global footprint and joint ventures. See Note 5 of the Notes to the Condensed Consolidated Financial Statements for additional information on our strategic alliance with LATAM and the impact of its recent bankruptcy filing.

Pacific. Unit revenue decreased 50% on a capacity reduction of 90% in the June 2020 quarter compared to the prior year period. We are planning for our capacity in the September 2020 quarter to be approximately 80% lower than the September 2019 quarter.

In each of these regions, we continue to monitor government travel directives and customer demand and will adjust flight schedules accordingly.

Other Revenue

(in millions)	Three Months Ended June 30,		Increase (Decrease)	% Increase (Decrease)
	2020	2019		
Loyalty program	\$ 269	\$ 484	\$ (215)	(44) %
Ancillary businesses and refinery	390	330	60	18 %
Miscellaneous	23	168	(145)	(86) %
Total other revenue	\$ 682	\$ 982	\$ (300)	(31) %

Loyalty Program. Loyalty program revenues relate to brand usage by third parties and other performance obligations embedded in miles sold, including redemption of miles for non-travel awards. These revenues are mainly driven by customer spend on American Express cards, which has experienced a decline in demand, although less severe than air travel, during the quarter.

Ancillary Businesses and Refinery. Ancillary businesses and refinery includes aircraft maintenance services we provide to third parties, our vacation wholesale operations and refinery sales to third parties. Refinery sales to third parties, which are at or near cost, increased \$252 million compared to the June 2019 quarter. The increase in third-party refinery sales resulted from the refinery's shift to producing more non-jet fuel products due to the decline in demand for jet fuel. The increase in refinery sales was partially offset by a \$105 million decline in revenue from aircraft maintenance services we provide to third parties, which decreased due to the reduction in flights operated worldwide. In addition, the June 2019 quarter results included \$49 million of revenue from Delta Private Jets, which was combined with Wheels Up in January 2020 and is no longer reflected in ancillary businesses and refinery.

Miscellaneous. Miscellaneous revenue is primarily composed of lounge access and codeshare revenues. The volume of these transactions has fallen compared to the June 2019 quarter due to the impact of, and our response to, the COVID-19 pandemic.

Operating Expense

(in millions)	Three Months Ended June 30,			
	2020	2019	Increase (Decrease)	% Increase (Decrease)
Salaries and related costs	\$ 2,086	\$ 2,752	\$ (666)	(24) %
Aircraft fuel and related taxes	372	2,291	(1,919)	(84) %
Regional carriers expense, excluding fuel	497	905	(408)	(45) %
Depreciation and amortization	591	713	(122)	(17) %
Contracted services	344	657	(313)	(48) %
Landing fees and other rents	350	442	(92)	(21) %
Ancillary businesses and refinery	401	316	85	27 %
Aircraft maintenance materials and outside repairs	43	434	(391)	(90) %
Passenger commissions and other selling expenses	45	538	(493)	(92) %
Passenger service	88	322	(234)	(73) %
Aircraft rent	96	107	(11)	(10) %
Restructuring charges	2,454	—	2,454	NM
CARES Act grant recognition	(1,280)	—	(1,280)	NM
Profit sharing	—	518	(518)	(100) %
Other	196	413	(217)	(53) %
Total operating expense	\$ 6,283	\$ 10,408	\$ (4,125)	(40) %

Salaries and Related Costs. The decrease in salaries and related costs is primarily due to actions taken as a result of decreased demand for air travel due to the COVID-19 pandemic. Beginning in March 2020, we instituted a hiring freeze, reduced salaries by 50% and 25% for our officer and director level employees, respectively, and reduced work hours by 25% for all other management and most front-line employee work groups. Beginning in the September 2020 quarter, the 25% work-hour reduction will apply to our director level employees in place of the 25% salary reduction. These aforementioned reductions will continue through the September 2020 quarter. Additionally, approximately 45,000 of our employees have taken or will be taking a voluntary unpaid leave of absence for periods ranging from 30 days up to 12 months. Also, during the June 2020 quarter, we announced voluntary separation programs primarily for eligible U.S. employees. As a result, we expect salaries and related costs to decline in future periods versus the comparable prior year period.

Aircraft Fuel and Related Taxes. Fuel expense decreased \$1.9 billion compared to the prior year quarter primarily due to an 85% decrease in consumption and an approximately 30% decrease in the market price per gallon of jet fuel. We expect consumption in future periods to decline versus the comparable prior year period, in line with the expected capacity reductions discussed above.

The table below shows the impact of hedging and the refinery on fuel expense and average price per gallon, adjusted (non-GAAP financial measures):

(in millions, except per gallon data) ⁽¹⁾	Three Months Ended June 30,			Average Price Per Gallon		
	2020			2020		
	2020	2019	Increase (Decrease)	2020	2019	Increase (Decrease)
Fuel purchase cost ⁽²⁾	\$ 244	\$ 2,318	\$ (2,075)	\$ 1.47	\$ 2.11	\$ (0.64)
Fuel hedge impact	14	10	5	0.09	—	0.09
Refinery segment impact	114	(37)	151	0.69	(0.03)	0.72
Total fuel expense	\$ 372	\$ 2,291	\$ (1,920)	\$ 2.25	\$ 2.08	\$ 0.17
MTM adjustments and settlements ⁽³⁾	(14)	(10)	(5)	(0.09)	(0.01)	(0.08)
Delta Private Jets adjustment ⁽⁴⁾	—	(8)	8	—	(0.01)	0.01
Total fuel expense, adjusted	\$ 357	\$ 2,274	\$ (1,916)	\$ 2.16	\$ 2.07	\$ 0.09

⁽¹⁾ This reconciliation may not calculate exactly due to rounding.

⁽²⁾ Market price for jet fuel at airport locations, including related taxes and transportation costs.

⁽³⁾ Mark-to-market ("MTM") adjustments and settlements include the effects of the derivative transactions disclosed in Note 6 of the Notes to the Condensed Consolidated Financial Statements. For additional information and the reason for adjusting fuel expense, see "Supplemental Information" below.

⁽⁴⁾ Because we combined Delta Private Jets with Wheels Up in January 2020, we have excluded the impact of Delta Private Jets from 2019 results for comparability.

Regional Carriers Expense, Excluding Fuel. The decrease in regional carriers expense is due to the decreased capacity and utilization of these carriers. We expect regional carriers expense to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Depreciation and Amortization. The decrease in depreciation and amortization is primarily due to aircraft that have been retired and thus no longer incur depreciation. Retirement of the MD-88 and MD-90 fleets, as well as 10 A320 and seven 767-300ER aircraft, was completed in the June 2020 quarter. The 777 and 737-700 fleets are expected to be retired by October 2020. Impairments related to the retirements of these fleets are reflected in restructuring charges, discussed below. See Note 2 of the Notes to the Condensed Consolidated Financial Statements for additional information about these fleet retirements. We expect depreciation and amortization expense to decline in future periods versus the comparable prior year period due to these retirements.

Contracted Services. The decrease in contracted services is due to reduced utilization of services resulting from the decreased capacity. We expect contracted services expense to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Landing Fees and Other Rents. A portion of our landing fees and other rents are variable in nature and are dependent on factors such as the number of departures. The decrease in landing fees and other rents is due to the reduction in capacity and number of flights operated during the June 2020 quarter. We expect landing fees and other rents to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Ancillary Businesses and Refinery. Ancillary businesses and refinery includes expenses associated with aircraft maintenance services we provide to third parties, our vacation wholesale operations and refinery sales to third parties. Increased expenses were primarily related to refinery sales to third parties, which are at or near cost. These refinery cost of sales increased \$252 million compared to the June 2019 quarter. Due to the decrease in demand for jet fuel, the refinery has shifted production to more non-jet fuel products, which is expected to increase the sales to third parties during the second half of 2020 compared to the prior year period. The increase in refinery costs was partially offset by lower expenses related to aircraft maintenance services we provide to third parties compared to the June 2019 quarter due to the reduction in flights operated worldwide. In addition, costs related to services performed by Delta Private Jets in the June 2019 quarter were recorded in ancillary businesses and refinery prior to the combination of that business with Wheels Up in January 2020.

Aircraft Maintenance Materials and Outside Repairs. The reduction in aircraft maintenance materials and outside repairs is a result of the reduction in capacity and the large number of aircraft we parked in the June 2020 quarter, as well as the initiative to delay non-essential maintenance projects.

Passenger Commissions and Other Selling Expenses. The decrease in passenger commissions and other selling expenses is primarily related to the significant reduction in demand for travel due to the impact of the COVID-19 pandemic. We expect passenger commissions and other selling expenses to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Passenger Service. The decrease in passenger service expenses is due to the decrease in the number of flights and passengers in the June 2020 quarter, which resulted in fewer passenger service expenses such as meals and catering. We expect passenger service expenses to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Restructuring Charges. Restructuring charges are composed of various expenses that resulted from the unprecedented impact on our business from the COVID-19 pandemic, including fleet impairment charges and reserves recognized on receivables. In the June 2020 quarter we recorded impairment charges of \$1.4 billion related to the 777 fleet, \$330 million related to the MD-90 fleet, \$220 million related to the 737-700 fleet, \$180 million related to the seven retired 767-300ER aircraft and \$60 million related to the 10 retired A320 aircraft. In the June 2020 quarter we recorded \$98 million of reserves against outstanding receivables from Virgin Atlantic, Virgin Australia, LATAM, Grupo Aeroméxico and others reflecting our expected recoveries given their restructuring efforts or recent bankruptcy filings.

CARES Act Grant Recognition. In April 2020, we entered into an agreement with the U.S. Department of the Treasury to receive \$5.4 billion in emergency relief through the CARES Act payroll support program to be paid in installments through July 2020. The relief payments include a grant of \$3.8 billion, of which we received \$3.5 billion in the June 2020 quarter, that is being recognized as a contra-expense over the periods that the funds are intended to compensate. We expect to recognize the remainder of the grant proceeds from the CARES Act payroll support program as contra-expense by the end of 2020.

Profit Sharing. Our profit sharing program pays 10% to all eligible employees for the first \$2.5 billion of annual profit and 20% of annual profit above \$2.5 billion. The decrease in profit sharing is due to the current expectations for a pre-tax loss in 2020 compared to expectations for pre-tax income in the June 2019 quarter.

Other. The decrease in other expense is primarily driven by lower volume-related costs resulting from the decreased capacity during the June 2020 quarter. We expect other expense to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Results of Operations - Six Months Ended June 30, 2020 and 2019

Operating Revenue

(in millions) ⁽¹⁾	Six Months Ended June 30,		Increase (Decrease)	% Increase (Decrease)
	2020	2019		
Ticket - Main cabin	\$ 4,173	\$ 10,659	\$ (6,486)	(61) %
Ticket - Business cabin and premium products	2,905	7,298	(4,393)	(60) %
Loyalty travel awards	588	1,442	(854)	(59) %
Travel-related services	581	1,223	(642)	(52) %
Total passenger revenue	\$ 8,247	\$ 20,622	\$ (12,375)	(60) %
Cargo	261	378	(117)	(31) %
Other	1,552	2,008	(456)	(23) %
Total operating revenue	\$ 10,060	\$ 23,008	\$ (12,948)	(56) %
TRASM (cents)	14.48 ¢	17.15 ¢	(2.67) ¢	(16) %
Third-party refinery sales ⁽²⁾	(0.42)	(0.07)	(0.35)	NM
Delta Private Jets adjustment ⁽²⁾	—	(0.07)	0.07	NM
TRASM, adjusted	14.06 ¢	17.01 ¢	(2.95) ¢	(17) %

⁽¹⁾ The reconciliation above may not calculate exactly due to rounding.

⁽²⁾ For additional information on adjustments to TRASM, see "Supplemental Information" below.

Operating Revenue

Compared to the six months ended June 30, 2019, our operating revenue decreased \$12.9 billion, or 56%, due to reduced demand resulting from the COVID-19 pandemic beginning in the second half of March 2020. The decrease in operating revenue generated a 16% decrease in TRASM and a 17% decrease in TRASM, adjusted compared to the six months ended June 30, 2019.

The length and severity of the reduction in travel demand due to the COVID-19 pandemic are uncertain. We expect these trends in revenue to continue until the global pandemic has moderated and demand for air travel returns.

Passenger Revenue by Geographic Region

(in millions)	Six Months Ended June 30, 2020	Increase (Decrease) vs. Six Months Ended June 30, 2019					
		Passenger Revenue	RPMs (Traffic)	ASMs (Capacity)	Passenger Mile Yield	PRASM	Load Factor
Domestic	\$ 6,165	(58) %	(57) %	(43) %	(4) %	(28) %	(21) pts
Atlantic	882	(70) %	(69) %	(62) %	(4) %	(20) %	(14) pts
Latin America	783	(52) %	(52) %	(47) %	1 %	(9) %	(8) pts
Pacific	417	(66) %	(67) %	(60) %	3 %	(15) %	(15) pts
Total	\$ 8,247	(60) %	(59) %	(48) %	(2) %	(23) %	(18) pts

Passenger revenue decreased \$12.4 billion, or 60%, compared to the six months ended June 30, 2019. PRASM decreased 23% and passenger mile yield decreased 2% on 48% lower capacity. Load factor decreased 18 points from the prior year period to 67%.

Domestic

Prior to the initial effects of the COVID-19 pandemic in March 2020, domestic results were strong with revenue nearly 10% higher than the prior year period. However, due to the decrease in customer demand beginning in March, passenger unit revenue related to our domestic region decreased 28% with capacity down 43% compared to the prior year period. We are planning for incremental improvement to the demand environment to continue in the September 2020 quarter and beyond, though still significantly lower than the prior year period.

International

Passenger revenue related to our international regions decreased 64% year-over-year. The reductions in revenue and capacity discussed below were a result of reduced demand and government travel directives limiting or suspending air travel due to the spread of COVID-19. We expect this significantly lower demand environment to continue in the September 2020 quarter, and beyond, with improvement expected to lag behind the domestic recovery once government travel restrictions begin to be lifted and customer demand starts to return.

Atlantic. Unit revenue decreased 20% on a capacity reduction of 62% in the six months ended June 30, 2020 compared to the prior year period.

Latin America. Unit revenue decreased 9% on a capacity reduction of 47% in the six months ended June 30, 2020 compared to the prior year period.

Pacific. Unit revenue decreased 15% on a capacity reduction of 60% in the six months ended June 30, 2020 compared to the prior year period. Also, as previously announced, in March 2020 we transferred our U.S.-Tokyo services from Narita to Haneda airport, Tokyo's preferred airport for corporate customers.

In each of these regions we continue to monitor government travel directives and customer demand and will adjust flight schedules accordingly.

Prior to the COVID-19 pandemic, we completed two transactions to further strengthen our international partnerships. In the Atlantic region, effective January 2020, we combined our separate transatlantic joint venture agreements with Air France-KLM and Virgin Atlantic into a single three-party transatlantic joint venture. This enhanced joint venture is designed to strengthen collaboration between the three airlines and is expected to provide customers with increased access to destinations across North America, the U.K. and Europe. In the Latin America region, in January 2020, we completed the tender offer to acquire 20% of the shares of LATAM as part of our plan to enter into a strategic alliance. Additionally, in the March 2020 quarter, we started codesharing for certain flights operated by LATAM. In May 2020, we signed a trans-American joint venture agreement with LATAM that, subject to regulatory approvals, will combine our highly complementary route networks between North and South America, with the goal of providing customers with a seamless travel experience and industry-leading connectivity. We continue to believe this alliance will generate growth opportunities, building upon Delta's and LATAM's global footprint and joint ventures. See Note 5 of the Notes to the Condensed Consolidated Financial Statements for additional information on our strategic alliance with LATAM and the impact of its recent bankruptcy filing.

Other Revenue

(in millions)	Six Months Ended June 30,		Increase (Decrease)	% Increase (Decrease)
	2020	2019		
Loyalty program	\$ 743	\$ 958	\$ (215)	(22) %
Ancillary businesses and refinery	613	699	(86)	(12) %
Miscellaneous	196	351	(155)	(44) %
Total other revenue	\$ 1,552	\$ 2,008	\$ (456)	(23) %

Loyalty Program. Loyalty program revenues relate to brand usage by third parties and other performance obligations embedded in miles sold, including redemption of miles for non-travel awards. These revenues are mainly driven by customer spend on American Express cards, which has experienced a decline in demand, although less severe than air travel.

Ancillary Businesses and Refinery. Ancillary businesses and refinery includes aircraft maintenance services we provide to third parties, our vacation wholesale operations and refinery sales to third parties. Refinery sales to third parties, which are at or near cost, increased \$203 million compared to the six months ended June 30, 2019. The increase in third-party refinery sales resulted from the refinery's shift to producing more non-jet fuel products due to the decline in demand for jet fuel. The increase in refinery sales was partially offset by a \$150 million decline in revenue from aircraft maintenance services we provide to third parties, which decreased due to the reduction in flights operated worldwide. In addition, the six months ended June 30, 2019 results also included \$100 million of revenue from Delta Private Jets, which was combined with Wheels Up in January 2020 and is no longer reflected in ancillary businesses and refinery.

Miscellaneous. Miscellaneous revenue is primarily composed of lounge access and codeshare revenues. The volume of these transactions has fallen compared to the six months ended June 30, 2019 due to the impact of, and our response to, the COVID-19 pandemic.

Operating Expense

(in millions)	Six Months Ended June 30,		Increase (Decrease)	% Increase (Decrease)
	2020	2019		
Salaries and related costs	\$ 4,858	\$ 5,391	\$ (533)	(10) %
Aircraft fuel and related taxes	1,967	4,269	(2,302)	(54) %
Regional carriers expense, excluding fuel	1,399	1,798	(399)	(22) %
Depreciation and amortization	1,268	1,328	(60)	(5) %
Contracted services	1,019	1,288	(269)	(21) %
Landing fees and other rents	817	861	(44)	(5) %
Ancillary businesses and refinery	620	667	(47)	(7) %
Aircraft maintenance materials and outside repairs	512	910	(398)	(44) %
Passenger commissions and other selling expenses	403	965	(562)	(58) %
Passenger service	345	593	(248)	(42) %
Aircraft rent	196	209	(13)	(6) %
Restructuring charges	2,454	—	2,454	NM
CARES Act grant recognition	(1,280)	—	(1,280)	NM
Profit sharing	—	739	(739)	(100) %
Other	707	842	(135)	(16) %
Total operating expense	\$ 15,285	\$ 19,860	\$ (4,575)	(23) %

Salaries and Related Costs. The decrease in salaries and related costs is primarily due to actions taken as a result of decreased demand for air travel due to the COVID-19 pandemic. Beginning in March 2020, we instituted a hiring freeze, reduced salaries by 50% and 25% for our officer and director level employees, respectively, and reduced work hours by 25% for all other management and most front-line employee work groups. Beginning in the September 2020 quarter, the 25% work-hour reduction will apply to our director level employees in place of the 25% salary reduction. These aforementioned reductions will continue through the September 2020 quarter. Additionally, approximately 45,000 of our employees have taken or will be taking a voluntary unpaid leave of absence for periods ranging from 30 days up to 12 months. Also, during the June 2020 quarter, we announced voluntary separation programs primarily for eligible U.S. employees. As a result, we expect salaries and related costs to decline in future periods versus the comparable prior year period.

Aircraft Fuel and Related Taxes. Fuel expense decreased \$2.3 billion compared to the prior year due to a 49% decrease in consumption and an approximately 13% decrease in the market price per gallon of jet fuel. We expect consumption to decline in future periods versus the comparable prior year period, in line with the expected capacity reductions discussed above.

The table below shows the impact of hedging and the refinery on fuel expense and average price per gallon, adjusted (non-GAAP financial measures):

(in millions, except per gallon data) (1)	Six Months Ended June 30,			Average Price Per Gallon		
	Six Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	Change	2020	2019	Change
Fuel purchase cost ⁽²⁾	\$ 1,875	\$ 4,255	\$ (2,380)	\$ 1.79	\$ 2.06	\$ (0.27)
Fuel hedge impact	7	17	(10)	0.01	0.01	—
Refinery segment impact	85	(3)	88	0.08	—	0.08
Total fuel expense	\$ 1,967	\$ 4,269	\$ (2,302)	\$ 1.88	\$ 2.07	\$ (0.19)
MTM adjustments and settlements ⁽³⁾	(7)	(17)	10	(0.01)	(0.01)	—
Delta Private Jets adjustment ⁽⁴⁾	—	(15)	15	—	(0.01)	0.01
Total fuel expense, adjusted	\$ 1,959	\$ 4,237	\$ (2,278)	\$ 1.87	\$ 2.06	\$ (0.19)

(1) This reconciliation may not calculate exactly due to rounding.

(2) Market price for jet fuel at airport locations, including related taxes and transportation costs.

(3) MTM adjustments and settlements include the effects of the derivative transactions disclosed in Note 6 of the Notes to the Condensed Consolidated Financial Statements. For additional information and the reason for adjusting fuel expense, see "Supplemental Information" below.

(4) Because we combined Delta Private Jets with Wheels Up in January 2020, we have excluded the impact of Delta Private Jets from 2019 results for comparability.

Regional Carriers Expense, Excluding Fuel. The decrease in regional carriers expense is due to the decreased capacity and utilization of these carriers. We expect regional carriers expense to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Depreciation and Amortization. The decrease in depreciation and amortization is primarily due to aircraft that have been retired and thus no longer incur depreciation. Retirement of the MD-88 and MD-90 fleets, as well as 10 A320 and seven 767-300ER aircraft, was completed in the June 2020 quarter. The 777 and 737-700 fleets are expected to be retired by October 2020. Impairments related to the retirements of these fleets are reflected in restructuring charges, discussed below. See Note 2 of the Notes to the Condensed Consolidated Financial Statements for additional information about these fleet retirements.

Contracted Services. The decrease in contracted services is due to reduced utilization of services resulting from the decreased capacity discussed above. We expect contracted services expense to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Ancillary Businesses and Refinery. Ancillary businesses and refinery includes expenses associated with aircraft maintenance services we provide to third parties, our vacation wholesale operations and refinery sales to third parties. The decrease in these expenses primarily related to a reduction in aircraft maintenance services we provide to third parties compared to the six months ended June 30, 2019 due to the reduction in flights operated worldwide. In addition, costs related to services performed by Delta Private Jets in the six months ended June 30, 2019 were recorded in ancillary businesses and refinery prior to the combination of that business with Wheels Up in January 2020. These decreases were partially offset by the cost of refinery sales to third parties, which are at or near cost. These refinery cost of sales increased \$203 million compared to the six months ended June 30, 2019. Due to the decrease in demand for jet fuel, the refinery has shifted production to more non-jet fuel products, which is expected to increase the sales to third parties during the second half of 2020 compared to the prior year period.

Aircraft Maintenance Materials and Outside Repairs. The reduction in aircraft maintenance materials and outside repairs is a result of the reduction in capacity and large number of aircraft we parked since the beginning of the year, as well as the initiative to delay non-essential maintenance projects.

Passenger Commissions and Other Selling Expenses. The decrease in passenger commissions and other selling expenses is primarily related to the significant reduction in demand for travel due to the impact of the COVID-19 pandemic. We expect passenger commissions and other selling expenses to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Passenger Service. The decrease in passenger service expenses is due to the decrease in the number of flights and passengers during the six months ended June 30, 2020, which resulted in fewer passenger service expenses such as meals and catering. We expect passenger service expenses to decline in future periods versus the comparable prior year period due to the capacity reductions discussed above.

Restructuring Charges. Restructuring charges are composed of various expenses that resulted from the unprecedented impact on our business from the COVID-19 pandemic, including fleet impairment charges and reserves recognized on receivables. In the June 2020 quarter we recorded impairment charges of \$1.4 billion related to the 777 fleet, \$330 million related to the MD-90 fleet, \$220 million related to the 737-700 fleet, \$180 million related to the seven retired 767-300ER aircraft and \$60 million related to the 10 retired A320 aircraft. In the June 2020 quarter we recorded \$98 million of reserves against outstanding receivables from Virgin Atlantic, Virgin Australia, LATAM, Grupo Aeroméxico and others reflecting our expected recoveries given their restructuring efforts or recent bankruptcy filings.

CARES Act Grant Recognition. In April 2020, we entered into an agreement with the U.S. Department of the Treasury to receive \$5.4 billion in emergency relief through the CARES Act payroll support program to be paid in installments through July 2020. The relief payments include a grant \$3.8 billion, of which we received \$3.5 billion in the June 2020 quarter, that is being recognized as a contra-expense over the periods that the funds are intended to compensate. We expect to recognize the remainder of the grant proceeds from the CARES Act payroll support program as contra-expense by the end of 2020.

Profit Sharing. Our profit sharing program pays 10% to all eligible employees for the first \$2.5 billion of annual profit and 20% of annual profit above \$2.5 billion. The decrease in profit sharing is due to the current expectations for a pre-tax loss in 2020 compared to expectations for pre-tax income during the six months ended June 30, 2019.

Other. The decrease in other expense is primarily driven by lower volume-related costs resulting from the decreased capacity during the six months ended June 30, 2020.

Non-Operating Results

(in millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	Favorable (Unfavorable)	2020	2019	Favorable (Unfavorable)
Interest expense, net	\$ (194)	\$ (75)	\$ (119)	\$ (273)	\$ (158)	\$ (115)
Impairments and equity method losses	(2,058)	(17)	(2,041)	(2,318)	(71)	(2,247)
Gain/(loss) on investments, net	8	(82)	90	(104)	18	(122)
Miscellaneous, net	45	(47)	92	299	(84)	383
Total non-operating expense, net	\$ (2,199)	\$ (221)	\$ (1,978)	\$ (2,396)	\$ (295)	\$ (2,101)

Interest expense. Interest expense increased compared to the prior year periods as a result of the financing arrangements entered into during the six months ended June 30, 2020. See Note 2 and Note 7 of the Notes to the Condensed Consolidated Financial Statements for additional information on recent financings. As our debt balance has increased, we expect interest expense to increase during the remainder of 2020 and the first half of 2021 compared to the prior year periods.

Impairments and equity method losses. Impairments and equity method losses reflects our share of LATAM and Grupo Aeroméxico's equity method results prior to their respective bankruptcy filings, our share of Virgin Atlantic's equity method results and the impairments reducing the basis of these investments to zero during the June 2020 quarter. See Note 5 of the Notes to the Condensed Consolidated Financial Statements for additional information on our equity investments.

Gain/(loss) on investments, net. Gain/(loss) on investments, net reflects the gains and losses on our equity investments measured at fair value on a recurring basis.

Miscellaneous. Miscellaneous, net includes pension and related expense and foreign exchange gains/losses. Foreign exchange gains/losses vary and impact the comparability of miscellaneous, net from period to period. The increase in the six months ended June 30, 2020 compared to the prior year period is primarily due to the \$240 million gain recognized as a result of the combination of Delta Private Jets with Wheels Up in January 2020.

Income Taxes

We project that our annual effective tax rate for 2020 will be between 15% and 18%. In certain interim periods, we may have adjustments to our net deferred tax liabilities as a result of changes in prior year estimates and tax laws enacted during the period, which will impact the effective tax rate for that interim period.

Refinery Segment

The refinery operated by our subsidiary Monroe Energy, LLC ("Monroe") primarily produces gasoline, diesel and jet fuel. Monroe exchanges the non-jet fuel products the refinery produces with third parties for jet fuel consumed in our airline operations. Historically, the jet fuel produced and procured through exchanging gasoline and diesel fuel produced by the refinery provided approximately 200,000 barrels per day, or approximately 75% of our consumption, for use in our airline operations. We believe that the jet fuel supply resulting from the refinery's operation contributes to reducing the market price of jet fuel and thus lowers our cost of jet fuel compared to what it otherwise would be.

The refinery's production has also been altered by the dramatic change in economic conditions caused by the COVID-19 pandemic. During 2020, the refinery expects to operate at 60% – 90% of normal production levels, largely due to the significant decrease in the demand for jet fuel. Additionally, due to the decrease in demand for jet fuel, we have shifted our production to produce more non-jet fuel products. Those non-jet fuel products will continue to be exchanged for jet fuel to the extent that we can balance refinery sales with jet fuel demand.

The refinery recorded operating revenue of \$513 million and \$1.7 billion in the three and six months ended June 30, 2020, compared to \$1.5 billion and \$2.8 billion in the three and six months ended June 30, 2019. As a result of the refinery's shift to producing more non-jet fuel products, operating revenue in the three months ended June 30, 2020 was primarily composed of \$153 million of non-jet fuel product sales and \$292 million of refinery sales to third parties. Operating revenue during the six months ended June 30, 2020 was primarily composed of \$895 million of non-jet fuel products exchanged with third parties to procure jet fuel, \$214 million of sales of jet fuel to the airline segment, and \$296 million of non-jet fuel product sales. Refinery revenues decreased compared to the prior year periods due to lower refinery run rates during the quarter, as well as lower pricing for refined products.

The refinery recorded operating losses of \$114 million and \$85 million in the three and six months ended June 30, 2020, compared to operating income of \$37 million and \$3 million in the three and six months ended June 30, 2019.

A refinery is subject to annual U.S. Environmental Protection Agency requirements to blend renewable fuels into the gasoline and on-road diesel fuel it produces. Alternatively, a refinery may purchase renewable energy credits, called Renewable Identification Numbers ("RINs"), from third parties in the secondary market. The Monroe refinery purchases the majority of its RINs requirement in the secondary market.

For more information regarding the refinery's results, see Note 11 of the Notes to the Condensed Consolidated Financial Statements.

Operating Statistics

Consolidated ⁽¹⁾	Three Months Ended June 30,		% Increase (Decrease)	Six Months Ended June 30,		% Increase (Decrease)
	2020	2019		2020	2019	
Revenue passenger miles (in millions)	3,621	63,173	(94) %	46,684	114,790	(59) %
Available seat miles (in millions)	10,596	71,754	(85) %	69,481	134,169	(48) %
Passenger mile yield	18.73 ¢	18.00 ¢	4 %	17.67 ¢	17.96 ¢	(2) %
PRASM	6.40 ¢	15.84 ¢	(60) %	11.87 ¢	15.37 ¢	(23) %
TRASM	13.85 ¢	17.47 ¢	(21) %	14.48 ¢	17.15 ¢	(16) %
TRASM, adjusted ⁽²⁾	11.10 ¢	17.35 ¢	(36) %	14.06 ¢	17.01 ¢	(17) %
CASM	59.30 ¢	14.51 ¢	NM	22.00 ¢	14.80 ¢	49 %
CASM-Ex ⁽²⁾	41.96 ¢	10.47 ¢	NM	17.06 ¢	10.95 ¢	56 %
Passenger load factor	34 %	88 %	(54) pts	67 %	86 %	(18) pts
Fuel gallons consumed (in millions)	165	1,099	(85) %	1,046	2,061	(49) %
Average price per fuel gallon ⁽³⁾	\$ 2.25	\$ 2.08	8 %	\$ 1.88	\$ 2.07	(9) %
Average price per fuel gallon, adjusted ⁽³⁾⁽⁴⁾	\$ 2.16	\$ 2.07	4 %	\$ 1.87	\$ 2.06	(9) %

⁽¹⁾ Includes the operations of our regional carriers under capacity purchase agreements.

⁽²⁾ Non-GAAP financial measure defined and reconciled to TRASM and CASM, respectively, in "Supplemental Information" below.

⁽³⁾ Includes the impact of fuel hedge activity and refinery segment results.

⁽⁴⁾ Non-GAAP financial measure defined and reconciled to average fuel price per gallon in "Results of Operations" for the three and six months ended June 30, 2020 and 2019.

Fleet Information

To align capacity with customer demand as a result of the COVID-19 pandemic we are working with OEMs to optimize the timing of our future aircraft deliveries and have removed from active service approximately 600 mainline and regional aircraft. As of June 30, 2020, we had temporarily parked approximately 500 aircraft and permanently parked approximately 100 aircraft.

During the March 2020 quarter, we recorded a \$22 million impairment charge related to accelerating the planned retirement of the MD-88 fleet from December 2020 to June 2020. During the June 2020 quarter, we recorded impairment charges of \$1.4 billion related to retiring the 777 fleet by October 2020, \$330 million related to retiring the MD-90 fleet, \$220 million related to retiring the 737-700 fleet by October 2020, \$180 million related to retiring seven 767-300ER aircraft and \$60 million related to retiring 10 A320 aircraft. These MD-90s, 767-300ERs and A320s were retired in June 2020. Each of the retirement decisions resulted in a reduction in forecasted cash flows which led to the impairment charges. As we obtain greater clarity around the duration and extent of reduced demand and potentially execute further capacity adjustments, we will continue to evaluate our current fleet compared to network requirements and may decide to permanently retire additional aircraft. See Note 2 of the Notes to the Condensed Consolidated Financial Statements for additional information on our fleet retirements.

Prior to the onset of the pandemic and our decision to work with OEMs to optimize the timing of our future aircraft deliveries, we took delivery of eight mainline aircraft and two CRJ-900 aircraft in the March 2020 quarter.

Our operating aircraft fleet, commitments and options at June 30, 2020 are summarized in the following table:

Aircraft Type	Active Fleet ⁽¹⁾			Temporarily Parked Fleet ⁽¹⁾			Total	Average Age	Commitments	
	Owned	Finance Lease	Operating Lease	Owned	Finance Lease	Operating Lease			Purchase	Options
B-717-200	10	10	27	3	22	19	91	18.8		
B-737-700	8	—	—	—	—	—	8	11.4		
B-737-800	46	3	—	27	1	—	77	18.8		
B-737-900ER	37	—	30	44	—	19	130	3.8		
B-757-200	26	4	—	66	4	—	100	22.9		
B-757-300	11	—	—	5	—	—	16	17.4		
B-767-300ER	14	—	—	35	—	—	49	24.7		
B-767-400ER	9	—	—	12	—	—	21	19.5		
B-777-200ER	6	—	—	—	—	—	6	20.5		
B-777-200LR	6	—	—	—	—	—	6	11.4		
A220-100	27	4	—	—	—	—	31	1.1	14	
A220-300	—	—	—	—	—	—	—	—	50	50
A319-100	39	—	—	16	—	2	57	18.4		
A320-200	6	—	2	42	—	2	52	24.2		
A321-200	34	14	18	21	—	13	100	2.1	27	
A321-200neo	—	—	—	—	—	—	—	—	100	100
A330-200	3	—	—	8	—	—	11	15.3		
A330-300	13	—	—	15	—	3	31	11.5		
A330-900neo	2	1	1	1	—	—	5	0.8	32	
A350-900	13	—	—	—	—	—	13	2.3	22	
Total	310	36	78	295	27	58	804	14.0	245	150

⁽¹⁾ Excludes certain aircraft we own, lease or have committed to purchase (including four CRJ-900 aircraft) that are operated by regional carriers on our behalf shown in the table below.

We have assumed ten of LATAM's A350 purchase commitments from Airbus, with deliveries through 2025, which are included as purchase commitments in the table above. We had previously agreed to acquire four A350 aircraft from LATAM, but have terminated the purchase agreement for a fee of \$62 million during the June 2020 quarter. For more information regarding our planned strategic alliance with LATAM, see Note 5 of the Notes to the Condensed Consolidated Financial Statements.

The table below summarizes the aircraft operated by regional carriers on our behalf at June 30, 2020. Of this fleet, we have temporarily parked approximately 110 aircraft as of June 30, 2020. The majority of these temporarily parked aircraft are part of our Endeavor fleet but also include aircraft operated by SkyWest and Republic.

In April 2020, Compass and GoJet ceased operations on our behalf. Our contracts with each of these carriers were previously scheduled to terminate by the end of 2020. Aircraft previously operated by Compass and GoJet are now being operated by our other regional carriers and are reflected in the table below.

Carrier	Fleet Type					Total
	CRJ-200	CRJ-700	CRJ-900	Embraer 170	Embraer 175	
Endeavor Air, Inc. ⁽¹⁾	61	18	120	—	—	199
SkyWest Airlines, Inc.	36	6	43	—	65	150
Republic Airline, Inc.	—	—	—	22	46	68
Total	97	24	163	22	111	417

⁽¹⁾ Endeavor Air, Inc. is a wholly owned subsidiary of Delta.

Financial Condition and Liquidity

As a result of the COVID-19 pandemic, we have taken, and are continuing to take, certain actions to increase liquidity and strengthen our financial position, which include the following during the six months ended June 30, 2020:

- Reducing planned capital expenditures by approximately \$3.5 billion for the year, including working with original equipment manufacturers ("OEM") to optimize the timing of our future aircraft deliveries, delaying aircraft modifications and postponing certain information technology initiatives and replacement of ground equipment.
- Receiving \$4.9 billion as part of the CARES Act payroll support program as described below.
- Obtaining financing through the following actions:
 - Drawing \$3.0 billion from our previously undrawn revolving credit facilities. We have extended the maturity for \$1.3 billion of these borrowings from April 2021 to April 2022 and also secured \$2.7 billion of these borrowings with our Pacific route authorities and certain related assets. See Note 7 of the Notes to the Condensed Consolidated Financial Statements.
 - Entering into a \$3.0 billion 364-day secured term loan facility.
 - Entering into \$2.8 billion of sale-leaseback transactions. See Note 2 of the Notes to the Condensed Consolidated Financial Statements.
 - Issuing \$3.5 billion of senior secured notes and entering into a \$1.5 billion term loan, both of which are secured by certain slots, gates and routes.
 - Issuing \$1.3 billion of unsecured notes.
 - Completing \$1.4 billion in transactions secured by aircraft, including EETC issuances and aircraft loans.
- Amending our credit facilities to replace fixed charge coverage ratio covenants with liquidity-based covenants.
- Suspending share repurchases and dividends.
- Postponing \$500 million of planned voluntary pension funding.

We expect to meet our liquidity needs for the next twelve months with cash and cash equivalents, short-term investments, financing arrangements, government assistance under the CARES Act, restricted cash equivalents and cash flows from operations. As of June 30, 2020, we had \$15.7 billion in cash, cash equivalents, short-term investments and aggregate principal amount committed and available to be drawn under our revolving credit facilities. We have additional unencumbered assets available for potential financing arrangements, if needed. During the six months ended June 30, 2020 and prior to the materialization of the pandemic impact, we used existing cash and cash received from financings to fund capital expenditures of \$1.2 billion and return \$604 million to shareholders. Beginning in the second half of March 2020, capital expenditures have been limited to only those critical to our operation. In addition, share repurchases and dividends have been suspended indefinitely.

Sources and Uses of Liquidity

Operating Activities

Operating activities in the six months ended June 30, 2020 provided \$68 million compared to providing \$5.2 billion in the six months ended June 30, 2019. Due to the impact of COVID-19 on our ticket sales, we expect to experience negative cash flows from operations through the remainder of 2020 and possibly beyond.

Our operating cash flow is impacted by the following factors:

Seasonality of Advance Ticket Sales. We sell tickets for air travel in advance of the customer's travel date. When we receive a cash payment at the time of sale, we record the cash received on advance sales as deferred revenue in air traffic liability. The air traffic liability typically increases during the winter and spring months as advanced ticket sales grow prior to the summer peak travel season and decreases during the summer and fall months. However, the current reduction in demand for air travel due to the COVID-19 pandemic has resulted in an unprecedented low level of advance bookings and the associated cash received. We also began experiencing significant ticket cancellations in the second half of March, which has led to issuance of refunds to customers, while the remainder of cancellations have been rebooked on future flights or received credits in lieu of cash refunds. The total value of refunds, excluding taxes and related fees, issued to customers during the three and six months ended June 30, 2020 was approximately \$1.3 billion and \$2.1 billion. The outlook for the remainder of the year is unclear, but we are currently planning for modest demand recovery beginning in the September 2020 quarter.

Fuel. Fuel expense represented approximately 13% of our total operating expense for the six months ended June 30, 2020. The market price for jet fuel is volatile, which can impact the comparability of our periodic cash flows from operations. We expect fuel consumption to decline compared to prior year periods consistent with the capacity reductions we have made in response to the pandemic.

Pension Contributions. We have no minimum funding requirements in 2020. As part of our liquidity initiatives, we are delaying \$500 million of voluntary pension funding that we were previously planning for 2020. We had no minimum funding requirements in 2019. However, during 2019, we voluntarily contributed \$1.0 billion to these plans.

Profit Sharing. Our broad-based employee profit sharing program provides that for each year in which we have an annual pre-tax profit, as defined by the terms of the program, we will pay a specified portion of that profit to employees. In determining the amount of profit sharing, the program defines profit as pre-tax profit adjusted for profit sharing and certain other items. During the six months ended June 30, 2020, we did not accrue profit sharing expense based on the year-to-date performance and current expectations for a pre-tax loss in 2020 due to the pandemic.

We paid \$1.6 billion in profit sharing in February 2020 related to our 2019 pre-tax profit in recognition of our employees' contributions toward meeting our financial goals.

CARES Act. See Financing Activities below for discussion of the impact to our liquidity from the CARES Act payroll support program.

Investing Activities

Short-Term Investments. Using a portion of the proceeds we obtained through our financing transactions discussed below, in the six months ended June 30, 2020 we acquired a net of \$4.3 billion in short-term investments. See Note 4 of the Notes to the Condensed Consolidated Financial Statements for further information on these investments.

Capital Expenditures. Our capital expenditures were \$1.2 billion and \$2.9 billion for the six months ended June 30, 2020 and 2019, respectively. Our capital expenditures during the six months ended June 30, 2020 were primarily related to the purchases of aircraft, fleet modifications and technology enhancements prior to the onset of the COVID-19 pandemic.

We have committed to future aircraft purchases and have obtained, but are under no obligation to use, long-term financing commitments for a substantial portion of the purchase price of certain aircraft; however we are working with the OEMs to optimize the timing of our future aircraft deliveries. In order to preserve liquidity throughout the COVID-19 pandemic, we are deferring substantially all of our previously planned 2020 capital expenditures. Excluding the airport projects discussed below, we do not expect to incur material capital expenditures for the remainder of 2020. Planned investments for the remainder of the year are limited to those critical to our operation.

In October 2019, the Office of the U.S. Trade Representative announced a 10% tariff on new aircraft imported from Europe, which was subsequently increased to 15% in February 2020. We are continuing to evaluate the impact of this announcement on our future Airbus deliveries.

Equity Investments. In January 2020, we acquired 20% of the shares of LATAM for \$1.9 billion, or \$16 per share, through a tender offer. In addition, to support the establishment of the strategic alliance, we agreed to make transition payments to LATAM totaling \$350 million, \$200 million of which was disbursed in 2019. The remaining \$150 million will be disbursed in equal quarterly payments through 2021, beginning in the September 2020 quarter.

As part of our planned strategic alliance with LATAM, we have also assumed 10 of LATAM's A350 purchase commitments with Airbus for deliveries through 2025. We had also previously agreed to acquire four A350 aircraft from LATAM, but have terminated the purchase agreement for a fee of \$62 million during the June 2020 quarter. We continue to believe this alliance will generate growth opportunities, building upon Delta's and LATAM's global footprint and joint ventures.

We sold our GOL ownership stake in 2019 and have ended our commercial agreements with GOL to facilitate the formation of our strategic alliance with LATAM. Additionally, GOL has a \$300 million five-year term loan facility with third parties maturing in August 2020, which we have guaranteed. Based on market value at June 30, 2020, approximately 60% of our guaranty is secured by GOL's ownership interest in Smiles, GOL's publicly traded loyalty program. Because GOL remains in compliance with the terms of its loan facility, we have not recorded a liability for the full value of the term loan on our balance sheet as of June 30, 2020. However, as the COVID-19 pandemic continues to impact the global economy, there is an increased risk related to GOL's ability to repay this term loan, which may require our performance under this guaranty. Therefore, we recorded an immaterial reserve in other accrued liabilities on our balance sheet and restructuring charges in our income statement related to the decline in value of our security interest in GOL's Smiles shares compared to our guaranty of GOL's term loan.

In the March 2020 quarter, we acquired through open market transactions, an additional 5% of the outstanding shares of Hanjin-KAL, the largest shareholder of Korean Air, for \$158 million. This acquisition brought our total ownership interest in Hanjin-KAL to slightly less than 15%.

Los Angeles International Airport ("LAX") Construction. We executed a modified lease agreement during 2016 with the City of Los Angeles ("the City"), which owns and operates LAX, and announced plans to modernize, upgrade and connect Terminals 2 and 3 at LAX. Under the lease agreement, we have relocated certain airlines and other tenants from Terminals 2 and 3 to Terminals 5 and 6 and undertaken various initial projects to enable operations from Terminals 2 and 3 during the project. We are now designing and constructing the redevelopment of Terminal 3 and enhancement of Terminal 2, which also includes rebuilding the ticketing and arrival halls and security checkpoint, construction of core infrastructure to support the City's planned airport people mover, ramp improvements and construction of a secure connector to the north side of the Tom Bradley International Terminal. Construction is expected to be completed by 2023.

Under the lease agreement and subsequent project component approvals by the City's Board of Airport Commissioners, the City has appropriated to date approximately \$1.6 billion to purchase completed project assets. The lease allows for a maximum reimbursement by the City of \$1.8 billion. Costs we incur in excess of such a maximum will not be reimbursed by the City.

A substantial majority of the project costs will be funded through the Regional Airports Improvement Corporation ("RAIC"), a California public benefit corporation, using an \$800 million revolving credit facility provided by a group of lenders. The credit facility was executed during 2017 and amended in 2019, and we have guaranteed the obligations of the RAIC under the credit facility. Loans made under the credit facility are being repaid with the proceeds from the City's purchase of completed project assets. Given reduced passenger volumes resulting from the COVID-19 pandemic, we intend to accelerate the construction schedule for this project. Using cash on hand and/or the credit facility, we expect to spend approximately \$350 million, an increase from the previous estimate of \$200 million, on this project during 2020, of which \$99 million was incurred in the six months ended June 30, 2020.

New York-LaGuardia Redevelopment. As part of the terminal redevelopment project at LaGuardia Airport, we are partnering with the Port Authority of New York and New Jersey ("Port Authority") to replace Terminals C and D with a new state-of-the-art terminal facility consisting of 37 gates across four concourses connected to a central headhouse. The terminal will feature a new, larger Delta Sky Club, wider concourses, more gate seating and 30% more concessions space than the existing terminals. The facility will also offer direct access between the parking garage and terminal and improved roadways and drop-off/pick-up areas. The design of the new terminal will integrate sustainable technologies and improvements in energy efficiency. Construction will be phased to limit passenger inconvenience and is expected to be completed by 2026.

In connection with the redevelopment, during 2017, we entered into an amended and restated terminal lease with the Port Authority with a term through 2050. Pursuant to the lease agreement, as amended to date, we will (1) fund (through debt issuance and existing cash) and undertake the design, management and construction of the terminal and certain off-premises supporting facilities, (2) receive a Port Authority contribution of \$481 million to facilitate construction of the terminal and other supporting infrastructure, (3) be responsible for all operations and maintenance during the term of the lease and (4) have preferential rights to all gates in the terminal, subject to Port Authority requirements with respect to accommodation of designated carriers.

In 2019, we opened Concourse G, the first of the four new concourses housing seven of the 37 new gates. Not only does this deliver the first direct impact to the Delta passenger experience, it also represents the first major phasing milestone. This new concourse allowed us to vacate portions of the existing terminals which have been demolished and made ready for the next phase of construction. The next major milestone will be the opening of the headhouse and Concourse E, which is scheduled for 2022.

We currently expect our project cost to be approximately \$3.5 billion, net of the \$481 million Port Authority contribution, and we bear the risks of project construction, including any potential cost over-runs. Using primarily funding provided by existing financing arrangements, we expect to spend approximately \$700 million on this project during 2020, of which \$224 million was incurred in the six months ended June 30, 2020.

Financing Activities

Debt and Finance Leases. In the six months ended June 30, 2020, we completed the following debt issuances and transactions:

- Drawing \$3.0 billion from our previously undrawn revolving credit facilities. We have extended the maturity for \$1.3 billion of these borrowings from April 2021 to April 2022 and also secured \$2.7 billion of these borrowings with our Pacific route authorities and certain related assets.
- Entering into a \$3.0 billion 364-day secured term loan facility.
- Entering into \$2.8 billion of sale-leaseback transactions.
- Issuing \$3.5 billion of senior secured notes and entering into a \$1.5 billion term loan, both of which are secured by certain slots, gates and routes.
- Issuing \$1.3 billion of unsecured notes.
- Completing \$1.4 billion in transactions secured by aircraft, including EETC issuances and aircraft loans. See Note 7 of the Notes to the Condensed Consolidated Financial Statements.

The principal amount of our debt and finance leases was \$24.7 billion at June 30, 2020. We continue to evaluate leveraging our unencumbered assets to pursue future financing opportunities and we are evaluating participation in the CARES Act loan program, discussed below.

In response to the impact that the demand environment has had on our financial condition, our credit rating has been downgraded by Standard & Poor's to BB in March 2020 and by Fitch to BB+ in April 2020. Our credit rating from Moody's remains Baa3.

CARES Act. On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") into law. The CARES Act is a relief package intended to assist many aspects of the American economy, including providing the airline industry with up to \$25 billion in grants to be used for employee wages, salaries and benefits.

In April 2020, we entered into an agreement with the U.S. Department of the Treasury to receive \$5.4 billion in emergency relief through the CARES Act payroll support program to be paid in installments through July 2020. The relief payments are conditioned on our agreement to refrain from conducting involuntary employee layoffs or furloughs through September 30, 2020. Other conditions include prohibitions on share repurchases and dividends through September 30, 2021, continuing essential air service as directed by the U.S. Department of Transportation and certain limitations on executive compensation. The relief payments include \$3.8 billion in a grant and \$1.6 billion in an unsecured 10-year low interest loan. The loan bears interest at an annual rate of 1.00% for the first five years (through April 2025) and the Secured Overnight Financing Rate ("SOFR") plus 2.00% in the final five years. In return, we agreed to issue to the U.S. Department of the Treasury warrants to acquire over 6.5 million shares of Delta common stock. These warrants have an exercise price of \$24.39 per share and a five-year term.

In the June 2020 quarter, we received \$4.9 billion under the CARES Act payroll support program, which consists of \$3.5 billion in a grant and \$1.4 billion in an unsecured loan. The remaining amount will be received in July 2020. As of June 30, 2020, we recognized \$1.3 billion of the grant as contra-expense with the remaining \$2.2 billion recorded as a deferred contra-expense in other accrued liabilities on our balance sheet. We expect to recognize the remainder of the grant proceeds from the CARES Act payroll support program as contra-expense by the end of 2020.

The CARES Act also provides for up to \$25 billion in secured loans to the airline industry. We are eligible and have entered into a non-binding letter of intent to the U.S. Department of the Treasury for \$4.6 billion under the loan program. We have not decided if we will participate, and we have until September 30, 2020 to decide whether to participate in this program.

Finally, the CARES Act also provides for deferred payment of the employer portion of social security taxes through the end of 2020, with 50% of the deferred amount due December 31, 2021 and the remaining 50% due December 31, 2022. This is expected to provide us with approximately \$200 million of additional liquidity during the current year.

For additional information regarding these financing arrangements, see Note 2 and Note 7 of the Notes to the Condensed Consolidated Financial Statements.

Capital Return to Shareholders. In early March 2020, we suspended both our share repurchase program and future dividends due to the impact of the pandemic. Prior to suspending these activities, in the March 2020 quarter, we repurchased and retired 6 million shares of our common stock at a cost of \$344 million. Both share repurchases and dividends are restricted through the September 2021 quarter under the terms of the CARES Act payroll support program and certain of our other financing arrangements.

Undrawn Lines of Credit

Subsequent to the draws on our revolving lines of credit described above, we have approximately \$39 million undrawn as of June 30, 2020.

Covenants

We were in compliance with the covenants in our financing agreements at June 30, 2020.

Critical Accounting Policies and Estimates

For information regarding our Critical Accounting Policies and Estimates, see the "Critical Accounting Policies and Estimates" section of "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Form 10-K and Note 2 of the Notes to the Condensed Consolidated Financial Statements for discussion about the valuation of goodwill, indefinite-lived intangible assets and long-lived assets.

Recent Accounting Standards

Credit Losses. In 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, "Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." Under this ASU, an entity is required to utilize an "expected credit loss model" on certain financial instruments, including trade and financing receivables. This model requires consideration of a broader range of reasonable and supportable information and requires an entity to estimate expected credit losses over the lifetime of the asset. We adopted this standard effective January 1, 2020 and due to the COVID-19 pandemic, we recorded reserves on certain receivables, which are discussed further in Note 5 of the Notes to the Condensed Consolidated Financial Statements.

Supplemental Information

We sometimes use information ("non-GAAP financial measures") that is derived from the Condensed Consolidated Financial Statements but that is not presented in accordance with GAAP. Under the U.S. Securities and Exchange Commission rules, non-GAAP financial measures may be considered in addition to results prepared in accordance with GAAP but should not be considered a substitute for or superior to GAAP results. The reconciliations presented below of the non-GAAP measures used in this 10-Q may not calculate exactly due to rounding.

Pre-tax (loss)/income, adjusted

The following table shows a reconciliation of pre-tax (loss)/income (a GAAP measure) to pre-tax (loss)/income, adjusted (a non-GAAP financial measure). In the current period, pre-tax (loss)/income, adjusted excludes the following items directly related to the impact of COVID-19 and our response:

- *Restructuring charges.* We recognized \$2.5 billion of restructuring charges following strategic business decisions in response to the COVID-19 pandemic. These charges are primarily related to impairments from the decisions to retire the 777, MD-90 and 737-700 fleets and certain of our 767-300ER and A320 aircraft.
- *CARES Act grant recognition.* We recognized \$1.3 billion of the grant proceeds from the CARES Act payroll support program as a contra-expense. We are recognizing the grant proceeds as contra-expense based on the periods that the funds are intended to compensate, and we expect to use all proceeds from the payroll support program by the end of 2020.
- *Impairments and equity method losses.* We recognized \$2.1 billion of charges related to write-downs of our investments in LATAM and Grupo Aeroméxico following their financial losses and separate Chapter 11 bankruptcy filings, and the write-down of our investment in Virgin Atlantic based on our share of its historical and projected losses.

We also adjust pre-tax (loss)/income for the following items to determine pre-tax (loss)/income, adjusted for the reasons described below.

- *MTM adjustments and settlements on hedges.* MTM adjustments are defined as fair value changes recorded in periods other than the settlement period. Such fair value changes are not necessarily indicative of the actual settlement value of the underlying hedge in the contract settlement period. Settlements represent cash received or paid on hedge contracts settled during the applicable period.
- *Equity investment MTM adjustments.* We recorded our proportionate share of loss from our equity investments in Virgin Atlantic, Grupo Aeroméxico and LATAM in non-operating expense. (As a result of Grupo Aeroméxico's and LATAM's bankruptcy filings, we no longer have significant influence over Grupo Aeroméxico or LATAM and have discontinued accounting for these investments under the equity method in the June 2020 quarter.) We adjust for our equity method investees' hedge portfolio MTM adjustments to allow investors to understand and analyze our core operational performance in the periods shown.
- *MTM adjustments on investments.* Unrealized gains/losses on our equity investments in China Eastern, Air France-KLM and Hanjin-KAL, the largest shareholder of Korean Air, which are accounted for at fair value in non-operating expense, are driven by changes in stock prices and foreign currency. Adjusting for these gains/losses allows investors to better understand and analyze our core operational performance in the periods shown.
- *Delta Private Jets adjustment.* Because we combined Delta Private Jets with Wheels Up in January 2020, we have excluded the impact of Delta Private Jets from 2019 results for comparability.

(in millions)	Three Months Ended June 30,	
	2020	2019
Pre-tax (loss)/income	\$ (7,014)	\$ 1,907
Less: Restructuring charges	2,454	—
Less: CARES Act grant recognition	(1,280)	—
Less: Impairments and equity method losses	2,058	—
Adjusted for:		
MTM adjustments and settlements on hedges	14	10
Equity investment MTM adjustments	(87)	(2)
MTM adjustments on investments	(9)	82
Delta Private Jets adjustment	—	1
Pre-tax (loss)/income, adjusted	\$ (3,864)	\$ 1,998

Operating Expense, adjusted

The following table shows a reconciliation of operating expense (a GAAP measure) to operating expense, adjusted (a non-GAAP financial measure). In the current period, operating expense, adjusted excludes the following items directly related to the impact of COVID-19 and our response: restructuring charges and CARES Act grant recognition, as discussed above under the heading pre-tax (loss)/income, adjusted. We also adjust operating expense for MTM adjustments and settlements, third-party refinery sales and Delta Private Jets sale adjustment for the same reasons described above under the headings pre-tax (loss)/income, adjusted to determine operating expense, adjusted.

(in millions)	Three Months Ended	
	June 30, 2020	June 30, 2019
Operating expense	\$ 6,283	\$ 10,408
Less: Restructuring charges	(2,454)	—
Less: CARES Act grant recognition	1,280	—
Adjusted for:		
MTM adjustments and settlements	(14)	(10)
Third-party refinery sales	(292)	(40)
Delta Private Jets adjustment	—	(50)
Operating expense, adjusted	\$ 4,803	\$ 10,308

TRASM, adjusted

The following table shows a reconciliation of TRASM (a GAAP measure) to TRASM, adjusted (a non-GAAP financial measure). We adjust TRASM for the following items to determine TRASM, adjusted for the reasons described below.

- *Third-party refinery sales.* We adjust TRASM for refinery sales to third parties to determine TRASM, adjusted because these revenues are not related to our airline segment. TRASM, adjusted therefore provides a more meaningful comparison of revenue from our airline operations to the rest of the airline industry.
- *Delta Private Jets adjustment.* Because we combined Delta Private Jets with Wheels Up in January 2020, we have excluded the impact of Delta Private Jets from 2019 results for comparability.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
TRASM	13.85 ¢	17.47 ¢	14.48 ¢	17.15 ¢
Adjusted for:				
Third-party refinery sales	(2.76)	(0.06)	(0.42)	(0.07)
Delta Private Jets adjustment	—	(0.07)	—	(0.07)
TRASM, adjusted	11.10 ¢	17.35 ¢	14.06 ¢	17.01 ¢

CASM-Ex

The following table shows a reconciliation of CASM (a GAAP measure) to CASM-Ex (a non-GAAP financial measure). In the current period, CASM-Ex excludes the following items directly related to the impact of COVID-19 and our response: including restructuring charges and CARES Act grant recognition, as discussed above under the heading pre-tax (loss)/income. We also adjust CASM for the following items to determine CASM-Ex for the reasons described below.

- *Aircraft fuel and related taxes.* The volatility in fuel prices impacts the comparability of year-over-year financial performance. The adjustment for aircraft fuel and related taxes allows investors to better understand and analyze our non-fuel costs and year-over-year financial performance.
- *Third-party refinery sales.* We adjust CASM for refinery sales to third parties to determine CASM-Ex because these revenues are not related to our airline segment. CASM-Ex therefore provides a more meaningful comparison of revenue from our airline operations to the rest of the airline industry.
- *Profit sharing.* We adjust for profit sharing because this adjustment allows investors to better understand and analyze our recurring cost performance and provides a more meaningful comparison of our core operating costs to the airline industry.
- *Delta Private Jets adjustment.* Because we combined Delta Private Jets with Wheels Up in January 2020, we have excluded the impact of Delta Private Jets from 2019 results for comparability.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
CASM	59.30 ¢	14.51 ¢	22.00 ¢	14.80 ¢
Less: Restructuring charges	(23.15)	—	(3.53)	—
Less: CARES Act grant recognition	12.08	—	1.84	—
Adjusted for:				
Aircraft fuel and related taxes	(3.51)	(3.19)	(2.83)	(3.18)
Third-party refinery sales	(13.83)	(0.06)	(0.42)	(0.07)
Profit sharing	—	(0.72)	—	(0.55)
Delta Private Jets adjustment	—	(0.06)	—	(0.06)
CASM-Ex	41.96 ¢	10.47 ¢	17.06 ¢	10.95 ¢

Free Cash Flow

We present free cash flow because management believes this metric is helpful to investors to evaluate the company's ability to generate cash that is available for use for debt service or general corporate initiatives. Adjustments include:

- *Net purchases of short-term investments.* Net purchases of short-term investments represent the net purchase and sale activity of investments and marketable securities in the period, including gains and losses. We adjust for this activity to provide investors a better understanding of the company's free cash flow generated by our operations.
- *Strategic investments.* Cash flows related to our investments in LATAM and Hanjin-KAL, the largest shareholder of Korean Air, are included in our GAAP investing activities. We adjust free cash flow for this activity because it provides a more meaningful comparison to the airline industry.
- *Net cash flows related to certain airport construction projects and other.* Cash flows related to certain airport construction projects are included in our GAAP operating activities and capital expenditures. We have adjusted for these items, which were primarily funded by cash restricted for airport construction, to provide investors a better understanding of the company's free cash flow and capital expenditures that are core to our operational performance in the periods shown.

(in millions)	Three Months Ended June 30,	
	2020	2019
Net cash (used in)/provided by operating activities	\$ (290)	\$ 3,268
Net cash used in investing activities	(4,076)	(1,562)
Adjusted for:		
Net purchases of short-term investments	4,302	—
Strategic investments	—	89
Net cash flows related to certain airport construction projects and other	43	54
Total free cash flow	\$ (21)	\$ 1,849

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in market risk from the information provided in "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our Form 10-K, other than related to interest rates, as discussed below.

Interest Rate Risk

Our exposure to market risk from adverse changes in interest rates is primarily associated with our debt obligations. Market risk associated with our fixed and variable rate debt relates to the potential reduction in fair value and negative impact to future earnings, respectively, from an increase in interest rates.

At June 30, 2020, we had \$15.0 billion of fixed-rate debt and \$8.6 billion of variable-rate debt. An increase of 100 basis points in average annual interest rates would have decreased the estimated fair value of our fixed-rate debt by \$650 million at June 30, 2020 and would have increased the annual interest expense on our variable-rate debt by \$59 million.

The U.K. Financial Conduct Authority announced in July 2017 that it intends to no longer compel banks to submit rates for the calculation of the London interbank offered rate ("LIBOR") after 2021. To mitigate the possible impact, various regulators have proposed alternative reference rates. The effect of any discontinuation or replacement of LIBOR cannot be predicted at this time, but we believe our risk would be limited to variable rate debt and variable rate finance leases which utilize this rate. At June 30, 2020 we had approximately \$5.4 billion of variable rate debt and variable rate finance leases maturing after 2021 that include provisions to update the applicable reference rate which are not expected to be materially different from LIBOR.

ITEM 4. CONTROLS AND PROCEDURES

Our management, including our Chief Executive Officer and Chief Financial Officer, performed an evaluation of our disclosure controls and procedures, which have been designed to permit us to effectively identify and timely disclose important information. Our management, including our Chief Executive Officer and Chief Financial Officer, concluded that the controls and procedures were effective as of June 30, 2020 to ensure that material information was accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

During the three months ended June 30, 2020, we did not make any changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

"Item 3. Legal Proceedings" of our Form 10-K includes a discussion of our legal proceedings. There have been no material changes from the legal proceedings described in our Form 10-K.

ITEM 1A. RISK FACTORS

“Item 1A. Risk Factors” of our Form 10-K includes a discussion of our known material risk factors, other than risks that could apply to any issuer or offering. The information presented below updates, and should be read in conjunction with, the risk factors and information disclosed in our Form 10-K. Except as presented below, there have been no material changes from the risk factors described in our Form 10-K.

The rapid spread of the COVID-19 virus and measures implemented to combat it have had, and will continue to have, a material adverse effect on our business. Moreover, the longer the pandemic persists, the more material the ultimate effects are likely to be. It is likely that there will be future negative effects that we cannot presently predict, including near term effects.

The rapid spread of COVID-19, as well as the measures governments and private organizations have implemented in order to stem the spread of this pandemic, have had, and are continuing to have, a material adverse effect on the demand for worldwide air travel, and consequently upon our business. Among other effects of the COVID-19 pandemic affecting air travel and our business:

- In the United States, which is our primary market, the federal government has encouraged social distancing efforts and limits on gathering size, placed significant restrictions on travel between the United States and specific countries, issued a mandate for U.S. citizens to avoid all international travel and issued domestic travel restrictions and advisories;
- Many foreign governments have placed restrictions on citizens of other countries, including citizens of the U.S., flying into their countries;
- State and local governments have issued travel restrictions and advisories and health-related curfews or “shelter in place” orders which dissuade or restrict air travel;
- Employers in both the public and private sectors have issued instructions to employees to work from home and/or otherwise dissuading or restricting air travel;
- Business conventions and conferences, significant sporting events, concerts and similar entertainment have been, and are continuing to be, cancelled, reducing the demand for both business air travel (which drives our most profitable ticket sales) and leisure air travel;
- Many popular tourist destinations have been, and remain to be, closed, or operations are being curtailed, reducing the demand for leisure air travel;
- Travelers are discouraged from air travel to destinations where COVID-19 is particularly virulent;
- Travelers have indicated they are wary of airports and commercial aircraft, where they may view the risk of contagion as increased (and contagion or virus-related deaths linked or alleged to be linked to travel on our aircraft, whether accurate or not, may injure our reputation);
- Travelers may be dissuaded from flying due to possible enhanced COVID-19-related screening measures which are being implemented across multiple markets we serve; and
- Travelers may be dissuaded from flying due to the concern that additional travel restrictions implemented between their departure and return may affect their ability to return to their homes.

These effects related to the COVID-19 pandemic are negatively impacting air travel in general, which in turn are materially adversely affecting our revenues and results of operations. Although certain of the restrictions above have begun, and may continue, to ease in some places, the ongoing pandemic, including large outbreaks of COVID-19 in various regions, has resulted, and may continue to result, in their reinstitution. Moreover, additional currently unknown restrictions or other events dissuading air travel may occur in the future as a result of the pandemic (including possibly in the near term), lengthening the negative effects of the COVID-19 pandemic on our business.

Our operations could be negatively affected further if our employees are quarantined or sickened as a result of exposure to COVID-19, or if they are subject to additional governmental COVID-19 curfews or “shelter in place” health orders or similar restrictions. Measures restricting the ability of our airport or inflight employees to come to work may cause a further deterioration in our service or operations, all of which could negatively affect our business.

In response to the crisis, we are taking certain steps to mitigate the effects on our business, which themselves may have negative consequences with respect to our business and operations. For example, we have significantly reduced our flight capacity and have capped load factors on all flights that we are operating. However, the cost savings achievable with temporary capacity reductions cannot be achieved immediately and will not completely eliminate the costs related to unused capacity.

Furthermore, we have waived air travel booking change fees to a broad extent and extended the ability to rebook that travel for up to two years in order to encourage travelers to book air travel (or not cancel already booked travel) despite the inherent uncertainty caused by the COVID-19 pandemic. Despite these efforts, we have experienced significant ticket cancellations. Cancellations, the waiver of change fees and other refunds have negatively affected our revenues and liquidity, and we expect such negative effects to continue.

Other cost-saving measures that we have implemented, such as deferral of nonessential maintenance, capital expenditure reductions, voluntary early retirement and opt-out programs, hiring freezes, facility closures, deferral of pension funding and compensation reductions for officers and work-hour reductions for other employees, or may consider in the future, are unlikely to entirely make-up for the loss in cash as result of decreased ticket sales and cancellations and could also negatively affect our service to customers, revenues and results of operations. The pandemic is also having a material adverse effect on third parties whose services we utilize, including other carriers with which we have commercial relationships, including international carriers and regional carriers in the Delta Connection program, and providers of ground services at some airports, which may also negatively affect our service to customers.

We are unable to predict how long these conditions will persist, what additional measures may be introduced by governments or private parties or what effect any such additional measures may have on air travel and our business. Furthermore, not only is the duration of the pandemic and future correlative combative measures at present unknown, the overall situation is extremely fluid, and it is impossible to predict the timing of future material changes in the situation. It therefore is impossible to predict whether any such unknown future developments will occur in the near, medium or long terms, and depending on the duration of the pandemic, such negative developments may occur over the entirety of the event.

At this time, we are also not able to predict whether the COVID-19 pandemic will result in permanent changes to our customers' behavior, with such changes including but not limited to a permanent reduction in business travel as a result of increased usage of "virtual" and "teleconferencing" products and more broadly a general reluctance to travel by consumers, each of which could have a material impact on our business.

All of the foregoing have had, and are continuing to have, a material adverse effect on our business, results of operations and financial condition.

The impact of the COVID-19 pandemic may also exacerbate other risks discussed in this Form 10-Q, in "Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and in other filings we may make from time to time with the SEC.

We have a significant amount of fixed obligations and have incurred significant new debt in a short period in response to the COVID-19 pandemic. Insufficient liquidity may have a material adverse effect on our financial condition and business.

We have a significant amount of existing fixed obligations, including aircraft lease and debt financings, leases of airport property and other facilities, and other material cash obligations. In response to the effects that the COVID-19 pandemic is having on our business, we have incurred and may continue to seek significant amounts of additional liquidity through the issuance of debt securities or through bilateral and syndicated secured and/or unsecured credit facilities and through the entry into sale-leaseback transactions. In addition, we have substantial noncancelable commitments for capital expenditures.

We had approximately \$15.7 billion in cash, cash equivalents, short-term investments and aggregate principal amount committed and available to be drawn under our revolving credit facilities as of June 30, 2020; however, our future liquidity could be negatively affected by the risk factors discussed in this Form 10-Q, in "Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and in other filings we may make from time to time with the SEC. If our liquidity is materially diminished, we might not be able to timely pay our leases and debts or comply with certain financial covenants in our financing and credit card processing agreements or with other material provisions of our contractual obligations. In particular, under our credit card processing agreements, counterparties may require that we maintain a reserve equal to a portion of advanced ticket sales that have been processed by that financial institution, but for which we have not yet provided the air transportation.

Agreements governing our debt, including credit agreements, include financial and other covenants. Failure to comply with these covenants could result in events of default.

Our primary credit facilities have various financial and other covenants that require us to maintain a minimum liquidity coverage ratio and a minimum collateral coverage ratio. Some of our debt instruments, including our secured notes, also contain collateral coverage ratios. A decline in the value of our assets supporting these facilities due to factors that are not under our control could affect one or more of the ratios. In addition, these facilities contain other negative covenants customary for such financings. While these covenants are subject to important exceptions and qualifications, if we fail to comply with them and are unable to obtain a waiver or amendment, refinance the indebtedness subject to these covenants or take other mitigating actions, an event of default would result. These arrangements also contain other events of default customary for such financings.

If an event of default were to occur, the lenders and noteholders could, among other things, declare outstanding amounts due and payable and where applicable, repossess collateral, which may include aircraft or other valuable assets. In addition, an event of default or declaration of acceleration under one facility or indenture could result in an event of default under other of our financing agreements. The acceleration of significant amounts of debt could require us to renegotiate, repay or refinance the obligations under our financing arrangements.

Our significant investments in airlines in other parts of the world and the commercial relationships that we have with those carriers may not produce the returns or results we expect.

An important part of our strategy to expand our global network has been to make significant investments in airlines in other parts of the world and expand our commercial relationships with these carriers, including through contractual joint venture arrangements. We expect to continue exploring ways to expand and deepen our alliance relationships with other carriers as part of our global business strategy. These investments and relationships involve significant challenges and risks, including that we may not realize a satisfactory return on our investment or that they may not generate the expected financial results. We are dependent on these other carriers for significant aspects of our network in the regions in which they operate. While we work closely with these carriers, we do not have control over their operations or business methods, and to the extent their actions have a significant adverse effect on our operations, our results of operations could be materially adversely affected. Additionally, if the operations of any of these carriers are impacted over an extended period, those operational impacts could adversely affect the services we provide to our customers, and our results of operations could be materially adversely affected.

The COVID-19 pandemic has significantly impacted the operations of our airline partners. These carriers have incurred significant financial losses as a result of the pandemic, and some have been or may be forced to seek protection under applicable bankruptcy laws. For example, in the quarter ended June 30, 2020, LATAM Airlines and Grupo Aeroméxico filed voluntary proceedings to reorganize under Chapter 11 of the U.S. bankruptcy code and Virgin Australia entered voluntary administration in Australia seeking to recapitalize its business. The effects of the COVID-19 pandemic, along with these actions, have adversely impacted our equity investments in these carriers, and similar actions by other foreign airline partners could adversely impact our equity investments in those carriers, potentially leading to reduced influence over, and impairments or other write-downs of assets associated with, these investments. If any carriers seeking to restructure are unable to do so successfully, our business and results of operations could be materially adversely affected.

In certain circumstances, we also may be subject to consequences of the failure of these carriers to comply with laws and regulations, including U.S. laws to which they may be subject. For example, we may be subject to consequences from improper behavior of our joint venture partners, including for failure to comply with anti-corruption laws such as the U.S. Foreign Corrupt Practices Act. Such a result could have a material adverse effect on our operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table presents information with respect to purchases of common stock we made during the June 2020 quarter. In March 2020, we suspended our share repurchase program due to the impact of the COVID-19 pandemic and are restricted from conducting share repurchases through the September 2021 quarter under the CARES Act and certain of our other financing arrangements. Therefore, there were no shares repurchased in the June 2020 quarter pursuant to our \$5 billion share repurchase program.

The table reflects shares withheld from employees to satisfy certain tax obligations due in connection with grants of stock under the Delta Air Lines, Inc. Performance Compensation Plan (the "Plan"). The Plan provides for the withholding of shares to satisfy tax obligations. It does not specify a maximum number of shares that can be withheld for this purpose. The shares of common stock withheld to satisfy tax withholding obligations may be deemed to be "issuer purchases" of shares that are required to be disclosed pursuant to this Item.

Period	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 (in millions) of Shares That May Yet be Purchased Under the Plan or Programs
April 2020	20,280	\$ 27.53	20,280	\$ 730
May 2020	19,987	\$ 22.36	19,987	\$ 730
June 2020	7,293	\$ 28.86	7,293	\$ 730
Total	47,560		47,560	

As previously disclosed, in connection with funding that we have received under the CARES Act, we have issued warrants to acquire more than 5.9 million shares of Delta common stock since April 2020 to the U.S. Department of Treasury under an exemption from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended. We expect to issue a warrant to acquire approximately 0.6 million additional shares of Delta common stock to the U.S. Department of Treasury under the same exemption in July 2020. For additional information regarding the warrants, see Note 2 of the Notes to the Condensed Consolidated Financial Statements.

ITEM 6. EXHIBITS

(a) Exhibits

Notes to Exhibits:

Any representations and warranties of a party set forth in any agreement (including all exhibits and schedules thereto) filed with this Quarterly Report on Form 10-Q have been made solely for the benefit of the other party to the agreement. Some of those representations and warranties were made only as of the date of the agreement or such other date as specified in the agreement, may be subject to a contractual standard of materiality different from what may be viewed as material to stockholders, or may have been used for the purpose of allocating risk between the parties rather than establishing matters as facts. Such agreements are included with this filing only to provide investors with information regarding the terms of the agreements, and not to provide investors with any other factual or disclosure information regarding the registrant or its business.

Delta is not filing any instruments evidencing any indebtedness where the total amount of securities authorized under any single such instrument does not exceed 10% of the total assets of Delta and its subsidiaries on a consolidated basis. Copies of such instruments will be furnished to the Securities and Exchange Commission upon request.

- 10.1 [Payroll Support Program Agreement, dated as of April 20, 2020, between Delta Air Lines, Inc. and the United States Department of the Treasury](#)
- 10.2 [Warrant Agreement, dated as of April 20, 2020, between Delta Air Lines, Inc. and the United States Department of the Treasury](#)
- 10.3 [Term Loan Credit Agreement, dated as of April 30, 2020, among Delta Air Lines, Inc., the lenders party thereto, Barclays Bank PLC, as administrative agent, U.S. Bank National Association, as collateral trustee, and Barclays Bank PLC and JPMorgan Chase Bank, N.A. as joint lead arrangers and bookrunners \(Filed as Exhibit 10.1 to Delta's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 30, 2020\)](#)
- 10.4(a) [Amendment No. 1 to 364-Day Term Loan Credit Agreement, dated as of April 3, 2020, among Delta Air Lines, Inc., JP Morgan Chase Bank, N.A., as administrative agent, and the lenders party thereto](#)
- 10.4(b) [Amendment No. 2 to the 364-Day Term Loan Credit Agreement, dated as of June 29, 2020, among Delta Air Lines, Inc., JP Morgan Chase Bank, N.A., as administrative agent, and the lenders party thereto](#)
- 10.5 [Amendment No. 1 to Credit Agreement, dated as of June 29, 2020, among Delta Air Lines, Inc., JP Morgan Chase Bank, N.A., as administrative agent, and the lenders party thereto](#)
- 10.6 [Terms of 2020 Restricted Stock Awards for Non-Employee Directors](#)
- 15 [Letter from Ernst & Young LLP regarding unaudited interim financial information](#)
- 31.1 [Certification by Delta's Chief Executive Officer with respect to Delta's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020](#)
- 31.2 [Certification by Delta's Executive Vice President and Chief Financial Officer with respect to Delta's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020](#)
- 32 [Certification pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code by Delta's Chief Executive Officer and Executive Vice President and Chief Financial Officer with respect to Delta's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020](#)
- 101.INS Inline XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
- 101.SCH Inline XBRL Taxonomy Extension Schema Document
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB Inline XBRL Taxonomy Extension Labels Linkbase Document
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 104 The cover page from this Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, formatted in Inline XBRL (included in Exhibit 101)

SIGNATURE

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

Delta Air Lines, Inc.
(Registrant)

/s/ William C. Carroll

William C. Carroll
Senior Vice President - Finance and Controller
(Principal Accounting Officer)

July 14, 2020

PAYROLL SUPPORT PROGRAM AGREEMENT

Recipient: Delta Air Lines, Inc. Post Office Box 20706 Atlanta, GA 30320-6001	PSP Participant Number: PSA-2004030421 Employer Identification Number: 58-0218548 DUNS Number: 006924872
Amount of Initial Payroll Support Payment: \$2,718,165,593	
The Department of the Treasury (Treasury) hereby provides Payroll Support (as defined herein) under Division A, Title IV, Subtitle B of the Coronavirus Aid, Relief, and Economic Security Act. The Signatory Entity named above, on behalf of itself and its Affiliates (as defined herein), agrees to comply with this Agreement and applicable Federal law as a condition of receiving Payroll Support. The Signatory Entity and its undersigned authorized representatives acknowledge that a materially false, fictitious, or fraudulent statement (or concealment or omission of a material fact) in connection with this Agreement may result in administrative remedies as well as civil and/or criminal penalties.	
The undersigned hereby agree to the attached Payroll Support Program Agreement.	
<u>/s/ Steven Mnuchin</u> Department of the Treasury Name: Steven Mnuchin Title: Secretary Date: April 20, 2020	<u>/s/ Paul A. Jacobson</u> Delta Air Lines, Inc. First Authorized Representative: Title: Executive Vice President & Chief Financial Officer Date: April 20, 2020 <u>/s/ Kenneth W. Morge II</u> Delta Air Lines, Inc. Second Authorized Representative: Title: Vice President & Treasurer Date: April 20, 2020

OMB Approved No. 1505-0263

Expiration Date: 09/30/2020

PAYROLL SUPPORT PROGRAM AGREEMENT

INTRODUCTION

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act or Act) directs the Department of the Treasury (Treasury) to provide Payroll Support (as defined herein) to passenger air carriers, cargo air carriers, and certain contractors that must be exclusively used for the continuation of payment of Employee Salaries, Wages, and Benefits (as defined herein). The Act permits Treasury to provide Payroll Support in such form, and on such terms and conditions, as the Secretary of the Treasury determines appropriate, and requires certain assurances from the Recipient (as defined herein).

This Payroll Support Program Agreement, including the application and all supporting documents submitted by the Recipient and the Payroll Support Certification attached hereto (collectively, Agreement), memorializes the binding terms and conditions applicable to the Recipient.

DEFINITIONS

As used in this Agreement, the following terms shall have the following respective meanings, unless the context clearly requires otherwise. In addition, this Agreement shall be construed in a manner consistent with any public guidance Treasury may from time to time issue regarding the implementation of Division A, Title IV, Subtitle B of the CARES Act.

Act or *CARES Act* means the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. No. 116-136).

Additional Payroll Support Payment means any disbursement of Payroll Support occurring after the first disbursement of Payroll Support under this Agreement.

Affiliate means any Person that directly or indirectly controls, is controlled by, or is under common control with, the Recipient. For purposes of this definition, “control” of a Person shall mean having the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, whether by ownership of voting equity, by contract, or otherwise.

Benefits means, without duplication of any amounts counted as Salary or Wages, pension expenses in respect of Employees, all expenses for accident, sickness, hospital, and death benefits to Employees, and the cost of insurance to provide such benefits; any Severance Pay or Other Benefits payable to Employees pursuant to a bona fide voluntary early retirement program or voluntary furlough; and any other similar expenses paid by the Recipient for the benefit of Employees, including any other fringe benefit expense described in lines 10 and 11 of Financial Reporting Schedule P-6, Form 41, as published by the Department of Transportation, but excluding any Federal, state, or local payroll taxes paid by the Recipient.

Corporate Officer means, with respect to the Recipient, its president; any vice president in charge of a principal business unit, division, or function (such as sales, administration or finance); any other officer who performs a policy-making function; or any other person who

performs similar policy making functions for the Recipient. Executive officers of subsidiaries or parents of the Recipient may be deemed Corporate Officers of the Recipient if they perform such policy-making functions for the Recipient.

Employee means an individual who is employed by the Recipient and whose principal place of employment is in the United States (including its territories and possessions), including salaried, hourly, full-time, part-time, temporary, and leased employees, but excluding any individual who is a Corporate Officer or independent contractor.

Involuntary Termination or Furlough means the Recipient terminating the employment of one or more Employees or requiring one or more Employees to take a temporary suspension or unpaid leave for any reason, including a shut-down or slow-down of business; provided, however, that an Involuntary Termination or Furlough does not include a Permitted Termination or Furlough.

Maximum Awardable Amount means the amount determined by the Secretary with respect to the Recipient pursuant to section 4113(a)(1), (2), or (3) (as applicable) of the CARES Act.

Payroll Support means funds disbursed by the Secretary to the Recipient under this Agreement, including the first disbursement of Payroll Support and any Additional Payroll Support Payment.

Permitted Termination or Furlough means, with respect to an Employee, (1) a voluntary furlough, voluntary leave of absence, voluntary resignation, or voluntary retirement, (2) termination of employment resulting from such Employee's death or disability, or (3) the Recipient terminating the employment of such Employee for cause or placing such Employee on a temporary suspension or unpaid leave of absence for disciplinary reasons, in either case, as reasonably determined by the Recipient acting in good faith.

Person means any natural person, corporation, limited liability company, partnership, joint venture, trust, business association, governmental entity, or other entity.

Recipient means, collectively, the Signatory Entity; its Affiliates that are air carriers as defined in 49 U.S.C. § 40102; and their respective heirs, executors, administrators, successors, and assigns.

Salary means, without duplication of any amounts counted as Benefits, a predetermined regular payment, typically paid on a weekly or less frequent basis but which may be expressed as an hourly, weekly, annual or other rate, as well as cost-of-living differentials, vacation time, paid time off, sick leave, and overtime pay, paid by the Recipient to its Employees, but excluding any Federal, state, or local payroll taxes paid by the Recipient.

Secretary means the Secretary of the Treasury.

Severance Pay or Other Benefits means any severance payment or other similar benefits, including cash payments, health care benefits, perquisites, the enhancement or acceleration of the payment or vesting of any payment or benefit or any other in-kind benefit payable (whether in lump sum or over time, including after March 24, 2022) by the Recipient to a Corporate Officer or Employee in connection with any termination of such Corporate Officer's or Employee's employment (including, without limitation, resignation, severance, retirement, or constructive

termination), which shall be determined and calculated in respect of any Employee or Corporate Officer of the Recipient in the manner prescribed in 17 CFR 229.402(j) (without regard to its limitation to the five most highly compensated executives and using the actual date of termination of employment rather than the last business day of the Recipient's last completed fiscal year as the trigger event).

Signatory Entity means the passenger air carrier, cargo air carrier, or contractor that has entered into this Agreement.

Taxpayer Protection Instruments means warrants, options, preferred stock, debt securities, notes, or other financial instruments issued by the Recipient or an Affiliate to Treasury as compensation for the Payroll Support under this Agreement, if applicable.

Total Compensation means compensation including salary, wages, bonuses, awards of stock, and any other financial benefits provided by the Recipient or an Affiliate, as applicable, which shall be determined and calculated for the 2019 calendar year or any applicable 12-month period in respect of any Employee or Corporate Officer of the Recipient in the manner prescribed under paragraph e.5 of the award term in 2 CFR part 170, App. A, but excluding any Severance Pay or Other Benefits in connection with a termination of employment.

Wage means, without duplication of any amounts counted as Benefits, a payment, typically paid on an hourly, daily, or piecework basis, including cost-of-living differentials, vacation, paid time off, sick leave, and overtime pay, paid by the Recipient to its Employees, but excluding any Federal, state, or local payroll taxes paid by the Recipient.

PAYROLL SUPPORT PAYMENTS

1. Upon the execution of this Agreement by Treasury and the Recipient, the Secretary shall approve the Recipient's application for Payroll Support.
2. The Recipient may receive Payroll Support in multiple payments up to the Maximum Awardable Amount, and the amounts (individually and in the aggregate) and timing of such payments will be determined by the Secretary in his sole discretion. The Secretary may, in his sole discretion, increase or reduce the Maximum Awardable Amount (a) consistent with section 4113(a) of the CARES Act and (b) on a pro rata basis in order to address any shortfall in available funds, pursuant to section 4113(c) of the CARES Act.
3. The Secretary may determine in his sole discretion that any Payroll Support shall be conditioned on, and subject to, such additional terms and conditions (including the receipt of, and any terms regarding, Taxpayer Protection Instruments) to which the parties may agree in writing.

TERMS AND CONDITIONS

Retaining and Paying Employees

4. The Recipient shall use the Payroll Support exclusively for the continuation of payment of Wages, Salaries, and Benefits to the Employees of the Recipient.
 - a. *Furloughs and Layoffs*. The Recipient shall not conduct an Involuntary Termination or Furlough of any Employee between the date of this Agreement and September 30, 2020.
 - b. *Employee Salary, Wages, and Benefits*
 - i. *Salary and Wages*. Except in the case of a Permitted Termination or Furlough, the Recipient shall not, between the date of this Agreement and September 30, 2020, reduce, without the Employee's consent, (A) the pay rate of any Employee earning a Salary, or (B) the pay rate of any Employee earning Wages.
 - ii. *Benefits*. Except in the case of a Permitted Termination or Furlough, the Recipient shall not, between the date of this Agreement and September 30, 2020, reduce, without the Employee's consent, the Benefits of any Employee; provided, however, that for purposes of this paragraph, personnel expenses associated with the performance of work duties, including those described in line 10 of Financial Reporting Schedule P-6, Form 41, as published by the Department of Transportation, may be reduced to the extent the associated work duties are not performed.

Dividends and Buybacks

5. Through September 30, 2021, neither the Recipient nor any Affiliate shall, in any transaction, purchase an equity security of the Recipient or of any direct or indirect parent company of the Recipient that, in either case, is listed on a national securities exchange.
6. Through September 30, 2021, the Recipient shall not pay dividends, or make any other capital distributions, with respect to the common stock (or equivalent equity interest) of the Recipient.

Limitations on Certain Compensation

7. Beginning March 24, 2020, and ending March 24, 2022, the Recipient and its Affiliates shall not pay any of the Recipient's Corporate Officers or Employees whose Total Compensation exceeded \$425,000 in calendar year 2019 (other than an Employee whose compensation is determined through an existing collective bargaining agreement entered into before March 27, 2020):

- a. Total Compensation which exceeds, during any 12 consecutive months of such two-year period, the Total Compensation the Corporate Officer or Employee received in calendar year 2019; or
 - b. Severance Pay or Other Benefits in connection with a termination of employment with the Recipient which exceed twice the maximum Total Compensation received by such Corporate Officer or Employee in calendar year 2019.
8. Beginning March 24, 2020, and ending March 24, 2022, the Recipient and its Affiliates shall not pay any of the Recipient's Corporate Officers or Employees whose Total Compensation exceeded \$3,000,000 in calendar year 2019 Total Compensation in excess of the sum of:
- a. \$3,000,000; and
 - b. 50 percent of the excess over \$3,000,000 of the Total Compensation received by such Corporate Officer or Employee in calendar year 2019.
9. For purposes of determining applicable amounts under paragraphs 7 and 8 with respect to any Corporate Officer or Employee who was employed by the Recipient or an Affiliate for less than all of calendar year 2019, the amount of Total Compensation in calendar year 2019 shall mean such Corporate Officer's or Employee's Total Compensation on an annualized basis.

Continuation of Service

10. If the Recipient is an air carrier, until March 1, 2022, the Recipient shall comply with any applicable requirement issued by the Secretary of Transportation under section 4114(b) of the CARES Act to maintain scheduled air transportation service to any point served by the Recipient before March 1, 2020.

Effective Date

11. This Agreement shall be effective as of the date of its execution by both parties.

Reporting and Auditing

12. Until the calendar quarter that begins after the later of March 24, 2022, and the date on which no Taxpayer Protection Instrument is outstanding, not later than 45 days after the end of each of the first three calendar quarters of each calendar year and 90 days after the end of each calendar year, the Signatory Entity, on behalf of itself and each other Recipient, shall certify to Treasury that it is in compliance with the terms and conditions of this Agreement and provide a report containing the following:
- a. the amount of Payroll Support funds expended during such quarter;
 - b. the Recipient's financial statements (audited by an independent certified public accountant, in the case of annual financial statements); and

- c. a copy of the Recipient's IRS Form 941 filed with respect to such quarter; and
 - d. a detailed summary describing, with respect to the Recipient, (a) any changes in Employee headcount during such quarter and the reasons therefor, including any Involuntary Termination or Furlough, (b) any changes in the amounts spent by the Recipient on Employee Wages, Salary, and Benefits during such quarter, and (c) any changes in Total Compensation for, and any Severance Pay or Other Benefits in connection with the termination of, Corporate Officers and Employees subject to limitation under this Agreement during such quarter; and the reasons for any such changes.
13. If the Recipient or any Affiliate, or any Corporate Officer of the Recipient or any Affiliate, becomes aware of facts, events, or circumstances that may materially affect the Recipient's compliance with the terms and conditions of this Agreement, the Recipient or Affiliate shall promptly provide Treasury with a written description of the events or circumstances and any action taken, or contemplated, to address the issue.
14. In the event the Recipient contemplates any action to commence a bankruptcy or insolvency proceeding in any jurisdiction, the Recipient shall promptly notify Treasury.
15. The Recipient shall:
- a. Promptly provide to Treasury and the Treasury Inspector General a copy of any Department of Transportation Inspector General report, audit report, or report of any other oversight body, that is received by the Recipient relating to this Agreement.
 - b. Immediately notify Treasury and the Treasury Inspector General of any indication of fraud, waste, abuse, or potentially criminal activity pertaining to the Payroll Support.
 - c. Promptly provide Treasury with any information Treasury may request relating to compliance by the Recipient and its Affiliates with this Agreement.
16. The Recipient and Affiliates will provide Treasury, the Treasury Inspector General, and such other entities as authorized by Treasury timely and unrestricted access to all documents, papers, or other records, including electronic records, of the Recipient related to the Payroll Support, to enable Treasury and the Treasury Inspector General to make audits, examinations, and otherwise evaluate the Recipient's compliance with the terms of this Agreement. This right also includes timely and reasonable access to the Recipient's and its Affiliates' personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.

Recordkeeping and Internal Controls

17. If Treasury notifies the Recipient that the first disbursement of Payroll Support to the Recipient under this Agreement is the Maximum Awardable Amount (subject to any pro rata

reductions and as determined by the Secretary as of the date of such disbursement), the Recipient shall maintain the Payroll Support funds in a separate account over which Treasury shall have a perfected security interest to continue the payment of Wages, Salary, and Benefits to the Employees. For the avoidance of doubt, regardless whether the first disbursement of Payroll Support to the Recipient under this Agreement is the Maximum Awardable Amount, if the Recipient is a debtor as defined under 11 U.S.C. § 101(13), the Payroll Support funds, any claim or account receivable arising under this Agreement, and any segregated account holding funds received under this Agreement shall not constitute or become property of the estate under 11 U.S.C. § 541.

18. The Recipient shall expend and account for Payroll Support funds in a manner sufficient to:

- a. Permit the preparation of accurate, current, and complete quarterly reports as required under this Agreement.
- b. Permit the tracing of funds to a level of expenditures adequate to establish that such funds have been used as required under this Agreement.

19. The Recipient shall establish and maintain effective internal controls over the Payroll Support; comply with all requirements related to the Payroll Support established under applicable Federal statutes and regulations; monitor compliance with Federal statutes, regulations, and the terms and conditions of this Agreement; and take prompt corrective actions in accordance with audit recommendations. The Recipient shall promptly remedy any identified instances of noncompliance with this Agreement.

20. The Recipient and Affiliates shall retain all records pertinent to the receipt of Payroll Support and compliance with the terms and conditions of this Agreement (including by suspending any automatic deletion functions for electronic records, including e-mails) for a period of three years following the period of performance. Such records shall include all information necessary to substantiate factual representations made in the Recipient's application for Payroll Support, including ledgers and sub-ledgers, and the Recipient's and Affiliates' compliance with this Agreement. While electronic storage of records (backed up as appropriate) is preferable, the Recipient and Affiliates may store records in hardcopy (paper) format. The term "records" includes all relevant financial and accounting records and all supporting documentation for the information reported on the Recipient's quarterly reports.

21. If any litigation, claim, investigation, or audit relating to the Payroll Support is started before the expiration of the three-year period, the Recipient and Affiliates shall retain all records described in paragraph 20 until all such litigation, claims, investigations, or audit findings have been completely resolved and final judgment entered or final action taken.

Remedies

22. If Treasury believes that an instance of noncompliance by the Recipient or an Affiliate with (a) this Agreement, (b) sections 4114 or 4116 of the CARES Act, or (c) the Internal Revenue Code of 1986 as it applies to the receipt of Payroll Support has occurred, Treasury may notify

the Recipient in writing of its proposed determination of noncompliance, provide an explanation of the nature of the noncompliance, and specify a proposed remedy. Upon receipt of such notice, the Recipient shall, within seven days, accept Treasury's proposed remedy, propose an alternative remedy, or provide information and documentation contesting Treasury's proposed determination. Treasury shall consider any such submission by the Recipient and make a final written determination, which will state Treasury's findings regarding noncompliance and the remedy to be imposed.

23. If Treasury makes a final determination under paragraph 22 that an instance of noncompliance has occurred, Treasury may, in its sole discretion, withhold any Additional Payroll Support Payments; require the repayment of the amount of any previously disbursed Payroll Support, with appropriate interest; require additional reporting or monitoring; initiate suspension or debarment proceedings as authorized under 2 CFR Part 180; terminate this Agreement; or take any such other action as Treasury, in its sole discretion, deems appropriate.
24. Treasury may make a final determination regarding noncompliance without regard to paragraph 22 if Treasury determines, in its sole discretion, that such determination is necessary to protect a material interest of the Federal Government. In such event, Treasury shall notify the Recipient of the remedy that Treasury, in its sole discretion, shall impose, after which the Recipient may contest Treasury's final determination or propose an alternative remedy in writing to Treasury. Following the receipt of such a submission by the Recipient, Treasury may, in its sole discretion, maintain or alter its final determination.
25. Any final determination of noncompliance and any final determination to take any remedial action described herein shall not be subject to further review. To the extent permitted by law, the Recipient waives any right to judicial review of any such determinations and further agrees not to assert in any court any claim arising from or relating to any such determination or remedial action.
26. Instead of, or in addition to, the remedies listed above, Treasury may refer any noncompliance or any allegations of fraud, waste, or abuse to the Treasury Inspector General.
27. Treasury, in its sole discretion, may grant any request by the Recipient for termination of this Agreement, which such request shall be in writing and shall include the reasons for such termination, the proposed effective date of the termination, and the amount of any unused Payroll Support funds the Recipient requests to return to Treasury. Treasury may, in its sole discretion, determine the extent to which the requirements under this Agreement may cease to apply following any such termination.
28. If Treasury determines that any remaining portion of the Payroll Support will not accomplish the purpose of this Agreement, Treasury may terminate this Agreement in its entirety to the extent permitted by law.

Debts

29. Any Payroll Support in excess of the amount which Treasury determines, at any time, the Recipient is authorized to receive or retain under the terms of this Agreement constitutes a debt to the Federal Government.
30. Any debts determined to be owed by the Recipient to the Federal Government shall be paid promptly by the Recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made. Interest, penalties, and administrative charges shall be charged on delinquent debts in accordance with 31 U.S.C. § 3717, 31 CFR 901.9, and paragraphs 31 and 32. Treasury will refer any debt that is more than 180 days delinquent to Treasury's Bureau of the Fiscal Service for debt collection services.
31. Penalties on any debts shall accrue at a rate of not more than 6 percent per year or such other higher rate as authorized by law.
32. Administrative charges relating to the costs of processing and handling a delinquent debt shall be determined by Treasury.
33. The Recipient shall not use funds from other federally sponsored programs to pay a debt to the government arising under this Agreement.

Protections for Whistleblowers

34. In addition to other applicable whistleblower protections, in accordance with 41 U.S.C. § 4712, the Recipient shall not discharge, demote, or otherwise discriminate against an Employee as a reprisal for disclosing information to a Person listed below that the Employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant:
 - a. A Member of Congress or a representative of a committee of Congress;
 - b. An Inspector General;
 - c. The Government Accountability Office;
 - d. A Treasury employee responsible for contract or grant oversight or management;
 - e. An authorized official of the Department of Justice or other law enforcement agency;
 - f. A court or grand jury; or

- g. A management official or other Employee of the Recipient who has the responsibility to investigate, discover, or address misconduct.

Lobbying

35. The Recipient shall comply with the provisions of 31 U.S.C. § 1352, as amended, and with the regulations at 31 CFR Part 21.

Non-Discrimination

36. The Recipient shall comply with, and hereby assures that it will comply with, all applicable Federal statutes and regulations relating to nondiscrimination including:

- a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*), including Treasury's implementing regulations at 31 CFR Part 22;
- b. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794);
- c. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101–6107), including Treasury's implementing regulations at 31 CFR Part 23 and the general age discrimination regulations at 45 CFR Part 90; and
- d. The Air Carrier Access Act of 1986 (49 U.S.C. § 41705).

Additional Reporting

37. Within seven days after the date of this Agreement, the Recipient shall register in SAM.gov, and thereafter maintain the currency of the information in SAM.gov until at least March 24, 2022. The Recipient shall review and update such information at least annually after the initial registration, and more frequently if required by changes in the Recipient's information. The Recipient agrees that this Agreement and information related thereto, including the Maximum Awardable Amount and any executive total compensation reported pursuant to paragraph 38, may be made available to the public through a U.S. Government website, including SAM.gov.

38. For purposes of paragraph 37, the Recipient shall report total compensation as defined in paragraph e.5 of the award term in 2 CFR part 170, App. A for each of the Recipient's five most highly compensated executives for the preceding completed fiscal year, if:

- a. the total Payroll Support is \$25,000 or more;
- b. in the preceding fiscal year, the Recipient received:
 - i. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance, as defined at 2 CFR 170.320 (and subawards); and

- ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance, as defined at 2 CFR 170.320 (and subawards); and
 - c. the public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. To determine if the public has access to the compensation information, the Recipient shall refer to U.S. Securities and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.
39. The Recipient shall report executive total compensation described in paragraph 38:
- a. as part of its registration profile at <https://www.sam.gov>; and
 - b. within five business days after the end of each month following the month in which this Agreement becomes effective, and annually thereafter.
40. The Recipient agrees that, from time to time, it will, at its own expense, promptly upon reasonable request by Treasury, execute and deliver, or cause to be executed and delivered, or use its commercially reasonable efforts to procure, all instruments, documents and information, all in form and substance reasonably satisfactory to Treasury, to enable Treasury to ensure compliance with, or effect the purposes of, this Agreement, which may include, among other documents or information, (a) certain audited financial statements of the Recipient, (b) documentation regarding the Recipient's revenues derived from its business as a passenger or cargo air carrier or regarding the passenger air carriers for which the Recipient provides services as a contractor (as the case may be), and (c) the Recipient's most recent quarterly Federal tax returns. The Recipient agrees to provide Treasury with such documents or information promptly.
41. If the total value of the Recipient's currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period before termination of this Agreement, then the Recipient shall make such reports as required by 2 CFR part 200, Appendix XII.

Other

42. The Recipient acknowledges that neither Treasury, nor any other actor, department, or agency of the Federal Government, shall condition the provision of Payroll Support on the Recipient's implementation of measures to enter into negotiations with the certified bargaining representative of a craft or class of employees of the Recipient under the Railway Labor Act (45 U.S.C. 151 *et seq.*) or the National Labor Relations Act (29 U.S.C. 151 *et seq.*), regarding pay or other terms and conditions of employment.
43. Notwithstanding any other provision of this Agreement, the Recipient has no right to, and shall not, transfer, pledge, mortgage, encumber, or otherwise assign this Agreement or any

Payroll Support provided under this Agreement, or any interest therein, or any claim, account receivable, or funds arising thereunder or accounts holding Payroll Support, to any party, bank, trust company, or other Person without the express written approval of Treasury.

44. The Signatory Entity will cause its Affiliates to comply with all of their obligations under or relating to this Agreement.
45. Unless otherwise provided in guidance issued by Treasury or the Internal Revenue Service, the form of any Taxpayer Protection Instrument held by Treasury and any subsequent holder will be treated as such form for purposes of the Internal Revenue Code of 1986 (for example, a Taxpayer Protection Instrument in the form of a note will be treated as indebtedness for purposes of the Internal Revenue Code of 1986).
46. This Agreement may not be amended or modified except pursuant to an agreement in writing entered into by the Recipient and Treasury, except that Treasury may unilaterally amend this Agreement if required in order to comply with applicable Federal law or regulation.
47. Subject to applicable law, Treasury may, in its sole discretion, waive any term or condition under this Agreement imposing a requirement on the Recipient or any Affiliate.
48. This Agreement shall bind and inure to the benefit of the parties and their respective heirs, executors, administrators, successors, and assigns.
49. The Recipient represents and warrants to Treasury that this Agreement, and the issuance and delivery to Treasury of the Taxpayer Protection Instruments, if applicable, have been duly authorized by all requisite corporate and, if required, stockholder action, and will not result in the violation by the Recipient of any provision of law, statute, or regulation, or of the articles of incorporation or other constitutive documents or bylaws of the Recipient, or breach or constitute an event of default under any material contract to which the Recipient is a party.
50. The Recipient represents and warrants to Treasury that this Agreement has been duly executed and delivered by the Recipient and constitutes a legal, valid, and binding obligation of the Recipient enforceable against the Recipient in accordance with its terms.
51. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute a single contract.
52. The words “execution,” “signed,” “signature,” and words of like import in any assignment 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. Notwithstanding anything herein to the contrary, delivery of an executed counterpart of a signature page of this Agreement by electronic means, or confirmation of the

execution of this Agreement on behalf of a party by an email from an authorized signatory of such party, shall be effective as delivery of a manually executed counterpart of this Agreement.

53. The captions and paragraph headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.
54. This Agreement is governed by and shall be construed in accordance with Federal law. Insofar as there may be no applicable Federal law, this Agreement shall be construed in accordance with the laws of the State of New York, without regard to any rule of conflicts of law (other than section 5-1401 of the New York General Obligations Law) that would result in the application of the substantive law of any jurisdiction other than the State of New York.
55. Nothing in this Agreement shall require any unlawful action or inaction by either party.
56. The requirement pertaining to trafficking in persons at 2 CFR 175.15(b) is incorporated herein and made applicable to the Recipient.
57. This Agreement, together with the attachments hereto, including the Payroll Support Certification and any attached terms regarding Taxpayer Protection Instruments, constitute the entire agreement of the parties relating to the subject matter hereof and supersede any previous agreements and understandings, oral or written, relating to the subject matter hereof. There may exist other agreements between the parties as to other matters, which are not affected by this Agreement and are not included within this integration clause.
58. No failure by either party to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy hereunder, and no acceptance of full or partial Payroll Support (if applicable) or other performance by either party during the continuance of any such breach, shall constitute a waiver of any such breach of such provision.

ATTACHMENT

Payroll Support Program Certification of Corporate Officer of Recipient

PAYROLL SUPPORT PROGRAM

CERTIFICATION OF CORPORATE OFFICER OF RECIPIENT

In connection with the Payroll Support Program Agreement (Agreement) between Delta Air Lines, Inc. and the Department of the Treasury (Treasury) relating to Payroll Support being provided by Treasury to the Recipient under Division A, Title IV, Subtitle B of the Coronavirus Aid, Relief and Economic Security Act, I hereby certify under penalty of perjury to the Treasury that all of the following are true and correct. Capitalized terms used but not defined herein have the meanings set forth in the Agreement.

(1) I have the authority to make the following representations on behalf of myself and the Recipient. I understand that these representations will be relied upon as material in the decision by Treasury to provide Payroll Support to the Recipient.

(2) The information and certifications provided by the Recipient in an application for Payroll Support, and in any attachments or other information provided by the Recipient to Treasury related to the application, are true and correct and do not contain any materially false, fictitious, or fraudulent statement, nor any concealment or omission of any material fact.

(3) The Recipient has the legal authority to apply for the Payroll Support, and it has the institutional, managerial, and financial capability to comply with all obligations, terms, and conditions set forth in the Agreement and any attachment thereto.

(4) The Recipient and any Affiliate will give Treasury, Treasury's designee or the Treasury Office of Inspector General (as applicable) access to, and opportunity to examine, all documents, papers, or other records of the Recipient or Affiliate pertinent to the provision of Payroll Support made by Treasury based on the application, in order to make audits, examinations, excerpts, and transcripts.

(5) No Federal appropriated funds, including Payroll Support, have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(6) If the Payroll Support exceeds \$100,000, the Recipient shall comply with the disclosure requirements in 31 CFR Part 21 regarding any amounts paid for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the Payroll Support.

I acknowledge that a materially false, fictitious, or fraudulent statement (or concealment or omission of a material fact) in this certification, or in the application that it supports, may be the subject of criminal prosecution and also may subject me and the Recipient to civil penalties and/or administrative remedies for false claims or otherwise.

/s/ Paul A. Jacobson

Corporate Officer of Signatory Entity

Name: Paul A. Jacobson

Title: Executive Vice President &
Chief Financial Officer

Date: April 20, 2020

/s/ Kenneth W. Morge II

Second Authorized Representative

Name: Kenneth W. Morge II

Title: Vice President & Treasurer

Date: April 20, 2020

WARRANT AGREEMENT

TABLE OF CONTENTS

	Page
Article I Closing	
1.1 Issuance	2
1.2 Initial Closing; Warrant Closing Date.	2
1.3 Interpretation	3
Article II Representations and Warranties	
2.1 Representations and Warranties of the Company	4
Article III Covenants	
3.1 Commercially Reasonable Efforts	7
3.2 Expenses	8
3.3 Sufficiency of Authorized Common Stock; Exchange Listing	9
Article IV Additional Agreements	
4.1 Investment	9
4.2 Legends	9
4.3 Certain Transactions	10
4.4 Transfer of Warrants and Warrant Shares.	10
4.5 Registration Rights	10
4.6 Voting of Warrant Shares	22
Article V Miscellaneous	
5.1 Survival of Representations and Warranties	22
5.2 Amendment	22
5.3 Waiver of Conditions	22
5.4 Governing Law: Submission to Jurisdiction, Etc.	22
5.5 Notices	22
5.6 Definitions	23
5.7 Assignment	23
5.8 Severability	24
5.9 No Third Party Beneficiaries	24

LIST OF ANNEXES

ANNEX A: FORM OF OPINION

ANNEX B: FORM OF WARRANT

SCHEDULE 1: WARRANT SHARES FORMULA

SCHEDULE 2: CAPITALIZATION

SCHEDULE 3: REQUIRED STOCKHOLDER APPROVALS

INDEX OF DEFINED TERMS

Term	Location of Definition
Affiliate	Annex B
Agreement	Recitals
Appraisal Procedure	Annex B
Board of Directors	2.1(i)
Business Combination	Annex B
Business Day	Annex B
Capitalization Date	2.1(b)
Closing	1.2(a)
Common Stock	Annex B
Company	Recitals
Company Reports	2.1(j)(i)
Exchange Act	Annex B
Governmental Authority	5.6(a)
Holder	4.5(k)(i)
Indemnatee	4.5(g)(i)
Initial Closing	1.2(a)
Lien	5.6(c)
Material Adverse Effect	5.6(d)
Organizational Documents	5.6(e)
Pending Underwritten Offering	4.5(l)
Piggyback Registration	4.5(a)(iv)
Promissory Note	Recitals
register; registered; registration	4.5(k)(ii)
Registrable Securities	4.5(k)(iii)
Registration Commencement Date	4.5(a)(i)
Registration Expenses	4.5(k)(iv)
Rule 144; Rule 144A; Rule 159A; Rule 405; Rule 415	4.5(k)(v)
SEC	2.1(c)
Securities Act	Annex B
Selling Expenses	4.5(k)(vi)
Shelf Registration Statement	4.5(a)(ii)
Special Registration	4.5(i)
Stockholder Proposals	3.1(b)
Subsidiary	5.6(f)
Transfer	4.4
Treasury	Recitals
Warrant Closing Date	1.2(a)
Warrants	Recitals
Warrant Shares	Annex B

WARRANT AGREEMENT dated as of April 20, 2020 (this “Agreement”), between DELTA AIR LINES, INC., a corporation organized under the laws of Delaware (the “Company”) and the UNITED STATES DEPARTMENT OF THE TREASURY (the “Treasury”).

WHEREAS, the Company has requested that Treasury provide financial assistance to the Recipient (as defined in the PSP Agreement) that shall exclusively be used for the continuation of payment of employee wages, salaries, and benefits as is permissible under Section 4112(a) of Title IV of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. 116-136 (Mar. 27, 2020), as the same may be amended from time to time (the “CARES Act”), and Treasury is willing to do so on the terms and conditions set forth in the Payroll Support Program Agreement dated as of April 20, 2020, between the Company and Treasury (the “PSP Agreement”); and

WHEREAS, as appropriate compensation to the Federal Government of the United States of America for the provision of financial assistance under the PSP Agreement, the Company has agreed to issue a note to be repaid to Treasury on the terms and conditions set forth in the promissory note dated as of April 20, 2020, issued by the Company, in the name of Treasury as the holder (the “Promissory Note”) and agreed to issue in a private placement warrants to purchase the number of shares of its Common Stock determined in accordance with Schedule 1 to this Agreement (the “Warrants”) to Treasury;

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements set forth herein, the parties agree as follows:

Article I Closing

1.1 Issuance.

(a) On the terms and subject to the conditions set forth in this Agreement, the Company agrees to issue to Treasury, on each Warrant Closing Date, Warrants for a number of shares of Common Stock determined by the formula set forth in Schedule 1.

1.2 Initial Closing; Warrant Closing Date.

(a) On the terms and subject to the conditions set forth in this Agreement, the closing of the initial issuance of the Warrants (the “Initial Closing”) will take place on the Closing Date (as defined in the Promissory Note) or, if on the Closing Date the principal amount of the Promissory Note is \$0, the first date on which such principal amount is increased. A subsequent closing will take place on the date of each increase, if any, of the principal amount of the Promissory Note (each subsequent closing, together with the Initial Closing, a “Closing” and each such date a “Warrant Closing Date”).

(b) On each Warrant Closing Date, the Company will issue to Treasury a duly executed Warrant or Warrants for a number of shares of Common Stock determined by the formula set forth in Schedule 1, as evidenced by one or more certificates dated the Warrant Closing Date and bearing appropriate legends as hereinafter provided for and in substantially the form attached hereto as Annex B.

(c) On each Warrant Closing Date, the Company shall deliver to Treasury (i) a written opinion from counsel to the Company (which may be internal counsel) addressed to Treasury and dated as of such Warrant Closing Date, in substantially the form attached hereto as Annex A and (ii) a certificate executed by the chief executive officer, president, executive vice president, chief financial officer, principal accounting officer, treasurer or controller confirming that the representations and warranties of the Company in this Agreement are true and correct with the same force and effect as though expressly made at and as of such Warrant Closing Date and the Company has complied with all agreements on its part to be performed or satisfied hereunder at or prior to such Closing.

(d) On the initial Warrant Closing Date, the Company shall deliver to Treasury (i) such customary certificates of resolutions or other action, incumbency certificates and/or other certificates of the chief executive officer, president, executive vice president, chief financial officer, principal accounting officer, treasurer or controller as Treasury may require evidencing the identity, authority and capacity of each such officer thereof authorized to act as such officer in connection with this Agreement and (ii) customary resolutions or evidence of corporate authorization, secretary's certificates and such other documents and certificates (including Organizational Documents and good standing certificates) as Treasury may reasonably request relating to the organization, existence and good standing of the Company and any other legal matters relating to the Company, this Agreement, the Warrants or the transactions contemplated hereby or thereby.

1.3 Interpretation.

(a) When a reference is made in this Agreement to “Recitals,” “Articles,” “Sections,” or “Annexes” such reference shall be to a Recital, Article or Section of, or Annex to, this Warrant Agreement, unless otherwise indicated. The terms defined in the singular have a comparable meaning when used in the plural, and vice versa. References to “herein”, “hereof”, “hereunder” and the like refer to this Agreement as a whole and not to any particular section or provision, unless the context requires otherwise. The table of contents and headings contained in this Agreement are for reference purposes only and are not part of this Agreement. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed followed by the words “without limitation.” No rule of construction against the draftsperson shall be applied in connection with the interpretation or enforcement of this Agreement, as this Agreement is the product of negotiation between sophisticated parties advised by counsel. All references to “\$” or “dollars” mean the lawful currency of the United States of America. Except as expressly stated in this Agreement, all references to any statute, rule or regulation are to the statute, rule or regulation as amended, modified, supplemented or replaced from time to time (and, in the case of statutes, include any rules and regulations promulgated under the statute) and to any section of any statute, rule or regulation include any successor to the section.

(b) Capitalized terms not defined herein have the meanings ascribed thereto in Annex B.

Article II Representations and Warranties

2.1 Representations and Warranties of the Company. The Company represents and warrants to Treasury that as of the date hereof and each Warrant Closing Date (or such other date specified herein):

(a) Existence, Qualification and Power. The Company is duly organized or formed, validly existing and, if applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, and the Company and each Subsidiary (a) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the this Agreement and the Warrants, and (b) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license, except, in each case referred to in clause (a)(i) or (b), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) Capitalization. The authorized capital stock of the Company, and the outstanding capital stock of the Company (including securities convertible into, or exercisable or exchangeable for, capital stock of the Company) as of the most recent fiscal month-end preceding the date hereof (the “Capitalization Date”) is set forth in Schedule 2. The outstanding shares of capital stock of the Company have been duly authorized and are validly issued and outstanding, fully paid and nonassessable, and subject to no preemptive rights (and were not issued in violation of any preemptive rights). Except as provided in the Warrants, as of the date hereof, the Company does not have outstanding any securities or other obligations providing the holder the right to acquire Common Stock that is not reserved for issuance as specified on Schedule 2, and the Company has not made any other commitment to authorize, issue or sell any Common Stock. Since the Capitalization Date, the Company has not issued any shares of Common Stock, other than (i) shares issued upon the exercise of stock options or delivered under other equity-based awards or other convertible securities or warrants which were issued and outstanding on the Capitalization Date and disclosed on Schedule 2 and (ii) shares disclosed on Schedule 2 as it may be updated by written notice from the Company to Treasury in connection with each Warrant Closing Date.

(c) Listing. The Common Stock has been registered pursuant to Section 12(b) of the Exchange Act and the shares of the Common Stock outstanding on the date hereof are listed on a national securities exchange. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or the listing of the Common Stock on such national securities exchange, nor has the Company received any notification that the Securities and Exchange Commission (the “SEC”) or such exchange is contemplating terminating such registration or listing. The Company is in compliance with applicable continued listing requirements of such exchange in all material respects.

(d) Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance

by, or enforcement against, the Company of this Agreement, except for such approvals, consents, exemptions, authorizations, actions or notices that have been duly obtained, taken or made and in full force and effect.

(e) Execution and Delivery; Binding Effect. This Agreement has been duly authorized, executed and delivered by the Company. This Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other Laws affecting creditors' rights generally and by general principles of equity.

(f) The Warrants and Warrant Shares. Each Warrant has been duly authorized and, when executed and delivered as contemplated hereby, will constitute a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other Laws affecting creditors' rights generally and by general principles of equity. The Warrant Shares have been duly authorized and reserved for issuance upon exercise of the Warrants and when so issued in accordance with the terms of the Warrants will be validly issued, fully paid and non-assessable, subject, if applicable, to the approvals of its stockholders set forth on Schedule 3.

(g) Authorization, Enforceability.

(i) The Company has the corporate power and authority to execute and deliver this Agreement and the Warrants and, subject, if applicable, to the approvals of its stockholders set forth on Schedule 3, to carry out its obligations hereunder and thereunder (which includes the issuance of the Warrants and Warrant Shares). The execution, delivery and performance by the Company of this Agreement and the Warrants and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate or other organizational action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company, subject, in each case, if applicable, to the approvals of its stockholders set forth on Schedule 3.

(ii) The execution, delivery and performance by the Company of this Agreement do not and will not (a) contravene the terms of its Organizational Documents, (b) conflict with or result in any breach or contravention of, or the creation of any Lien (as defined in the Promissory Note) under, or require any payment to be made under (i) any material Contractual Obligation to which the Company is a party or affecting the Company or the properties of the Company or any Subsidiary or (ii) any material order, injunction, writ or decree of any Governmental Authority or any arbitral award to which the Company or any Subsidiary or its property is subject or (c) violate any Law, except to the extent that such violation could not reasonably be expected to have a Material Adverse Effect.

(iii) Other than any current report on Form 8-K required to be filed with the SEC (which shall be made on or before the date on which it is required to be filed), such

filings and approvals as are required to be made or obtained under any state “blue sky” laws, the filing of any proxy statement contemplated by Section 3.1 and such filings and approvals as have been made or obtained, no notice to, filing with, exemption or review by, or authorization, consent or approval of, any Governmental Authority is required to be made or obtained by the Company in connection with the execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the issuance of the Warrants except for any such notices, filings, exemptions, reviews, authorizations, consents and approvals the failure of which to make or obtain would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(h) Anti-takeover Provisions and Rights Plan. The Board of Directors of the Company (the “Board of Directors”) has taken all necessary action, and will in the future take any necessary action, to ensure that the transactions contemplated by this Agreement and the Warrants and the consummation of the transactions contemplated hereby and thereby, including the exercise of the Warrants in accordance with their terms, will be exempt from any anti-takeover or similar provisions of the Company’s Organizational Documents, and any other provisions of any applicable “moratorium”, “control share”, “fair price”, “interested stockholder” or other anti-takeover laws and regulations of any jurisdiction, whether existing on the date hereof or implemented after the date hereof. The Company has taken all actions necessary, and will in the future take any necessary action, to render any stockholders’ rights plan of the Company inapplicable to this Agreement and the Warrants and the consummation of the transactions contemplated hereby and thereby, including the exercise of the Warrants by Treasury in accordance with its terms.

(i) Reports.

(i) Since December 31, 2017, the Company and each Subsidiary has timely filed all reports, registrations, documents, filings, statements and submissions, together with any amendments thereto, that it was required to file with any Governmental Authority (the foregoing, collectively, the “Company Reports”) and has paid all fees and assessments due and payable in connection therewith, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. As of their respective dates of filing, the Company Reports complied in all material respects with all statutes and applicable rules and regulations of the applicable Governmental Authority. In the case of each such Company Report filed with or furnished to the SEC, such Company Report (A) did not, as of its date or if amended prior to the date hereof, as of the date of such amendment, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, and (B) complied as to form in all material respects with the applicable requirements of the Securities Act and the Exchange Act. With respect to all other Company Reports, the Company Reports were complete and accurate in all material respects as of their respective dates. No executive officer of the Company or any Subsidiary has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act of 2002.

(ii) The Company (A) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) to ensure that material information relating to the Company, including its Subsidiaries, is made known to the chief executive officer and the chief financial officer of the Company by others within those entities, and (B) has disclosed, based on its most recent evaluation prior to the date hereof, to the Company's outside auditors and the audit committee of the Board of Directors (x) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and (y) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(j) Offering of Securities. Neither the Company nor any person acting on its behalf has taken any action (including any offering of any securities of the Company under circumstances which would require the integration of such offering with the offering of any of the Warrants under the Securities Act, and the rules and regulations of the Securities and Exchange Commission (the "SEC") promulgated thereunder), which might subject the offering, issuance or sale of any of the Warrants to Treasury pursuant to this Agreement to the registration requirements of the Securities Act.

(k) Brokers and Finders. No broker, finder or investment banker is entitled to any financial advisory, brokerage, finder's or other fee or commission in connection with this Agreement or the Warrants or the transactions contemplated hereby or thereby based upon arrangements made by or on behalf of the Company or any Subsidiary for which Treasury could have any liability.

Article III Covenants

3.1 Commercially Reasonable Efforts.

(a) Subject to the terms and conditions of this Agreement, each of the parties will use its commercially reasonable efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or desirable, or advisable under applicable laws, to enable consummation of the transactions contemplated hereby and shall use commercially reasonable efforts to cooperate with the other party to that end.

(b) If the Company is required to obtain any stockholder approvals set forth on Schedule 3, then the Company shall comply with this Section 3.1(b) and Section 3.1(c). The Company shall call a special meeting of its stockholders, as promptly as practicable following the Initial Closing, to vote on proposals (collectively, the "Stockholder Proposals") to (i) approve the exercise of the Warrants for Common Stock for purposes of the rules of the national securities exchange on which the Common Stock is listed and/or (ii) amend the Company's Organizational Documents to increase the number of authorized shares of Common Stock to at least such number as shall be sufficient to permit the full exercise of the Warrants for Common Stock and comply with the other provisions of this Section 3.1(b) and Section 3.1(c). The Board

of Directors shall recommend to the Company's stockholders that such stockholders vote in favor of the Stockholder Proposals. In connection with such meeting, the Company shall prepare (and Treasury will reasonably cooperate with the Company to prepare) and file with the SEC as promptly as practicable (but in no event more than ten Business Days after the Initial Closing) a preliminary proxy statement, shall use its reasonable best efforts to respond to any comments of the SEC or its staff thereon and to cause a definitive proxy statement related to such stockholders' meeting to be mailed to the Company's stockholders not more than five Business Days after clearance thereof by the SEC, and shall use its reasonable best efforts to solicit proxies for such stockholder approval of the Stockholder Proposals. The Company shall notify Treasury promptly of the receipt of any comments from the SEC or its staff with respect to the proxy statement and of any request by the SEC or its staff for amendments or supplements to such proxy statement or for additional information and will supply Treasury with copies of all correspondence between the Company or any of its representatives, on the one hand, and the SEC or its staff, on the other hand, with respect to such proxy statement. If at any time prior to such stockholders' meeting there shall occur any event that is required to be set forth in an amendment or supplement to the proxy statement, the Company shall as promptly as practicable prepare and mail to its stockholders such an amendment or supplement. Each of Treasury and the Company agrees promptly to correct any information provided by it or on its behalf for use in the proxy statement if and to the extent that such information shall have become false or misleading in any material respect, and the Company shall as promptly as practicable prepare and mail to its stockholders an amendment or supplement to correct such information to the extent required by applicable laws and regulations. The Company shall consult with Treasury prior to filing any proxy statement, or any amendment or supplement thereto, and provide Treasury with a reasonable opportunity to comment thereon. In the event that the approval of any of the Stockholder Proposals is not obtained at such special stockholders meeting, the Company shall include a proposal to approve (and the Board of Directors shall recommend approval of) each such proposal at a meeting of its stockholders no less than once in each subsequent six-month period beginning on September 30, 2020 until all such approvals are obtained or made.

(c) None of the information supplied by the Company or any of the Company Subsidiaries for inclusion in any proxy statement in connection with any such stockholders meeting of the Company will, at the date it is filed with the SEC, when first mailed to the Company's stockholders and at the time of any stockholders meeting, and at the time of any amendment or supplement thereof, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

3.2 Expenses. The Company shall pay (i) all reasonable out-of-pocket expenses incurred by Treasury (including the reasonable fees, charges and disbursements of any counsel for Treasury) in connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the Warrants, any other agreements or documents executed in connection herewith or therewith, or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by Treasury (including the fees, charges and disbursements of any counsel for Treasury), in connection with the enforcement or protection of its rights in connection with this Agreement and the Warrants, any

other agreements or documents executed in connected herewith or therewith, or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), including all such out-of-pocket expenses incurred during any workout, restructuring, negotiations or enforcement in respect of such Warrant Agreement, Warrant and other agreements or documents executed in connection herewith or therewith.

3.3 Sufficiency of Authorized Common Stock; Exchange Listing.

During the period from each Warrant Closing Date (or, if the approval of the Stockholder Proposals is required, the date of such approval) until the date on which no Warrants remain outstanding, the Company shall at all times have reserved for issuance, free of preemptive or similar rights, a sufficient number of authorized and unissued Warrant Shares to effectuate such exercise. Nothing in this Section 3.3 shall preclude the Company from satisfying its obligations in respect of the exercise of the Warrants by delivery of shares of Common Stock which are held in the treasury of the Company. As soon as reasonably practicable following each Warrant Closing Date, the Company shall, at its expense, cause the Warrant Shares to be listed on the same national securities exchange on which the Common Stock is listed, subject to official notice of issuance, and shall maintain such listing for so long as any Common Stock is listed on such exchange. The Company will use commercially reasonable efforts to maintain the listing of Common Stock on such national securities exchange so long as any Warrants or Warrant Shares remain outstanding. Neither the Company nor any of its Subsidiaries shall take any action which would be reasonably expected to result in the delisting or suspension of the Common Stock on such exchange. The foregoing shall not preclude the Company from undertaking any transaction set forth in Section 4.3 subject to compliance with that provision.

Article IV Additional Agreements

4.1 Investment Purposes. Treasury acknowledges that the Warrants and the Warrant Shares have not been registered under the Securities Act or under any state securities laws. Treasury (a) is acquiring the Warrants pursuant to an exemption from registration under the Securities Act solely for investment without a view to sell and with no present intention to distribute them to any person in violation of the Securities Act or any applicable U.S. state securities laws; (b) will not sell or otherwise dispose of any of the Warrants or the Warrant Shares, except in compliance with the registration requirements or exemption provisions of the Securities Act and any applicable U.S. state securities laws; and (c) has such knowledge and experience in financial and business matters and in investments of this type that it is capable of evaluating the merits and risks of the Warrants and the Warrant Shares and of making an informed investment decision.

4.2 Legends.

(a) Treasury agrees that all certificates or other instruments representing the Warrants and the Warrant Shares will bear a legend substantially to the following effect:

“THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE

SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT AND SUCH LAWS.”

(b) In the event that any Warrants or Warrant Shares (i) become registered under the Securities Act or (ii) are eligible to be transferred without restriction in accordance with Rule 144 or another exemption from registration under the Securities Act (other than Rule 144A), the Company shall issue new certificates or other instruments representing such Warrants or Warrant Shares, which shall not contain the legend in Section 4.2(a) above; *provided* that Treasury surrenders to the Company the previously issued certificates or other instruments.

4.3 Certain Transactions. The Company will not merge or consolidate with, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party (or its ultimate parent entity), as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant, agreement and condition of this Agreement and the Warrants to be performed and observed by the Company.

4.4 Transfer of Warrants and Warrant Shares. Subject to compliance with applicable securities laws, Treasury shall be permitted to transfer, sell, assign or otherwise dispose of (“Transfer”) all or a portion of the Warrants or Warrant Shares at any time, and the Company shall take all steps as may be reasonably requested by Treasury to facilitate the Transfer of the Warrants and the Warrant Shares.

4.5 Registration Rights.

(a) Registration.

(i) Subject to the terms and conditions of this Agreement, the Company covenants and agrees that on or before the earlier of (A) 30 days after the date on which all Warrants that may be issued pursuant to this Agreement have been issued and (B) September 30, 2020 (the end of such period, the “Registration Commencement Date”), the Company shall prepare and file with the SEC a Shelf Registration Statement covering the maximum number of Registrable Securities (or otherwise designate an existing Shelf Registration Statement filed with the SEC to cover the Registrable Securities) that may be issued pursuant to this Agreement and any Warrants outstanding at that time, and, to the extent the Shelf Registration Statement has not theretofore been declared effective or is not automatically effective upon such filing, the Company shall use reasonable best efforts to cause such Shelf Registration Statement to be declared or become effective and to keep such Shelf Registration Statement continuously effective and in compliance with the Securities Act and usable for resale of such Registrable Securities for a period from the date of its initial effectiveness until such time as there are no Registrable Securities remaining (including by refiling such Shelf Registration Statement (or a new Shelf Registration Statement) if the initial Shelf Registration Statement expires). So long as the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities

Act) at the time of filing of the Shelf Registration Statement with the SEC, such Shelf Registration Statement shall be designated by the Company as an automatic Shelf Registration Statement. Notwithstanding the foregoing, if on the date hereof the Company is not eligible to file a registration statement on Form S-3, then the Company shall not be obligated to file a Shelf Registration Statement unless and until it is so eligible and is requested to do so in writing by Treasury.

(ii) Any registration pursuant to Section 4.5(a)(i) shall be effected by means of a shelf registration on an appropriate form under Rule 415 under the Securities Act (a “Shelf Registration Statement”). If Treasury or any other Holder intends to distribute any Registrable Securities by means of an underwritten offering it shall promptly so advise the Company and the Company shall take all reasonable steps to facilitate such distribution, including the actions required pursuant to Section 4.5(c); *provided* that the Company shall not be required to facilitate an underwritten offering of Registrable Securities unless the total number of Warrant Shares and Warrants expected to be sold in such offering exceeds, or are exercisable for, at least 20% of the total number of Warrant Shares for which Warrants issued under this Agreement could be exercised (giving effect to the anti-dilution adjustments in Warrants); and *provided, further* that the Company shall not be required to facilitate more than two completed underwritten offerings within any 12-month period. The lead underwriters in any such distribution shall be selected by the Holders of a majority of the Registrable Securities to be distributed.

(iii) The Company shall not be required to effect a registration (including a resale of Registrable Securities from an effective Shelf Registration Statement) or an underwritten offering pursuant to Section 4.5(a): (A) prior to the Registration Commencement Date; (B) with respect to securities that are not Registrable Securities; or (C) if the Company has notified Treasury and all other Holders that in the good faith judgment of the Board of Directors, it would be materially detrimental to the Company or its securityholders for such registration or underwritten offering to be effected at such time, in which event the Company shall have the right to defer such registration or offering for a period of not more than 45 days after receipt of the request of Treasury or any other Holder; *provided* that such right to delay a registration or underwritten offering shall be exercised by the Company (1) only if the Company has generally exercised (or is concurrently exercising) similar black-out rights against holders of similar securities that have registration rights and (2) not more than three times in any 12-month period and not more than 90 days in the aggregate in any 12-month period. The Company shall notify the Holders of the date of any anticipated termination of any such deferral period prior to such date.

(iv) If during any period when an effective Shelf Registration Statement is not available, the Company proposes to register any of its equity securities, other than a registration pursuant to Section 4.5(a)(i) or a Special Registration, and the registration form to be filed may be used for the registration or qualification for distribution of Registrable Securities, the Company will give prompt written notice to Treasury and all other Holders of its intention to effect such a registration (but in no event less than ten days prior to the anticipated filing date) and will include in such registration all

Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten Business Days after the date of the Company's notice (a "Piggyback Registration"). Any such person that has made such a written request may withdraw its Registrable Securities from such Piggyback Registration by giving written notice to the Company and the managing underwriter, if any, on or before the fifth Business Day prior to the planned effective date of such Piggyback Registration. The Company may terminate or withdraw any registration under this Section 4.5(a)(iv) prior to the effectiveness of such registration, whether or not Treasury or any other Holders have elected to include Registrable Securities in such registration.

(v) If the registration referred to in Section 4.5(a)(iv) is proposed to be underwritten, the Company will so advise Treasury and all other Holders as a part of the written notice given pursuant to Section 4.5(a)(iv). In such event, the right of Treasury and all other Holders to registration pursuant to Section 4.5(a) will be conditioned upon such persons' participation in such underwriting and the inclusion of such person's Registrable Securities in the underwriting if such securities are of the same class of securities as the securities to be offered in the underwritten offering, and each such person will (together with the Company and the other persons distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company; *provided* that Treasury (as opposed to other Holders) shall not be required to indemnify any person in connection with any registration. If any participating person disapproves of the terms of the underwriting, such person may elect to withdraw therefrom by written notice to the Company, the managing underwriters and Treasury (if Treasury is participating in the underwriting).

(vi) If either (x) the Company grants "piggyback" registration rights to one or more third parties to include their securities in an underwritten offering under the Shelf Registration Statement pursuant to Section 4.5(a)(ii) or (y) a Piggyback Registration under Section 4.5(a)(iv) relates to an underwritten offering on behalf of the Company, and in either case the managing underwriters advise the Company that in their reasonable opinion the number of securities requested to be included in such offering exceeds the number which can be sold without adversely affecting the marketability of such offering (including an adverse effect on the per share offering price), the Company will include in such offering only such number of securities that in the reasonable opinion of such managing underwriters can be sold without adversely affecting the marketability of the offering (including an adverse effect on the per share offering price), which securities will be so included in the following order of priority: (A) first, in the case of a Piggyback Registration under Section 4.5(a)(iv), the securities the Company proposes to sell, (B) then the Registrable Securities of Treasury and all other Holders who have requested inclusion of Registrable Securities pursuant to Section 4.5(a)(ii) or Section 4.5(a)(iv), as applicable, *pro rata* on the basis of the aggregate number of such securities or shares owned by each such person and (C) lastly, any other securities of the Company that have been requested to be so included, subject to the terms of this Agreement; *provided, however*, that if the Company has, prior to the date hereof, entered into an agreement with

respect to its securities that is inconsistent with the order of priority contemplated hereby then it shall apply the order of priority in such conflicting agreement to the extent that this Agreement would otherwise result in a breach under such agreement.

(b) Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. All Selling Expenses incurred in connection with any registrations hereunder shall be borne by the holders of the securities so registered *pro rata* on the basis of the aggregate offering or sale price of the securities so registered.

(c) Obligations of the Company. The Company shall use its reasonable best efforts, for so long as there are Registrable Securities outstanding, to take such actions as are under its control to not become an ineligible issuer (as defined in Rule 405 under the Securities Act) and to remain a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) if it has such status on the date hereof or becomes eligible for such status in the future. In addition, whenever required to effect the registration of any Registrable Securities or facilitate the distribution of Registrable Securities pursuant to an effective Shelf Registration Statement, the Company shall, as expeditiously as reasonably practicable:

(i) Prepare and file with the SEC a prospectus supplement with respect to a proposed offering of Registrable Securities pursuant to an effective registration statement, subject to Section 4.5(d), keep such registration statement effective and keep such prospectus supplement current until the securities described therein are no longer Registrable Securities. The plan of distribution included in such registration statement shall include, among other things, an underwritten offering, ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers, block trades, privately negotiated transactions, the writing or settlement of options or other derivative transactions and any other method permitted pursuant to applicable law, and any combination of any such methods of sale.

(ii) Prepare and file with the SEC such amendments and supplements to the applicable registration statement and the prospectus or prospectus supplement used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(iii) Furnish to the Holders and any underwriters such number of copies of the applicable registration statement and each such amendment and supplement thereto (including in each case all exhibits) and of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned or to be distributed by them.

(iv) Use its reasonable best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders or any managing underwriter(s), to keep such registration or qualification in effect for so long as such

registration statement remains in effect, and to take any other action which may be reasonably necessary to enable such seller to consummate the disposition in such jurisdictions of the securities owned by such Holder; *provided* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(v) Notify each Holder of Registrable Securities at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the applicable prospectus, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing.

(vi) Give written notice to the Holders:

(A) when any registration statement filed pursuant to Section 4.5(a) or any amendment thereto has been filed with the SEC (except for any amendment effected by the filing of a document with the SEC pursuant to the Exchange Act) and when such registration statement or any post-effective amendment thereto has become effective;

(B) of any request by the SEC for amendments or supplements to any registration statement or the prospectus included therein or for additional information;

(C) of the issuance by the SEC of any stop order suspending the effectiveness of any registration statement or the initiation of any proceedings for that purpose;

(D) of the receipt by the Company or its legal counsel of any notification with respect to the suspension of the qualification of the Common Stock for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(E) of the happening of any event that requires the Company to make changes in any effective registration statement or the prospectus related to the registration statement in order to make the statements therein not misleading (which notice shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made); and

(F) if at any time the representations and warranties of the Company contained in any underwriting agreement contemplated by Section 4.5(c)(x) cease to be true and correct.

(vii) Use its reasonable best efforts to prevent the issuance or obtain the withdrawal of any order suspending the effectiveness of any registration statement referred to in Section 4.5(c)(vi)(C) at the earliest practicable time.

(viii) Upon the occurrence of any event contemplated by Section 4.5(c)(v), 4.5(c)(vi)(E) or 4.5(d), promptly prepare a post-effective amendment to such registration statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to the Holders and any underwriters, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with Section 4.5(c)(vi)(E) to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Holders and any underwriters shall suspend use of such prospectus and use their reasonable best efforts to return to the Company all copies of such prospectus (at the Company's expense) other than permanent file copies then in such Holders' or underwriters' possession. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days. The Company shall notify the Holders of the date of any anticipated termination of any such suspension period prior to such date.

(ix) Use reasonable best efforts to procure the cooperation of the Company's transfer agent in settling any offering or sale of Registrable Securities, including with respect to the transfer of physical stock certificates into book-entry form in accordance with any procedures reasonably requested by the Holders or any managing underwriter(s).

(x) If an underwritten offering is requested pursuant to Section 4.5(a)(ii), enter into an underwriting agreement in customary form, scope and substance and take all such other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, to expedite or facilitate the underwritten disposition of such Registrable Securities, and in connection therewith in any underwritten offering (including making members of management and executives of the Company available to participate in "road shows", similar sales events and other marketing activities), (A) make such representations and warranties to the Holders that are selling stockholders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Shelf Registration Statement, prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in customary form, substance and scope, and, if true, confirm the same if and when requested, (B) use its reasonable best efforts to furnish the underwriters with opinions and "10b-5" letters of counsel to the Company, addressed to the managing underwriter(s), if any, covering the matters customarily covered in such opinions and letters requested in underwritten offerings, (C) use its reasonable best efforts to obtain "cold comfort" letters from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any business acquired by the Company for which financial statements and financial data are included in the Shelf Registration Statement) who have certified the financial statements included in such Shelf Registration Statement, addressed to each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters, (D) if an

underwriting agreement is entered into, the same shall contain indemnification provisions and procedures customary in underwritten offerings (provided that Treasury shall not be obligated to provide any indemnity), and (E) deliver such documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company.

(xi) Make available for inspection by a representative of Holders that are selling stockholders, the managing underwriter(s), if any, and any attorneys or accountants retained by such Holders or managing underwriter(s), at the offices where normally kept, during reasonable business hours, financial and other records, pertinent corporate documents and properties of the Company, and cause the officers, directors and employees of the Company to supply all information in each case reasonably requested (and of the type customarily provided in connection with due diligence conducted in connection with a registered public offering of securities) by any such representative, managing underwriter(s), attorney or accountant in connection with such Shelf Registration Statement.

(xii) Use reasonable best efforts to cause all such Registrable Securities to be listed on each national securities exchange on which similar securities issued by the Company are then listed or, if no similar securities issued by the Company are then listed on any national securities exchange, use its reasonable best efforts to cause all such Registrable Securities to be listed on such securities exchange as Treasury may designate.

(xiii) If requested by Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith, or the managing underwriter(s), if any, promptly include in a prospectus supplement or amendment such information as the Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith or managing underwriter(s), if any, may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such prospectus supplement or such amendment as soon as practicable after the Company has received such request.

(xiv) Timely provide to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

(d) Suspension of Sales. Upon receipt of written notice from the Company that a registration statement, prospectus or prospectus supplement contains or may contain an untrue statement of a material fact or omits or may omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that circumstances exist that make inadvisable use of such registration statement, prospectus or prospectus supplement, Treasury and each Holder of Registrable Securities shall forthwith discontinue disposition of Registrable Securities until Treasury and/or Holder has received copies of a supplemented or amended prospectus or prospectus supplement, or until Treasury and/or such Holder is advised in writing by the Company that the use of the prospectus and, if applicable, prospectus supplement

may be resumed, and, if so directed by the Company, Treasury and/or such Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in Treasury and/or such Holder's possession, of the prospectus and, if applicable, prospectus supplement covering such Registrable Securities current at the time of receipt of such notice. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days. The Company shall notify Treasury prior to the anticipated termination of any such suspension period of the date of such anticipated termination

(e) Termination of Registration Rights. A Holder's registration rights as to any securities held by such Holder shall not be available unless such securities are Registrable Securities.

(f) Furnishing Information.

(i) Neither Treasury nor any Holder shall use any free writing prospectus (as defined in Rule 405) in connection with the sale of Registrable Securities without the prior written consent of the Company.

(ii) It shall be a condition precedent to the obligations of the Company to take any action pursuant to Section 4.5(c) that Treasury and/or the selling Holders and the underwriters, if any, shall furnish to the Company such information regarding themselves, the Registrable Securities held by them and the intended method of disposition of such securities as shall be required to effect the registered offering of their Registrable Securities.

(g) Indemnification.

(i) The Company agrees to indemnify each Holder and, if a Holder is a person other than an individual, such Holder's officers, directors, employees, agents, representatives and Affiliates, and each Person, if any, that controls a Holder within the meaning of the Securities Act (each, an "Indemnitee"), against any and all losses, claims, damages, actions, liabilities, costs and expenses (including reasonable fees, expenses and disbursements of attorneys and other professionals incurred in connection with investigating, defending, settling, compromising or paying any such losses, claims, damages, actions, liabilities, costs and expenses), joint or several, arising out of or based upon any untrue statement or alleged untrue statement of material fact contained in any registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto or any documents incorporated therein by reference or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto); or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, that the Company shall not be liable to such Indemnitee in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon (A) an untrue statement or omission made in such registration statement, including any such preliminary prospectus or final prospectus contained

therein or any such amendments or supplements thereto or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto), in reliance upon and in conformity with information regarding such Indemnatee or its plan of distribution or ownership interests which was furnished in writing to the Company by such Indemnatee for use in connection with such registration statement, including any such preliminary prospectus or final prospectus contained therein or any such amendments or supplements thereto, or (B) offers or sales effected by or on behalf of such Indemnatee “by means of” (as defined in Rule 159A) a “free writing prospectus” (as defined in Rule 405) that was not authorized in writing by the Company.

(ii) If the indemnification provided for in Section 4.5(g)(i) is unavailable to an Indemnatee with respect to any losses, claims, damages, actions, liabilities, costs or expenses referred to therein or is insufficient to hold the Indemnatee harmless as contemplated therein, then the Company, in lieu of indemnifying such Indemnatee, shall contribute to the amount paid or payable by such Indemnatee as a result of such losses, claims, damages, actions, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the Indemnatee, on the one hand, and the Company, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, actions, liabilities, costs or expenses as well as any other relevant equitable considerations. The relative fault of the Company, on the one hand, and of the Indemnatee, on the other hand, shall be determined by reference to, among other factors, whether the untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company or by the Indemnatee and the parties’ relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; the Company and each Holder agree that it would not be just and equitable if contribution pursuant to this Section 4.5(g)(ii) were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 4.5(g)(i). No Indemnatee guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from the Company if the Company was not guilty of such fraudulent misrepresentation.

(h) Assignment of Registration Rights. The rights of Treasury to registration of Registrable Securities pursuant to Section 4.5(a) may be assigned by Treasury to a transferee or assignee of Registrable Securities in connection with a transfer of a total number of Warrant Shares and/or Warrants exercisable for at least 20% of the total number of Warrant Shares for which Warrants issued and to be issued under this Agreement could be exercised (giving effect to the anti-dilution adjustments in Warrants); *provided, however*, the transferor shall, within ten days after such transfer, furnish to the Company written notice of the name and address of such transferee or assignee and the number and type of Registrable Securities that are being assigned.

(i) Clear Market. With respect to any underwritten offering of Registrable Securities by Treasury or other Holders pursuant to this Section 4.5, the Company agrees not to effect (other than pursuant to such registration or pursuant to a Special Registration) any public sale or distribution, or to file any Shelf Registration Statement (other than such registration or a Special

Registration) covering, in the case of an underwritten offering of Common Stock or Warrants, any of its equity securities, or, in each case, any securities convertible into or exchangeable or exercisable for such securities, during the period not to exceed 30 days following the effective date of such offering. The Company also agrees to cause such of its directors and senior executive officers to execute and deliver customary lock-up agreements in such form and for such time period up to 30 days as may be requested by the managing underwriter. “Special Registration” means the registration of (A) equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or Form S-8 (or successor form) or (B) shares of equity securities and/or options or other rights in respect thereof to be offered to directors, members of management, employees, consultants, customers, lenders or vendors of the Company or Company Subsidiaries or in connection with dividend reinvestment plans.

(j) Rule 144; Rule 144A. With a view to making available to Treasury and Holders the benefits of certain rules and regulations of the SEC which may permit the sale of the Registrable Securities to the public without registration, the Company agrees to use its reasonable best efforts to:

(i) make and keep adequate public information available, as those terms are understood and defined in Rule 144(c)(1) or any similar or analogous rule promulgated under the Securities Act, at all times after the date hereof;

(ii) (A) file with the SEC, in a timely manner, all reports and other documents required of the Company under the Exchange Act, and (B) if at any time the Company is not required to file such reports, make available, upon the request of any Holder, such information necessary to permit sales pursuant to Rule 144A (including the information required by Rule 144A(d)(4) under the Securities Act);

(iii) so long as Treasury or a Holder owns any Registrable Securities, furnish to Treasury or such Holder forthwith upon request: a written statement by the Company as to its compliance with the reporting requirements of Rule 144 under the Securities Act, and of the Exchange Act; a copy of the most recent annual or quarterly report of the Company; and such other reports and documents as Treasury or Holder may reasonably request in availing itself of any rule or regulation of the SEC allowing it to sell any such securities to the public without registration; *provided, however*, that the availability of the foregoing reports on the EDGAR filing system of the SEC will be deemed to satisfy the foregoing delivery requirements; and

(iv) take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act.

(k) As used in this Section 4.5, the following terms shall have the following respective meanings:

(i) “Holder” means Treasury and any other holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 4.5(h) hereof.

(ii) “Register,” “registered,” and “registration” shall refer to a registration effected by preparing and (A) filing a registration statement in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of effectiveness of such registration statement or (B) filing a prospectus and/or prospectus supplement in respect of an appropriate effective registration statement on Form S-3.

(iii) “Registrable Securities” means (A) the Warrants (subject to Section 4.5(p)) and (B) any equity securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (A) by way of conversion, exercise or exchange thereof, including the Warrant Shares, or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization, *provided* that, once issued, such securities will not be Registrable Securities when (1) they are sold pursuant to an effective registration statement under the Securities Act, (2) except as provided below in Section 4.5(o), they may be sold pursuant to Rule 144 without limitation thereunder on volume or manner of sale, (3) they shall have ceased to be outstanding or (4) they have been sold in a private transaction in which the transferor’s rights under this Agreement are not assigned to the transferee of the securities. No Registrable Securities may be registered under more than one registration statement at any one time.

(iv) “Registration Expenses” mean all expenses incurred by the Company in effecting any registration pursuant to this Agreement (whether or not any registration or prospectus becomes effective or final) or otherwise complying with its obligations under this Section 4.5, including all registration, filing and listing fees, printing expenses, fees and disbursements of counsel for the Company, blue sky fees and expenses, expenses incurred in connection with any “road show”, the reasonable fees and disbursements of Treasury’s counsel (if Treasury is participating in the registered offering), and expenses of the Company’s independent accountants in connection with any regular or special reviews or audits incident to or required by any such registration, but shall not include Selling Expenses.

(v) “Rule 144”, “Rule 144A”, “Rule 159A”, “Rule 405” and “Rule 415” mean, in each case, such rule promulgated under the Securities Act (or any successor provision), as the same shall be amended from time to time.

(vi) “Selling Expenses” mean all discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder (other than the fees and disbursements of Treasury’s counsel included in Registration Expenses).

(l) At any time, any holder of Securities (including any Holder) may elect to forfeit its rights set forth in this Section 4.5 from that date forward; *provided*, that a Holder forfeiting such rights shall nonetheless be entitled to participate under Section 4.5(a)(iv) – (vi) in any Pending Underwritten Offering to the same extent that such Holder would have been entitled to if the holder had not withdrawn; and *provided, further*, that no such forfeiture shall terminate a Holder’s rights or obligations under Section 4.5(f) with respect to any prior registration or

Pending Underwritten Offering. “*Pending Underwritten Offering*” means, with respect to any Holder forfeiting its rights pursuant to this Section 4.5(l), any underwritten offering of Registrable Securities in which such Holder has advised the Company of its intent to register its Registrable Securities either pursuant to Section 4.5(a)(ii) or 4.5(a)(iv) prior to the date of such Holder’s forfeiture.

(m) Specific Performance. The parties hereto acknowledge that there would be no adequate remedy at law if the Company fails to perform any of its obligations under this Section 4.5 and that Treasury and the Holders from time to time may be irreparably harmed by any such failure, and accordingly agree that Treasury and such Holders, in addition to any other remedy to which they may be entitled at law or in equity, to the fullest extent permitted and enforceable under applicable law shall be entitled to compel specific performance of the obligations of the Company under this Section 4.5 in accordance with the terms and conditions of this Section 4.5.

(n) No Inconsistent Agreements. The Company shall not, on or after the date hereof, enter into any agreement with respect to its securities that may impair the rights granted to Treasury and the Holders under this Section 4.5 or that otherwise conflicts with the provisions hereof in any manner that may impair the rights granted to Treasury and the Holders under this Section 4.5. In the event the Company has, prior to the date hereof, entered into any agreement with respect to its securities that is inconsistent with the rights granted to Treasury and the Holders under this Section 4.5 (including agreements that are inconsistent with the order of priority contemplated by Section 4.5(a)(vi)) or that may otherwise conflict with the provisions hereof, the Company shall use its reasonable best efforts to amend such agreements to ensure they are consistent with the provisions of this Section 4.5. Any transaction entered into by the Company that would reasonably be expected to require the inclusion in a Shelf Registration Statement or any Company Report filed with the SEC of any separate financial statements pursuant to Rule 3-05 of Regulation S-X or pro forma financial statements pursuant to Article 11 of Regulation S-X shall include provisions requiring the Company’s counterparty to provide any information necessary to allow the Company to comply with its obligation hereunder.

(o) Certain Offerings by Treasury. In the case of any securities held by Treasury that cease to be Registrable Securities solely by reason of clause (2) in the definition of “Registrable Securities,” the provisions of Sections 4.5(a)(ii), clauses (iv), (ix) and (x)-(xii) of Section 4.5(c), Section 4.5(g) and Section 4.5(i) shall continue to apply until such securities otherwise cease to be Registrable Securities. In any such case, an “underwritten” offering or other disposition shall include any distribution of such securities on behalf of Treasury by one or more broker-dealers, an “underwriting agreement” shall include any purchase agreement entered into by such broker-dealers, and any “registration statement” or “prospectus” shall include any offering document approved by the Company and used in connection with such distribution.

(p) Registered Sales of the Warrants. The Holders agree to sell the Warrants or any portion thereof under the Shelf Registration Statement only beginning 30 days after notifying the Company of any such sale, during which 30-day period Treasury and all Holders of the Warrants shall take reasonable steps to agree to revisions to the Warrants, at the expense of the Company, to permit a public distribution of the Warrants, including entering into a revised warrant

agreement, appointing a warrant agent, and making the securities eligible for book entry clearing and settlement at the Depository Trust Company.

4.6 **Voting of Warrant Shares.** Notwithstanding anything in this Agreement to the contrary, Treasury shall not exercise any voting rights with respect to the Warrant Shares.

Article V Miscellaneous

5.1 **Survival of Representations and Warranties.** The representations and warranties of the Company made herein or in any certificates delivered in connection with the Initial Closing or any subsequent Closing shall survive such Closing without limitation.

5.2 **Amendment.** No amendment of any provision of this Agreement will be effective unless made in writing and signed by an officer or a duly authorized representative of each party; *provided* that Treasury may unilaterally amend any provision of this Agreement to the extent required to comply with any changes after the date hereof in applicable federal statutes. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative of any rights or remedies provided by law.

5.3 **Waiver of Conditions.** No waiver will be effective unless it is in a writing signed by a duly authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

5.4 **Governing Law: Submission to Jurisdiction, Etc.** This Agreement will be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. Each of the parties hereto agrees (a) to submit to the exclusive jurisdiction and venue of the United States District Court for the District of Columbia and the United States Court of Federal Claims for any and all civil actions, suits or proceedings arising out of or relating to this Agreement or the Warrants or the transactions contemplated hereby or thereby, and (b) that notice may be served upon (i) the Company at the address and in the manner set forth for notices to the Company in Section 5.5 and (ii) Treasury in accordance with federal law. To the extent permitted by applicable law, each of the parties hereto hereby unconditionally waives trial by jury in any civil legal action or proceeding relating to this Agreement or the Warrants or the transactions contemplated hereby or thereby.

5.5 **Notices.** Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, or (b) on the second Business Day following the date of dispatch if delivered by a recognized next day courier service. All notices to the Company shall be delivered as set forth below, or pursuant to such other instruction as may be designated in writing by the Company to Treasury. All notices

to Treasury shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by Treasury to the Company.

If to the Company:

Delta Air Lines, Inc.
1030 Delta Boulevard
Atlanta, GA 30354
Attention of: (x) Treasurer, Dept. 856, Telecopier No.: (404) 715-3110, Telephone No.: (404) 715-5993 and (y) Chief Legal Officer, Dept. 971, Telecopier No.: (404) 715-2233, Telephone No.: (404) 715-2191

If to Treasury:

United States Department of the Treasury
1500 Pennsylvania Avenue, NW, Room 2312
Washington, D.C. 20220
Attention: Assistant General Counsel (Banking and Finance)

5.6 Definitions.

(a) The term “Governmental Authority” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

(b) The term “Laws” has the meaning ascribed thereto in the Promissory Note.

(c) The term “Lien” has the meaning ascribed thereto in the Promissory Note.

(d) The term “Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect on, the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Company and its Subsidiaries taken as a whole; or (b) a material adverse effect on (i) the ability of the Company to perform its obligations under this Agreement or any Warrant or (ii) the legality, validity, binding effect or enforceability against the Company of this Agreement or any Warrant to which it is a party.

(e) The term “Organizational Documents” has the meaning ascribed thereto in the Promissory Note.

(f) The term “Subsidiary” has the meaning ascribed thereto in the Promissory Note.

5.7 Assignment. Neither this Agreement nor any right, remedy, obligation nor liability arising hereunder or by reason hereof shall be assignable by any party hereto without the prior written consent of the other party, and any attempt to assign any right, remedy, obligation

or liability hereunder without such consent shall be void, except (a) an assignment, in the case of a Business Combination where such party is not the surviving entity, or a sale of substantially all of its assets, to the entity which is the survivor of such Business Combination or the purchaser in such sale and (b) as provided in Section 4.5.

5.8 Severability. If any provision of this Agreement or the Warrants, or the application thereof to any person or circumstance, is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

5.9 No Third Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person or entity other than the Company and Treasury any benefit, right or remedies, except that the provisions of Section 4.5 shall inure to the benefit of the persons referred to in that Section.

* * *

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE UNITED STATES DEPARTMENT OF THE
TREASURY

By: /s/ Steven Mnuchin
Name: Steven Mnuchin
Title: Secretary

DELTA AIR LINES, INC.

By: /s/ Kenneth W. Morge II
Name: Kenneth W. Morge II
Title: Vice President and Treasurer

[Signature Page to Warrant Agreement]

FORM OF OPINION

(a) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the state of its incorporation.

(b) Each of the Warrants has been duly authorized and, when executed and delivered as contemplated by the Agreement, will constitute a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity.

(c) The shares of Common Stock issuable upon exercise of the Warrants have been duly authorized and reserved for issuance upon exercise of the Warrants and when so issued in accordance with the terms of the Warrants will be validly issued, fully paid and non-assessable ***[insert, if applicable:*** , subject to the approvals of the Company's stockholders set forth on Schedule 3].

(d) The Company has the corporate power and authority to execute and deliver the Agreement and the Warrants and ***[insert, if applicable:*** , subject to the approvals of the Company's stockholders set forth on Schedule 3] to carry out its obligations thereunder (which includes the issuance of the Warrants and Warrant Shares).

(e) The execution, delivery and performance by the Company of the Agreement and the Warrants and the consummation of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company ***[insert, if applicable:*** , subject, in each case, to the approvals of the Company's stockholders set forth on Schedule 3].

(f) The Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity; *provided, however*, such counsel need express no opinion with respect to Section 4.5(g) or the severability provisions of the Agreement insofar as Section 4.5(g) is concerned.

(g) No registration of the Warrant and the Common Stock issuable upon exercise of the Warrant under the U.S. Securities Act of 1933, as amended, is required for the offer and sale of the Warrant or the Common Stock issuable upon exercise of the Warrant by the Company to the Holder pursuant to and in the manner contemplated by this Agreement.

(h) The Company is not required to be registered as an investment company under the Investment Company Act of 1940, as amended.

FORM OF WARRANT

[SEE ATTACHED]

SCHEDULE 1

WARRANT SHARES FORMULA

The number of Warrant Shares for which Warrants issued on each Warrant Closing Date shall be exercisable shall equal:

- (i) On the Closing Date, the quotient of (x) the product of the principal amount of the Promissory Note multiplied *by* 0.1 *divided by* (y) the Exercise Price (as defined in Annex B); and
- (ii) On each subsequent Warrant Closing Date, the quotient of (x) the product of the amount by which the principal amount of the Promissory Note is increased on such Warrant Closing Date multiplied *by* 0.1 *divided by* (y) the Exercise Price.

SCHEDULE 2

Delta Air Lines, Inc. Capitalization as of March 31, 2020

Authorized Shares

- 1,500,000,000 shares of common stock, par value \$0.0001 per share
- 500,000,000 shares of preferred stock, no par value

Common Stock

Outstanding 646,901,338

Treasury Shares 8,587,229

Restricted 3,323,728

Reserved 7,699,678

(for performance compensation plan)

SCHEDULE 3

Required Stockholder Approvals

- None.

AMENDMENT NO. 1

AMENDMENT NO. 1 dated as of April 3, 2020 (this “Agreement”) between Delta Air Lines, Inc., a Delaware corporation (the “Company”) and JPMorgan Chase Bank, N.A. (“JPMCB”), as administrative agent (in such capacity, the “Administrative Agent”). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement referred to below.

RECITALS:

1. The Company is party to that certain Credit Agreement dated as of March 17, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Credit Agreement”) by and among the Company, the lenders from time to time party thereto (the “Lenders”) and JPMCB, as administrative agent for the Lenders;

2. Pursuant to Section 5.10 of the Credit Agreement, the Company has requested that the Administrative Agent amend certain provisions of the Credit Agreement as set forth in Section 1 below (the “Amendment”); and

3. Now, therefore, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Amendments to Credit Agreement. Effective as of the Amendment No. 1 Effective Date (as defined below), the 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 Credit Agreement attached as Annex A hereto (as amended, the “Amended Credit Agreement”).

SECTION 2. Representations and Warranties. To induce the Administrative Agent to enter into this Agreement, the Company hereby represents and warrants to the Lenders and the Administrative Agent as follows:

(a) (i) the Company has the corporate power and authority to execute, deliver and perform this Agreement, (ii) the execution, delivery and performance by the Company of this Agreement have been duly authorized by all necessary corporate action of the Company and (iii) this Agreement constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms (subject, as to enforceability, to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity));

(b) all representations and warranties contained in the Amended Credit Agreement and the other Loan Documents (other than the representations and warranties set forth in Sections 3.04(b) and 3.06(a) of the Amended Credit Agreement) are true and correct in all material respects on and as of the date hereof with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, “Material Adverse Change” or “Material Adverse Effect” shall be true and correct in all respects, as though made on and as of the applicable date; and

(c) as of the date hereof, no Default or Event of Default has occurred and is continuing or would result from this Agreement.

SECTION 3. Conditions of Effectiveness of the Amendment. The Amendment shall become effective as of the first date (the “Amendment No. 1 Effective Date”) when the Administrative Agent shall have received:

- (a) an executed counterpart (which may include a facsimile or other electronic transmission) of this Agreement from the Company;
- (b) a duly executed Long Form Mortgage (as defined in the Amended Credit Agreement);
- (c) a written opinion of Davis Polk & Wardwell LLP, special New York counsel to the Borrower, in a form reasonably satisfactory to the Administrative Agent; and
- (d) an Officer’s Certificate from the Borrower certifying as to the accuracy of the representations and warranties set forth in Section 2 hereof.

SECTION 4. Reference to and Effect on the Credit Agreement and the other Loan Documents.

(a) On and after the Amendment No. 1 Effective Date, each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof” or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement, as amended by the Amendment. The Credit Agreement and each of the other Loan Documents, as specifically amended by the Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(b) The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents except as expressly set forth herein. This Agreement shall for all purposes constitute a Loan Document.

SECTION 5. Post-Closing. Promptly upon the satisfaction of the conditions under Section 3 hereof and the filing of the Long Form Mortgage with the FAA, Daugherty, Fowler, Peregrin, Haught & Jenson, special FAA counsel to the Borrower, shall deliver a written opinion in a form reasonably satisfactory to the Administrative Agent

SECTION 6. Acknowledgments. The Company hereby acknowledges that it has read this Agreement and consents to its terms, and further hereby affirms, confirms, represents, warrants and agrees that notwithstanding the effectiveness of this Agreement, the obligations of the Company under each of the Loan Documents shall not be impaired and each of the Loan Documents is, and shall continue to be, in full force and effect and is hereby confirmed and ratified in all respects.

SECTION 7. Costs and Expenses. The Company hereby agrees to reimburse the Administrative Agent for its reasonable and documented out-of-pocket expenses in connection with this Agreement, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, all in accordance with the terms and conditions of Section 10.04(a) of the Credit Agreement.

SECTION 8. Execution in Counterparts. This Agreement may be executed in one or more 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 an executed counterpart of a signature page of this Amendment by telecopy, emailed pdf. or electronic mail 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 any 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, 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 9. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 10. Headings. Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Agreement.

SECTION 11. Miscellaneous Provisions. The provisions of Sections 10.01, 10.03, 10.04, 10.05, 10.06, 10.09, 10.11, 10.12 and 10.14 of the Credit Agreement shall apply with like effect as to this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

DELTA AIR LINES, INC., a Delaware corporation

By: /s/ Kenneth W. Morge II
Name: Kenneth W. Morge II
Title: Vice President and Treasurer

[Signature Page to Amendment No. 1]

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By: /s/ Cristina Caviness

Name: Cristina Caviness

Title: Vice President

Amended Credit Agreement

[See attached.]

364-DAY TERM LOAN CREDIT AGREEMENT

among

DELTA AIR LINES, INC.,
as Borrower,

THE LENDERS PARTY HERETO,
and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

and

JPMORGAN CHASE BANK, N.A.,
as Sole Lead Arranger and Bookrunner

Dated as of March 17, 2020

Table of Contents

Page

Section 1. DEFINITIONS	1
Section 1.01. Defined Terms	1
Section 1.02. Terms Generally	23
Section 1.03. Accounting Terms; GAAP	23 <u>24</u>
Section 1.04. Interest Rates	23 <u>24</u>
Section 2. AMOUNT AND TERMS OF CREDIT	24
Section 2.01. Term Loans	24
Section 2.02. [Reserved]	25
Section 2.03. Requests for Borrowings	25
Section 2.04. Funding of Borrowings	25 <u>26</u>
Section 2.05. Interest Elections	26
Section 2.06. Limitation on Eurodollar Tranches	27
Section 2.07. Interest on Term Loans	27
Section 2.08. Default Interest	27 <u>28</u>
Section 2.09. Alternate Rate of Interest	28
Section 2.10. Repayment of Term Loans; Evidence of Debt	28 <u>29</u>
Section 2.11. Optional Termination or Reduction of Delayed Draw Commitments.	29
Section 2.12. Mandatory Prepayment of Term Loans	29 <u>30</u>
Section 2.13. Optional Prepayment of Term Loans	30
Section 2.14. Increased Costs	30
Section 2.15. Break Funding Payments	32
Section 2.16. Taxes	32
Section 2.17. Payments Generally; Pro Rata Treatment	35
Section 2.18. Mitigation Obligations; Replacement of Lenders	36
Section 2.19. Certain Fees	37
Section 2.20. Right of Set-Off	37 <u>38</u>
Section 2.21. Payment of Obligations	38
Section 2.22. Defaulting Lenders	38
Section 2.23. Incremental Term Loans	39
Section 3. REPRESENTATIONS AND WARRANTIES	40
Section 3.01. Organization and Authority	40 <u>41</u>
Section 3.02. Air Carrier Status	40 <u>41</u>
Section 3.03. Due Execution	41
Section 3.04. Financial Statements; Material Adverse Change	41

Section 3.05. Use of Proceeds	41 42
Section 3.06. Litigation and Compliance with Laws	42
Section 3.07. Investment Company Act	42
Section 3.08. ERISA	42
Section 3.09. Title to Pool Assets	42
Section 3.10. Payment of Taxes	42
Section 3.11. Economic Sanctions	42 43
Section 3.12. Anti-Corruption Laws	43
Section 3.13. Perfected Security Interests	43
Section 4. CONDITIONS OF LENDING	43 44
Section 4.01. Conditions Precedent to Effectiveness and Funding of the Closing Date Term Loans	43 44
Section 4.02. Conditions Precedent to the Funding of Each Delayed Draw Term Loan	45
Section 5. AFFIRMATIVE COVENANTS	46
Section 5.01. Financial Statements, Reports, etc.	46
Section 5.02. Existence	47 48
Section 5.03. Insurance	47 48
Section 5.04. Maintenance of Properties	48
Section 5.05. Obligations and Taxes	48
Section 5.06. Notice of Event of Default, etc.	48 49
Section 5.07. Access to Books and Records	48 49
Section 5.08. Compliance with Laws	49
Section 5.09. FAA and DOT Matters; Citizenship	49
Section 5.10. Post-Closing Items.	49
Section 5.11. Further Assurances	50
Section 6. NEGATIVE COVENANTS	50 51
Section 6.01. Liens on the Pool Assets	50 51
Section 6.02. Merger, etc.	50 51
Section 6.03. Asset Coverage Ratio	51 52
Section 6.04. Fixed Charge Coverage Ratio	51 52
Section 6.05. Disposition of Pool Assets	52 53
Section 7. EVENTS OF DEFAULT	52 53
Section 7.01. Events of Default	52 53
Section 8. THE AGENTS	54 55
Section 8.01. Administration by Agents	54 55
Section 8.02. Rights of Administrative Agent	54 56
Section 8.03. Liability of the Administrative Agent	55 56

Section 8.04. Reimbursement and Indemnification	56 57
Section 8.05. Successor Agents	56 58
Section 8.06. Independent Lenders	57 58
Section 8.07. Advances and Payments	57 58
Section 8.08. Sharing of Setoffs	57 59
Section 8.09. Other Agents	58 59
Section 8.10. Withholding Taxes	58 59
Section 8.11. Appointment by Secured Parties	60
Section 8.11 8.12 . Certain ERISA Matters	58 60
Section 9. [RESERVED]	59 61
Section 10. MISCELLANEOUS	59 61
Section 10.01. Notices	59 61
Section 10.02. Successors and Assigns	60 61
Section 10.03. Confidentiality	63 65
Section 10.04. Expenses; Indemnity; Damage Waiver	64 65
Section 10.05. Governing Law; Jurisdiction; Consent to Service of Process	65 67
Section 10.06. No Waiver	66 67
Section 10.07. Extension of Maturity	66 67
Section 10.08. Amendments, etc.	66 67
Section 10.09. Severability	68 69
Section 10.10. Headings	68 69
Section 10.11. Survival	68 69
Section 10.12. Execution in Counterparts; Integration; Effectiveness	68 70
Section 10.13. USA PATRIOT Act	68 70
Section 10.14. WAIVER OF JURY TRIAL	68 70
Section 10.15. No Fiduciary Duty	69 70
Section 10.16. Acknowledgement and Consent to Bail-In of EEA Affected Financial Institutions	69 71
Section 10.17. Registrations with International Registry	71

INDEX OF APPENDICES

Schedule 2.01 Term Commitment Amounts

Schedule 6.05 Pool Assets

EXHIBIT A Form of Compliance Certificate

EXHIBIT B Form of Assignment and Acceptance

EXHIBIT C-1 Form of U.S. Tax Compliance Certificate – Foreign Lenders That Are Not
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT C-2 Form of U.S. Tax Compliance Certificate – Foreign Participants That Are
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT C-3 Form of U.S. Tax Compliance Certificate – Foreign Participants That Are Not Partnerships for U.S. Federal Income Tax
Purposes

EXHIBIT C-4 Form of U.S. Tax Compliance Certificate – Foreign Lenders That Are
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT D [Reserved]

EXHIBIT E Form of Borrowing Request

EXHIBIT F Form of Interest Election Request

364-DAY TERM LOAN CREDIT AGREEMENT

Dated as of March 17, 2020

364-DAY TERM LOAN CREDIT AGREEMENT, dated as of March 17, 2020, among DELTA AIR LINES, INC., a Delaware corporation (the “Borrower”), each of the several banks and other financial institutions or entities from time to time party hereto (the “Lenders”) and JPMORGAN CHASE BANK, N.A. (“JPMCB”), as administrative agent for the Lenders (together with its permitted successors in such capacity, the “Administrative Agent”).

INTRODUCTORY STATEMENT

The Borrower has applied to the Lenders for a 364-day term loan facility in an aggregate principal amount of \$2,300,000,000 as set forth herein, consisting of term loans to be funded on the Closing Date (as defined below) in an aggregate principal amount of \$1,150,000,000 and delayed draw term loans to be funded on each Delayed Draw Funding Date (as defined below) in an aggregate principal amount of up to \$1,150,000,000.

The proceeds of the Term Loans will be used for working capital and other general corporate purposes of the Borrower and its Subsidiaries.

As of the Amendment No. 1 Effective Date (as defined below), to effect the modification under Section 5.10(b) and to provide security for the repayment of the Loans and the payment of the other Obligations of the Borrower hereunder and under the other Loan Documents, the Borrower will provide to the Administrative Agent and the Lenders (as more fully described herein) a mortgage with respect to the Pool Assets from the Borrower pursuant to the Long Form Mortgage (as defined below).

Accordingly, the parties hereto hereby agree as follows:

SECTION 1.

DEFINITIONS

SECTION 1.01. Defined Terms.

“ABR”, when used in reference to any Term Loan or Borrowing, refers to whether such Term Loan, or the Term Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“Additional Pool Assets” shall mean (a) Routes and/or Slots of the Borrower or any Subsidiary, (b) Aircraft, airframes, engines, spare engines and Spare Parts of the Borrower or any Subsidiary and (c) other assets of the Borrower or any Subsidiary which shall be reasonably satisfactory to the Administrative Agent, in each case designated by the Borrower as “Additional Pool Assets”, and all of which assets shall be valued by a new Appraisal Report at the time the Borrower designates such assets as Additional Pool Assets.

“Administrative Agent” shall have the meaning set forth in the first paragraph of this Agreement.

“Administrator” shall have the meaning given to such term in the Regulations and Procedures for the International Registry.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” shall mean, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person (a “Controlled Person”) shall be deemed to be “controlled by” another Person (a “Controlling Person”) if the Controlling Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of the Controlled Person whether by contract or otherwise; provided that the PBGC shall not be an Affiliate of the Borrower.

“Agents” shall mean the Administrative Agent and the Arrangers.

“Agreement” shall mean this 364-Day Term Loan Credit Agreement, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

“Aggregate Exposure” shall mean, with respect to any Lender at any time, an amount equal to the sum of the aggregate then unpaid principal amount of such Lender’s Term Loans then outstanding plus unused Delayed Draw Term Loan Commitments plus unused Incremental Commitments.

“Aggregate Exposure Percentage” shall mean, with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender’s Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

“Aircraft” shall ~~mean, collectively, airframes and aircraft engines now owned or hereafter acquired by the Borrower or a Subsidiary, together with all appliances, equipment, instruments, and accessories (including radio and radar, but excluding passenger convenience equipment) from time to time belonging to, installed in, or appurtenant to such airframes and aircraft engines; provided, however, the term “Aircraft” shall not include airframes and engines leased by the Borrower.~~ have the meaning set forth in the Long Form Mortgage.

“Aircraft Protocol” shall mean the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment adopted on November 16, 2001, at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto (and from and after the effective date of the Cape Town Treaty in the relevant country, means when referring to the Aircraft Protocol with respect to that country, the Aircraft Protocol as in effect in such country, unless otherwise indicated).

“Airport Authority” shall mean any city or any public or private board or other body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities, which in each case is an owner, administrator, operator or manager of one or more airports or related facilities.

“Alternate Base Rate” shall mean, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the sum of the one (1) month LIBO Rate in effect on such day (or, if such day is not a Business Day, the immediately preceding Business Day) plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the one (1) month LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the one (1) month LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.09 hereof, 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. For the avoidance of doubt, if the Alternate Base Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Appliance” shall mean an instrument, equipment, apparatus, a part, an appurtenance, or an accessory used, capable of being used, or intended to be used, in operating or controlling aircraft in flight, including a parachute, communication equipment, and another mechanism installed in or attached to aircraft during flight, and not a part of an aircraft, engine, or propeller (and shall include without limitation “appliances” as defined in 49 U.S.C. § 40102(a)(11)).

“Amendment No. 1” shall mean Amendment No. 1 dated as of April 3, 2020 between the Borrower and the Administrative Agent.

“Amendment No. 1 Effective Date” shall have the meaning assigned to such term in Amendment No. 1.

“Applicable Appraisal Discount Rate” shall mean, on the date of any valuation of Routes done in connection with an Appraisal Report, 9.0 %.

“Applicable Margin” shall mean the rate per annum determined pursuant to the Applicable Pricing Grid.

“Applicable Pricing Grid” shall mean the table set forth below:

<u>Level</u>	<u>Moody’s/S&P/Fitch Ratings</u>	<u>Applicable Margin for Eurodollar Term Loans</u>	<u>Applicable Margin for ABR Term Loans</u>
I	Baa3/BBB-/BBB- or better	2.00%	1.00%
II	Ba1/BB+/BB+ or worse	2.25%	1.25%

For the purposes of the foregoing, (a) if the Borrower shall not maintain a public Rating from at least two (2) Rating Agencies, the Rating shall be deemed to be Level II, (b) if the Borrower shall maintain a public Rating from only two (2) Rating Agencies and they are at different Levels, then Level I shall apply, (c) if the Borrower shall maintain a public Rating from all three (3) Rating Agencies, (i) if two (2) Ratings are Level I and the third Rating is Level II, Level I shall apply and (ii) if two (2) Ratings are Level II and the third Rating is Level I, Level II shall apply; provided that if the Ratings established by any Rating Agency shall be changed (other than as a result of a change in the rating system of such Rating Agency), such change shall be effective as of the date on which it is first announced by the applicable Rating Agency. Each change in the Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

“Appraisal Delivery Date” shall mean the date that is 14 days following the Closing Date (or such later date as reasonably agreed to by the Administrative Agent).

“Appraisal Report” shall mean (a) the Initial Appraisal Report and (b) any other appraisal prepared by an Appraiser, in form and substance reasonably satisfactory to the Administrative Agent, which certifies, at the time of determination, the Appraised Value of the Appraised Pool Assets described therein.

“Appraised Pool Assets” shall mean Pool Assets included in an Appraisal Report.

“Appraised Value” shall mean, as of any date of determination, (a) in the case of Appraised Pool Assets, the fair market value thereof as reflected in the most recent Appraisal Report obtained in respect of such Pool Assets in accordance with this Agreement (in the case of any Routes, utilizing the Applicable Appraisal Discount Rate) (provided that, prior to the date that the Initial Appraisal Report is delivered to the Administrative Agent in accordance with Section 5.10, the Appraised Value of the Pool Assets shall be deemed to be \$2,875,000,000) and (b) in the case of Investment Property (if any), (i) to the extent listed on a national security exchange, the market value thereof and (ii) otherwise, the book value thereof as reflected in the most recent Officer’s Certificate delivered pursuant to Section 5.01(f).

“Appraisers” shall mean, (a) Morten Beyer & Agnew, (b) BK Associates, Inc. and (c) such other appraisal firm or firms as may be retained by the Administrative Agent and the Borrower from time to time.

“ARB Indebtedness” shall mean, with respect to the Borrower or any of its Subsidiaries, without duplication, all Indebtedness or obligations of the Borrower or such Subsidiary created or arising with respect to any limited recourse revenue bonds issued for the purpose of financing or refinancing improvements to, or the construction or acquisition of, airport and other related facilities and equipment, the use or construction of which qualifies and renders interest on such bonds exempt from certain federal or state taxes.

“Arranger” shall mean JPMCB, in its capacity as sole lead arranger and bookrunner with respect to the Term Loan Facility.

“Asset Coverage Ratio” shall have the meaning given to such term in Section 6.03.

“Asset Coverage Ratio Cure Period” shall have the meaning given to such term in Section 6.03.

“Asset Coverage Test” shall have the meaning given to such term in Section 6.03.

“Assignment” shall have the meaning given in the Cape Town Convention.

“Assignment and Acceptance” shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.02), and accepted by the Administrative Agent, substantially in the form of Exhibit B.

“Associated Rights” shall have the meaning given in the Cape Town Convention.

“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” shall mean The Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq.

“Bankruptcy Event” shall mean, 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.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations 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”.

“Board” shall mean the Board of Governors of the Federal Reserve System of the United States.

“Borrower” shall have the meaning set forth in the first paragraph of this Agreement.

“Borrowing” shall mean the incurrence, conversion or continuation of Term Loans of a single Type made from all the Lenders on a single date and having, in the case of Eurodollar Term Loans, a single Interest Period.

“Borrowing Request” shall mean a request by the Borrower, executed by a Responsible Officer of the Borrower, for a Borrowing in accordance with Section 2.03 and in substantially the form of Exhibit E.

“Business Day” shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City are required or authorized to remain closed; provided, however, that when used in connection with a Eurodollar Term Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in Dollar deposits on the London interbank market.

“Cape Town Convention” shall mean the official English language text of the Convention on International Interests in Mobile Equipment, adopted on November 16, 2001 at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto (and from and after the effective date of the Cape Town Treaty in the relevant country, means when referring to the Cape Town Convention with respect to that country, the Cape Town Convention as in effect in such country, unless otherwise indicated).

“Cape Town Treaty” shall mean, collectively, (a) the Cape Town Convention, (b) the Aircraft Protocol, and from and after the effective date of the Cape Town Treaty in the relevant country, shall mean when referring to the Cape Town Treaty with respect to that country, the Cape Town Treaty as in effect in such country, unless otherwise indicated, and (c) all rules and regulations (including but not limited to the Regulations and Procedures for the International Registry) adopted pursuant thereto and, in the case of each of the foregoing described in clauses (a) through (c), all amendments, supplements and revisions thereto.

“Capital Asset Sale” shall have the meaning given to such term in the definition of “EBITDAR” in this Section 1.01.

“Change in Law” shall mean, after the date hereof, (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law (including pursuant to any treaty or, for purposes of Section 5.10, any other agreement governing the right to fly international routes), rule or regulation or in the interpretation or application thereof by any Governmental Authority, Airport Authority or Foreign Aviation Authority after the date of this Agreement applicable to the Borrower or (c) compliance by any Lender (or, for purposes of Section 2.14(b), by any lending office of such Lender or by such Lender’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 date of this Agreement; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, requirements, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, regulations, requirements, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law” regardless of the date enacted, adopted, implemented or issued.

“Closing Date” shall mean the date on which this Agreement has been executed and the conditions precedent to the effectiveness of this Agreement and the making of the Closing Date Term Loans set forth in Section 4.01 have been satisfied or waived.

“Closing Date Term Loans” shall have the meaning given to such term in Section 2.01(a).

“Closing Date Term Loan Commitment” shall mean the commitment of each Lender to make Term Loans on the Closing Date hereunder in an aggregate principal amount not to exceed the amount set forth under the heading “Closing Date Term Loan Commitment” opposite its name in Schedule 2.01 hereto. The aggregate amount of the Closing Date Term Loan Commitments as of the Closing Date is \$1,150,000,000.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Collateral Documents” shall mean, collectively, the Short Form Mortgage, the Long Form Mortgage, each Mortgage Supplement and any other agreements, instruments or documents that grant a Lien in any Pool Asset in favor of the Administrative Agent for the benefit of the Secured Parties.

“Consolidated Net Income” shall mean, with respect to any specified Person for any period, the aggregate of the net income (or net loss) of such Person and its Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; provided that: (a) all extraordinary gains (but not losses) and all gains (but not losses) realized in connection with any Capital Asset Sale or the disposition of securities or the early extinguishment of Indebtedness, together with any related provision for taxes on any such gain, will be

excluded therefrom; (b) the net income (but not net loss) of any Person that is not the specified Person or a Subsidiary or that is accounted for by the equity method of accounting will be included therein only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or Subsidiary of the Person; (c) the net income (but not net loss) of any Subsidiary will be excluded therefrom to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary or its stockholders; (d) the cumulative effect of a change in accounting principles will be excluded therefrom; and (e) the effect of non-cash gains and losses attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to FASB ASC No. 815 will be excluded therefrom.

“Default” shall mean any event that, unless cured or waived, with the passage of time or the giving of notice or both, would be an Event of Default.

“Defaulting Lender” shall mean, at any time, any Lender that (a) has failed, within one (1) Business Day of the date required to be funded or paid by it hereunder, to fund or pay (x) any portion of the Term Loans, or (y) any other amount required to be paid by it hereunder to the Administrative Agent, unless, in the case of clause (x) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower, the Administrative Agent or any other Lender in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations (i) under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or (ii) generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by the Administrative Agent, any other Lender or the Borrower, acting in good faith, to provide a confirmation in writing from an authorized officer or other authorized representative of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Delayed Draw Term Loans under this Agreement, which request shall only have been made after the conditions precedent to borrowings have been met, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent’s, such other Lender’s or the Borrower’s, as applicable, receipt of such confirmation in form and substance satisfactory to it and the Administrative Agent and (d) has become, or has had its Parent Company become, the subject of a Bankruptcy Event or a Bail-In Action. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any of clauses (a) through (d) above will be conclusive and binding absent manifest error, and such Lender will be deemed to be a Defaulting Lender upon notification of such determination by the Administrative Agent to the Borrower and the Lenders.

“Delayed Draw Commitment Fee” shall have the meaning given to such term in Section 2.19(b).

“Delayed Draw Commitment Period” shall mean the period from the Closing Date to and including the Delayed Draw Commitment Termination Date.

“Delayed Draw Commitment Termination Date” shall mean the earliest to occur of (i) the Delayed Draw Scheduled Commitment Termination Date, (ii) the date the Delayed Draw Term Loan Commitments are permanently reduced to zero pursuant to 2.13(a) and (iii) the date of the acceleration of the Term Loans in accordance with the terms hereof.

“Delayed Draw Funding Date” shall mean up to four dates during the Delayed Draw Commitment Period on which Delayed Draw Term Loans are made.

“Delayed Draw Scheduled Commitment Termination Date” means, September 17, 2020.

“Delayed Draw Term Loan” shall have the meaning given to such term in Section 2.01(a)(ii).

“Delayed Draw Term Loan Commitment” shall mean the commitment of each Lender to make Delayed Draw Term Loans on each Delayed Draw Funding Date hereunder in an aggregate principal amount not to exceed the amount set forth under the heading “Delayed Draw Term Loan Commitment” opposite its name in Schedule 2.01 hereto. The aggregate amount of the Delayed Draw Term Loan Commitments as of the Closing Date is \$1,150,000,000.

“Dollars” and “\$” shall mean lawful money of the United States of America.

“DOT” shall mean the United States Department of Transportation and any successor thereto.

“EBITDAR” shall mean, for any period, all as determined in accordance with GAAP, without duplication, an amount equal to (a) the Consolidated Net Income of the Borrower and its Subsidiaries for such period, plus (b) the sum of (i) any provision for income taxes for such period, (ii) Interest Expense for such period, (iii) extraordinary, non-recurring or unusual losses for such period, (iv) depreciation and amortization for such period, (v) amortized debt discount for such period, (vi) the amount of any deduction to consolidated net income as the result of any grant to any employee of the Borrower or its Subsidiaries of any Equity Interests during such period, (vii) aircraft rent expense for such period, (viii) any aggregate net loss during such period arising from a Capital Asset Sale (as defined below), (ix) all other non-cash charges for such period, (x) any losses arising under fuel hedging arrangements during such period, (xi) costs and expenses, including fees, incurred directly during such period in connection with the consummation of the transactions contemplated under the Loan Documents, and (xii) expenses or losses with respect to business interruption covered by insurance, in each case to the extent actually reimbursed, in the case of each of subclauses (i) through (xii) of this clause (b), to the extent deducted in the calculation of consolidated net income of the Borrower and its Subsidiaries for such period in accordance with GAAP, minus (c) the sum of (i) income tax credits for such period, (ii) interest income for such period, (iii) extraordinary, non-recurring or unusual gains for such period, (iv) any aggregate net gain during such period arising from the sale, exchange or other disposition of capital assets by the Borrower or its Subsidiaries (including any fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets and all securities) (a “Capital Asset Sale”), (v) any gains arising under fuel hedging arrangements during such period, and (vi) any other non-cash gains that have been added in determining consolidated net income during such period, in the case of each of subclauses (i) through (vi) of this clause (c), to the extent included in the calculation of consolidated net income of the Borrower and its Subsidiaries for such period in accordance with GAAP. For purposes of this definition, the following items shall be excluded in determining consolidated net income of the Borrower and its Subsidiaries for any period: (1) the income (or deficit) of any other Person accrued prior to the date it became a Subsidiary of, or was merged or consolidated into, the Borrower or any of its Subsidiaries; (2) the income (or deficit) of any other Person (other than a Subsidiary) in which the Borrower or any of its Subsidiaries has an ownership interest, except to the extent any such income has actually been received by the Borrower or such Subsidiary, as applicable, in the form of cash dividends or distributions; (3) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of income accrued during such period; (4) any write-up of any asset; (5) any net gain from the collection of the proceeds of life insurance

policies; (6) any net gain arising from the acquisition of any securities, or the extinguishment, under GAAP, of any Indebtedness, of the Borrower or any of its Subsidiaries; (7) in the case of a successor to the Borrower by consolidation or merger or as a transferee of its assets, any earnings of such successor prior to such consolidation, merger or transfer of assets; (8) any deferred credit representing the excess of equity in any Subsidiary at the date of acquisition of such Subsidiary over the cost to the Borrower or any of its Subsidiaries of the investment in such Subsidiary; and (9) any foreign currency translation gains or losses (including gains or losses related to currency remeasurements of Indebtedness).

“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 delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Affiliate Assignee” shall mean with respect to any Lender, an Affiliate thereof that is: (i) a commercial bank or financial institution organized under the laws of the United States, or any state thereof, and having total assets in excess of \$1,000,000,000; (ii) a commercial bank or financial institution organized under the laws of France, Germany, Spain, the Netherlands or the United Kingdom, or under the Laws of a political subdivision of any such country, and having total assets in excess of \$1,000,000,000; provided that such bank or institution is acting through a branch or agency located in such country or the United States; or (iii) a commercial bank or financial institution organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development, or under the laws of a political subdivision of any such country, and having total assets in excess of \$1,000,000,000; provided that such bank or institution is acting through a branch or agency located in the United States.

“Eligible Assignee” shall mean (a) a commercial bank having total assets in excess of \$1,000,000,000, (b) a finance company, insurance company or other financial institution or fund, in each case reasonably acceptable to the Administrative Agent, which in the ordinary course of business extends credit of the type contemplated herein or invests therein and has total assets in excess of \$200,000,000 and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or Section 406 of ERISA, (c) any Lender or any Affiliate of any Lender and (d) any other financial institution reasonably satisfactory to the Administrative Agent; provided that “Eligible Assignee” shall not include any natural person, the Borrower or any Affiliate of the Borrower.

“Environmental Laws” shall mean all applicable laws (including common law), statutes, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions or legally binding requirements or agreements issued, promulgated or entered into by or with any Governmental Authority, relating to the protection of environment, preservation or reclamation of natural resources, the handling, treatment, storage, disposal, Release into the environment or threatened Release into the environment of, or human exposure to, any pollutants, contaminants or any toxic, radioactive or otherwise hazardous materials.

“Environmental Liability” shall mean any liability, contingent or otherwise, (including any liability for damages, natural resource damage, costs of environmental investigation, remediation or monitoring or costs, fines or penalties) resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment, disposal or the arrangement for disposal of any Hazardous Materials, (c) human exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement, lease or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” shall mean shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person (whether direct or indirect), and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated thereunder.

“ERISA Affiliate” shall mean any trade or business (whether or not incorporated) that, together with the Borrower, is treated as (i) a single employer under Section 414(b) or (c) of the Code, or (ii) 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, or that is under common control with the Borrower within the meaning of Section 4001 of ERISA.

“Escrow Accounts” shall mean (1) accounts of the Borrower or any Subsidiary, solely to the extent any such accounts hold funds set aside by the Borrower or any Subsidiary (plus accrued interest thereon) to manage the collection and payment of amounts collected, withheld or incurred by the Borrower or such Subsidiary for the benefit of third parties relating to: (a) federal income tax withholding and backup withholding tax, employment taxes, transportation excise taxes and security related charges, (b) any and all state and local income tax withholding, employment taxes and related charges and fees and similar taxes, charges and fees, including, but not limited to, state and local payroll withholding taxes, unemployment and supplemental unemployment taxes, disability taxes, workman’s or workers’ compensation charges and related charges and fees, (c) state and local taxes imposed on overall gross receipts, sales and use taxes, fuel excise taxes and hotel occupancy taxes, (d) passenger facility fees and charges collected on behalf of and owed to various administrators, institutions, authorities, agencies and entities, (e) other similar federal, state or local taxes, charges and fees (including without limitation any amount required to be withheld or collected under applicable law) and (f) other funds held in trust for, or otherwise segregated for the benefit of, an identified beneficiary; in each case, held in escrow accounts, agent accounts, trust funds or other segregated accounts; or (2) accounts, capitalized interest accounts, debt service reserve accounts, escrow accounts and other similar accounts or funds established in connection with the ARB Indebtedness.

“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.

“Eurodollar”, when used in reference to any Term Loan or Borrowing, refers to whether such Term Loan, or the Term Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the LIBO Rate.

“Eurodollar Tranche” shall mean the collective reference to Eurodollar Term Loans under a particular facility the then current Interest Periods with respect to all of which begin on the same date

and end on the same later date (whether or not such Term Loans shall originally have been made on the same day).

“Event of Default” shall have the meaning given to such term in Section 7.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

“Excluded Taxes” shall mean, 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 the Borrower hereunder or under any Loan Document, (a) income or franchise Taxes imposed on (or measured by) its net income however denominated by the United States of America or any political subdivision thereof or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or any political subdivision thereof, (b) any Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such taxes (other than a connection arising solely from such recipient’s having executed, delivered, enforced, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to, or enforced, this Agreement or any Loan Document), (c) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which such recipient is located, (d) in the case of a Foreign Lender, any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, immediately before designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 2.16(a), (e) in the case of a Lender, any withholding tax that is attributable to such Lender’s failure to comply with Section 2.16(f) or 2.16(g) and (f) any withholding tax that is imposed by reason of FATCA.

“FAA” shall mean the Federal Aviation Administration of the United States of America and any successor thereto.

“FAA Slot” shall mean all “slots” as defined in 14 CFR § 93.213(a)(2), as that section may be amended or re-codified from time to time, or, in the case of slots at New York LaGuardia Airport, as defined in the Final Order, Operating Limitations at New York LaGuardia Airport, 71 Fed. Reg. 77,854 (December 27, 2006), as such order may be amended or re-codified from time to time, and in any subsequent order issued by the FAA related to New York LaGuardia Airport, as such order may be amended or re-codified from time to time, or, in the case of slots at John F. Kennedy International Airport, as defined in the Operating Limitations at John F. Kennedy International Airport, Order Limiting Scheduled Operations at John F. Kennedy International Airport, 73 Fed. Reg. 3510 (January 18, 2008), as such order may be amended or re-codified from time to time, and in any subsequent order issued by the FAA related to John F. Kennedy International Airport, as such order may be amended or re-codified from time to time, in each case of the Borrower and, if applicable, any Subsidiary of the Borrower, now held or hereafter acquired (other than “slots” which have been permanently allocated to another air carrier and in which the Borrower and, if applicable, any Subsidiary of the Borrower holds temporary use rights).

“FATCA” shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement, any amended or successor provisions that are substantively similar thereto, any regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code, and any intergovernmental agreements with the United States with respect thereto and any laws or regulations implementing such intergovernmental agreement.

“Federal Funds Effective Rate” shall mean, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depositary institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate, provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Fees” shall collectively mean the Delayed Draw Commitment Fee, the Upfront Fees and other fees referred to in Section 2.19.

“Fifth-Freedom Rights” shall mean the operational right to enplane passenger traffic and cargo in a foreign country and deplane it in another foreign country, including any such right pursuant to a bilateral treaty between the United States and a foreign country.

“Fitch” shall mean Fitch Ratings Inc. (or any successor thereto).

“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.

“Fixed Charge Coverage Ratio” shall mean, at any date for which such ratio is to be determined, the ratio of EBITDAR for the Rolling Twelve Month period ended on such date to the sum of the following for such period: (a) Interest Expense, plus (b) the aggregate cash aircraft rental expense of the Borrower and its Subsidiaries on a consolidated basis for such period payable in cash in respect of any aircraft leases (other than Finance Lease Obligations), all as determined in accordance with GAAP.

“Foreign Aviation Authorities” shall mean any foreign governmental, quasi-governmental, regulatory or other agency, public corporation or private entity that exercises jurisdiction over the authorization (a) to serve any foreign point on each of the Routes and/or to conduct operations related to the Routes and Supporting Route Facilities and/or (b) to hold and operate any Foreign Slots.

“Foreign Lender” shall mean any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is located. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Slot” shall mean all of the rights and operational authority, now held or hereafter acquired, of the Borrower to conduct one (1) landing or takeoff operation during a specific hour or other period at each non-United States airport served in conjunction with the Borrower’s operations over a Route, other than “slots” which have been permanently allocated to another air carrier and in which the Borrower holds temporary use rights.

“GAAP” shall mean generally accepted accounting principles set forth in the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time, in each case applied in accordance with Section 1.03.

“Governmental Authority” shall mean 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 organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

“Guarantee” of or by any Person (the “guarantor”) shall mean any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation 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 other obligation 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 or other obligation 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 other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided that the term Guarantee shall not include (i) endorsements for collection or deposits or (ii) customary contractual indemnities in commercial agreements, in each case in the ordinary course of business and consistent with past practice. The amount of any obligation relating to a Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made (or, if less, the maximum reasonably anticipated liability for which such Person may be liable pursuant to the terms of the instrument evidencing such Guarantee) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform) as determined by the guarantor in good faith.

“Hazardous Materials” shall mean 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, and radon gas, and all other substances that are regulated as hazardous pursuant to, or, due to their hazardous qualities, could reasonably be expected to give rise to liability under any Environmental Law.

“Hedging Obligations” shall mean, with respect to any Person, all obligations and liabilities of such Person under (1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements; (2) other swap or derivative agreements or arrangements designed to manage interest rates or interest rate risk; and (3) other swap or derivative agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, fuel prices or other commodity prices.

“Impacted Interest Period” shall have the meaning given to such term in the definition of “LIBO Rate”.

“Increase Effective Date” shall have the meaning given to such term in Section 2.23(a).

“Increase Joinder” shall have the meaning given to such term in Section 2.23(c).

“Incremental Amount” shall mean, at any time, the excess, if any, of (i) \$1,700,000,000 over (ii) the aggregate amount of all Incremental Commitments established under the Term Loan Facility prior to such time in accordance with Section 2.23.

“Incremental Commitments” shall have the meaning given to such term in Section 2.23(a).

“Incremental Lender” shall have the meaning given to such term in Section 2.23(a).

“Indebtedness” of any Person shall mean, without duplication, (a) all obligations of such Person for borrowed money (including in connection with deposits or advances), (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 current accrued expenses incurred and current accounts payable, in each case 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 Guarantees 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 and (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“Indemnified Taxes” shall mean Taxes (other than Excluded Taxes) imposed on or with respect to any payments made by the Borrower under this Agreement or any other Loan Document.

“Indemnitee” shall have the meaning given to such term in Section 10.04(b).

“Initial Appraisal Report” shall mean the initial appraisal report delivered in respect of the Pool Assets in accordance with Section 5.10.

“Interest Election Request” shall mean a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.05 and in substantially the form of Exhibit F.

“Interest Expense” shall mean, for any period, the gross cash interest expense (including the interest component of Finance Lease Obligations), of the Borrower and its Subsidiaries on a consolidated basis for such period, all as determined in accordance with GAAP.

“Interest Payment Date” shall mean (a) as to any Eurodollar Term Loan having an Interest Period of one (1), two (2) or three (3) months, the last day of such Interest Period, (b) as to any Eurodollar Term Loan having an Interest Period of more than three (3) months, each day that is three (3) months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period and (c) with respect to ABR Term Loans, the last Business Day of each March, June, September and December.

“Interest Period” shall mean, as to any Borrowing of Eurodollar Term Loans, the period commencing on the date of such Borrowing (including as a result of a conversion from ABR Term Loans) or on the last day of the preceding Interest Period applicable to such Borrowing and ending on the numerically corresponding day (or if there is no corresponding day, the last day) in the calendar month that is one (1), two (2), three (3) or six (6) months (or, if available to all applicable Lenders, twelve (12) months) thereafter, as the Borrower may elect in the related notice delivered pursuant to Section 2.03 or 2.05; provided that (i) if any Interest Period would end on a day which shall not be 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) no Interest Period shall end later than the applicable Termination Date.

“International Interest” shall mean an “international interest” as defined in the Cape Town Convention.

“International Registry” shall mean the “International Registry” as defined in the Cape Town Convention.

“Interpolated Rate” shall mean, at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) 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 LIBO Screen Rate for the longest period for which the LIBO Screen Rate is available that is shorter than the Impacted Interest Period; and (b) the LIBO Screen Rate for the shortest period for which that LIBO Screen Rate is available) that exceeds the Impacted Interest Period, in each case, at such time.

“Investment Property” shall have the meaning given to such term in the UCC.

“JFK” shall mean New York’s John F. Kennedy (JFK) International Airport.

“IPMCB” shall have the meaning set forth in the first paragraph of this Agreement.

“Lenders” shall have the meaning set forth in the first paragraph of this Agreement. For the avoidance of doubt, references herein to Lenders shall include Incremental Lenders, if any.

“LIBO Rate” shall mean, with respect to any Eurodollar Borrowing for any Interest Period, the LIBO Screen Rate at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period; provided that if the LIBO Screen Rate shall not be available at such time for such Interest Period (an “Impacted Interest Period”) then the LIBO Rate shall be the Interpolated Rate.

“LIBO Screen Rate” shall mean, for any day and time, with respect to any Eurodollar Borrowing 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 U.S. Dollars 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 be zero for the purposes of this Agreement.

“Lien” shall mean (a) any mortgage, deed of trust, pledge, deed to secure debt, hypothecation, security interest, ~~International Interest, Prospective~~ International Interest, easement (including, without limitation, reciprocal easement agreements and utility agreements), rights-of-ways, reservations, encroachments, zoning and other land use restrictions, claim or any other title defect, lease, encumbrance, restriction, lien or charge of any kind whatsoever and (b) the interest of a vendor or a lessor under any conditional sale, capital lease or other 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).

“Loan Documents” shall mean this Agreement, each ~~Short Form Mortgage~~ Collateral Document and any other instrument or agreement (which is designated as a Loan Document therein) executed and delivered by the Borrower to the Administrative Agent or any Lender, in each case, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms hereof.

“Long Form Mortgage” shall mean that certain Amended and Restated Aircraft Security Agreement dated as of the Amendment No. 1 Effective Date made by the Borrower in favor of the Administrative Agent for the benefit of the Secured Parties (including each Mortgage Supplement thereto), which amends and restates the Short Form Mortgage delivered by the Borrower on the Closing Date.

“Material Adverse Change” shall mean any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect.

“Material Adverse Effect” shall mean a material adverse effect on (a) the business, operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Administrative Agent and the Lenders thereunder, or (c) the ability of the Borrower to pay the obligations under the Loan Documents.

“Material Indebtedness” shall mean Indebtedness (other than the Term Loans) of the Borrower in an aggregate principal amount exceeding \$200,000,000.

“Material Subsidiary” means, at any time, any Subsidiary of the Borrower having at such time (i) total assets, as of the last day of the most recently ended fiscal quarter for which the Borrower’s annual or quarterly financial statements have been most recently required to have been delivered pursuant to Section 5.01, having a net book value greater than or equal to 10% of the total assets of the Borrower and all of its Subsidiaries on a consolidated basis (as shown on the most recent balance sheet of the Borrower delivered pursuant to Section 5.01 or, if available earlier and delivered to the Administrative Agent, the balance sheet that is internally available for the then most recently ended fiscal quarter or fiscal year, as applicable), (ii) total revenue, as of the last day of the most recently ended fiscal quarter for which the Borrower’s annual or quarterly financial statements have been most recently required to have been delivered pursuant to Section 5.01, greater than or equal to 10% of the total revenue of the Borrower and all of its Subsidiaries on a consolidated basis (as shown on the most recent income statement of the Borrower delivered pursuant to Section 5.01 or, if available earlier and delivered to the Administrative Agent, the income statement that is internally available for the then most recently ended fiscal quarter or fiscal year, as applicable) or (iii) any Pool Assets.

“Moody’s” shall mean Moody’s Investors Service, Inc. (or any successor thereto).

“Mortgages” shall mean, collectively, any Short Form Mortgage then in effect and the Long Form Mortgage, including each Mortgage Supplement thereto.

“Mortgage Related Amendments” shall have the meaning given to such term in Section 5.10(b).

“Mortgage Supplements” shall have the meaning set forth in the Long Form Mortgage.

“Multiemployer Plan” shall mean a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA, which is maintained or contributed to by (or to which there is an obligation to contribute of) the Borrower or a Subsidiary of the Borrower or an ERISA Affiliate, and each such plan for the five-year period immediately following the latest date on which the Borrower, or a Subsidiary of the Borrower or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

“Multiple Employer Plan” shall mean a Single Employer Plan, which is maintained for employees of the Borrower or an ERISA Affiliate and at least one (1) person (as defined in Section 3(9) of ERISA) other than the Borrower and its ERISA Affiliates and in respect of which the Borrower or an ERISA Affiliate could have liability, contingent or otherwise, under ERISA.

“Non-Defaulting Lender” shall mean, at any time, a Lender that is not a Defaulting Lender.

“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.

“NYFRB” shall mean the Federal Reserve Bank of New York.

“NYFRB Rate” shall mean, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Obligations” shall mean the unpaid principal of and interest on (including interest, reasonable fees and reasonable out-of-pocket costs accruing after the maturity of the Term Loans and interest, reasonable fees and reasonable out-of-pocket costs accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest, fees or costs is allowed in such proceeding) the Term Loans and all other obligations and liabilities of the Borrower to the Administrative Agent or any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which arise under, out of, or in connection with, this Agreement, any other Loan Document or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, reasonable fees, indemnities, reasonable out-of-pocket costs, reasonable and documented out-of-pocket expenses (including all reasonable fees, charges and disbursements of counsel to the Administrative Agent or any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise.

“Officer’s Certificate” shall mean a certificate executed by a Responsible Officer of the Borrower in his/her capacity as such.

“Other Taxes” shall mean any and all present or future stamp, mortgage, intangible, documentary, recording or filing taxes or any other similar taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect

to, this Agreement or any other Loan Document, except any such Taxes that are imposed with respect to an assignment.

“Overnight Bank Funding Rate” shall mean, for any day, the rate comprised of both overnight federal funds and overnight Eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Parent Company” shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

“Participant” shall have the meaning given to such term in Section 10.02(d).

“Participant Register” shall have the meaning given to such term in Section 10.02(d).

“Patriot Act” shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001, Title III of Pub. L. 107-56, signed into law on October 26, 2001 or any subsequent legislation that amends, supplements or supersedes such Act.

“Payroll Accounts” shall mean depository accounts used only for payroll.

“PBGC” shall mean the Pension Benefit Guaranty Corporation, or any successor agency or entity performing substantially the same functions.

“Person” shall mean any natural person, corporation, division of a corporation, partnership, limited liability company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

“Plan” shall mean a Single Employer Plan or a Multiple Employer Plan that is a pension plan subject to the provisions of Title IV of ERISA, Sections 412 or 430 of the Code or Section 302 of ERISA.

“Plan Asset Regulations” means of 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA, as amended from time to time.

“Pool Assets” shall mean, on any date of determination (a) the Aircraft specified on Schedule 6.05 hereto and (b) any Additional Pool Assets designated by the Borrower at its discretion pursuant to the terms of this Agreement. The Pool Assets on the Closing Date are set forth on Schedule 6.05 hereto. Schedule 6.05 may be updated from time to time in the Borrower’s sole discretion to replace or exchange any Aircraft and/or to add Additional Pool Assets as contemplated by Section 10.08(f).

“Prime Rate” shall mean the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Professional User” shall have the meaning given it in the Regulations and Procedures for the International Registry.

“Prospective International Interest Assignment” shall have the meaning given in the Cape Town Convention.

“Prospective Sale” shall have the meaning given in the Cape Town Convention.

“Protocol” shall mean the Protocol referred to in the defined term “Cape Town Convention.”

“Rating Agency” shall mean any of S&P, Moody’s and Fitch.

“Ratings” shall mean as of any date of determination, the corporate credit rating as determined by S&P, the corporate family rating as determined by Moody’s or the corporate credit rating as determined by Fitch, as applicable, of the Borrower.

“Recipient” means (a) the Administrative Agent, (b) any Lender or (c) any other recipient of any payment to be made by or on account of any Obligation of the Borrower hereunder or under any Loan Document, as applicable.

“Refinanced Term Loans” shall have the meaning given to such term in Section 10.08(e).

“Refinancing Amendment” shall have the meaning given to such term in Section 10.08(e).

“Refinancing Debt” shall mean Indebtedness (or commitments in respect thereof) incurred to refinance (whether concurrently or after any repayment or prepayment of any such Indebtedness being refinanced) (a) the Term Loans or (b) Indebtedness (or commitments in respect thereof) incurred pursuant to the preceding clause (a), in each case, from time to time, in whole or part, in the form of (i) one or more new term facilities (each, a “Refinancing Term Facility”) made available under this Agreement with the consent (which consent shall not be unreasonably withheld or delayed) of the Borrower and the Administrative Agent (to the extent such consent would be required under Section 10.02(b) for an assignment of Term Loans to the applicable lender) and the lenders providing such financing (and no other lenders) or (ii) one or more series of term facilities outside of this Agreement; provided that (A) any Refinancing Debt shall not mature prior to the maturity date of, or have a shorter Weighted Average Life to Maturity than, the Term Loans (or any refinancing thereof incurred pursuant to the preceding clause (b)) being refinanced, (B) the other terms and conditions of such Refinancing Debt (excluding pricing, premium, maturity, scheduled amortization and optional prepayment or redemption provisions) shall be customary market terms for indebtedness of such type, (C) after giving pro forma effect to the incurrence of Refinancing Debt and the application of the net proceeds therefrom, the Borrower shall be in pro forma compliance with Section 6.03 and Section 6.04, (D) there shall be no additional direct or contingent obligors with respect to such Refinancing Debt, (E) the aggregate principal amount of such Refinancing Debt shall not exceed the aggregate principal amount of the Indebtedness being refinanced plus accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the refinancing, (F) no Lender shall be obligated to provide any such Refinancing Debt and (G) such Indebtedness shall (i) rank pari passu in right of payment with the Obligations and shall be secured by the Pool Assets on a pari passu basis with the Obligations, (ii) rank junior in right of payment with the Obligations and be secured by the Pool Assets on a junior basis to the Obligations or (iii) be unsecured or secured by assets other than Pool Assets.

“Refinancing Term Facility” shall have the meaning given to such term in the definition of “Refinancing Debt”.

“Register” shall have the meaning given to such term in Section 10.02(b)(iv).

“Regulations and Procedures for the International Registry” shall mean the official English language text of the International Registry Procedures and Regulations issued by the Supervisory Authority (as defined in the Cape Town Convention) pursuant to the Aircraft Protocol.

“Related Parties” shall mean, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, partners, members, employees, agents, advisors, trustees, managers and representatives of such Person and such Person’s Affiliates.

“Release” shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.

“Replacement Term Loan” shall have the meaning given to such term in Section 10.08(e).

“Required Lenders” shall mean, at any time, Lenders holding more than 50% of the aggregate principal amount of all Term Loans and Delayed Draw Term Loan Commitments outstanding.

“Resignation Effective Date” shall have the meaning given to such term in Section 8.05.

“Responsible Officer” shall mean the chief executive officer, president, chief financial officer, treasurer, assistant treasurer, vice president, controller, chief accounting officer, secretary or assistant secretary of the Borrower, but in any event, with respect to financial matters, the chief financial officer, treasurer, assistant treasurer, controller or chief accounting officer of the Borrower.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Rolling Twelve Months” shall mean, with respect to any date of determination, the month most recently ended and the eleven (11) immediately preceding months for which, in each case, financial statements are available considered as a single period.

“Routes” shall mean the routes for which the Borrower holds or hereafter acquires the requisite authority to operate foreign air transportation pursuant to Title 49 including, without limitation, applicable frequencies, exemption and certificate authorities, Fifth-Freedom Rights and “behind/beyond rights”, whether or not utilized by the Borrower.

“S&P” shall mean Standard & Poor’s [Rating Services, a Standard & Poor’s Financial Services LLC](#), ~~a subsidiary of S&P Global Inc.~~ [business](#).

“Sale” [shall have the meaning given in the Cape Town Convention](#).

(or any successor thereto).

“Sanctions” shall have the meaning given to such term in Section 3.11(a).

“SEC” shall mean the United States Securities and Exchange Commission.

“Secured Parties” shall mean, collectively, (i) Administrative Agent, (ii) each Lender and (iii) each other Indemnitee.

“Short Form Mortgage” shall have the meaning given to such term in Section 4.01(j).

“Single Employer Plan” shall mean a single employer plan, as defined in Section 4001(a)(15) of ERISA, that is maintained for current or former employees of the Borrower or an ERISA Affiliate and in respect of which the Borrower or any ERISA Affiliate could reasonably be expected to have liability under Title IV of ERISA.

“Slot” shall mean each FAA Slot and each Foreign Slot.

“Spare Part” shall mean (a) an accessory, appurtenance, or part of (i) an Aircraft (except an engine or propeller), (ii) an engine (except a propeller), (iii) a propeller or (iv) an Appliance, in each case that is to be installed at a later time in an aircraft, engine, propeller or Appliance and shall include, without limitation, “spare parts” as defined in 49 U.S.C. § 40102(a)(43), (b) an Appliance or (c) a propeller.

“Specified Person” shall have the meaning given to such term in Section 3.11(a).

“Stated Maturity Date” shall mean March 16, 2021.

“Statutory Reserve Rate” shall mean a fraction (expressed as a decimal), the numerator of which is the number one (1) and the denominator of which is the number one (1) minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Term Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“Subsidiary” shall mean, with respect to any Person (in this definition referred to as the “parent”), any corporation, association or other business entity (whether now existing or hereafter organized) of which at least a majority of the securities or other ownership or membership interests having ordinary voting power for the election of directors (or equivalent governing body) is, at the time as of which any determination is being made, owned or controlled by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Successor Company” shall have the meaning given to such term in Section 6.02(a)(ii).

“Supporting Route Facilities” shall mean gates, ticket counters and other facilities assigned, allocated, leased, or made available to the Borrower at non-U.S. airports used in the operation of scheduled service over a Route.

“Taxes” shall mean any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Loan” shall have the meaning given to such term in Section 2.01(a); provided, for the avoidance of doubt, that for all purposes of this Agreement and the other Loan Documents, the term “Term Loans” shall include any Term Loan made pursuant to an Incremental Commitment.

“Term Loan Facility” shall mean the Closing Date Term Loan Commitments, the Closing Date Term Loans, the Delayed Draw Term Loan Commitments and any Delayed Draw Term Loans made hereunder.

“Term Loan Maturity Date” shall mean, with respect to (a) Term Loans made hereunder, the Stated Maturity Date and (b) with respect to any Refinancing Term Facility, the final maturity date therefor as specified in the applicable Refinancing Amendment.

“Termination Date” shall mean the earlier to occur of (a) the Term Loan Maturity Date and (b) the acceleration of the Term Loans in accordance with the terms hereof.

“Termination Event” shall mean (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 thirty (30) day notice period is waived) as in effect on the Closing Date (no matter how such notice requirement may be changed in the future), (b) an event described in Section 4068 of ERISA, (c) the withdrawal of the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year in which it was a “substantial employer,” as such term is defined in Section 4001(a)(2) of ERISA, (d) the incurrence of liability by the Borrower or any ERISA Affiliate under Section 4064 of ERISA upon the termination of a Multiple Employer Plan, (e) the imposition of Withdrawal Liability or receipt of notice from a Multiemployer Plan that such liability may be imposed, (f) a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA, (g) providing notice of intent to terminate a Plan pursuant to Section 4041(c) of ERISA or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, if such amendment requires the provision of security, (h) the institution of proceedings to terminate a Plan by the PBGC under Section 4042 of ERISA, (i) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Sections 302 or 303 of ERISA) applicable to such Plan, whether or not waived, (j) any failure by any Plan to satisfy the special funding rules for plans maintained by commercial airlines contained in Section 402 of the Pension Protection Act of 2006, (k) 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, or (l) any other event or condition which 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 Plan, or the imposition of any liability under Title IV of ERISA (other than for the payment of premiums to the PBGC in the ordinary course).

“Title 49” shall mean Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto or any subsequent legislation that amends, supplements or supersedes such provisions.

“Transactions” shall mean the execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents, [the creation of the Liens over the Pool Assets in favor of the Administrative Agent and/or the Administrative Agent for the benefit of the Secured Parties](#) and the borrowing of the Term Loans.

“Type”, when used in reference to any Term Loan or Borrowing, refers to whether the rate of interest on such Term Loan, or on the Term Loans comprising such Borrowing, is determined by reference to the LIBO Rate or the Alternate Base Rate.

“UCC” shall mean the Uniform Commercial Code as in effect in the State of New York from time to time.

“United States Citizen” shall have the meaning given to such term in Section 3.02.

“Upfront Fees” shall have the meaning given to such term in Section 2.19(c).

“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.

“U.S. Tax Compliance Certificate” shall have the meaning given to such term in Section 2.16(g)(1)(ii)(3).

“Weighted Average Life to Maturity” shall mean, 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.

“Withdrawal Liability” shall have the meaning given to such term under Part I of Subtitle E of Title IV of ERISA and shall include liability that results from either a complete or partial withdrawal.

“Withholding Agent” shall mean the Borrower and the Administrative Agent.

“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. 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, restated, supplemented, extended, amended and restated 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 permitted 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, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time, (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 and (g) "knowledge" or "aware" or words of similar import shall mean, when used in reference to the Borrower, the actual knowledge of any Responsible Officer.

SECTION 1.03. 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; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests 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 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. Upon any such request for an amendment, the Borrower, the Required Lenders and the Administrative Agent agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating the Borrower's financial condition shall be the same after such accounting changes as if such accounting changes had not occurred.

SECTION 1.04. Interest Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "LIBO Rate" or with respect to any comparable or successor rate thereto, or replacement rate therefor, provided that the foregoing shall not apply to any liability arising out of the bad faith, willful misconduct or negligence of the Administrative Agent.

SECTION 2.

AMOUNT AND TERMS OF CREDIT

SECTION 2.01. Term Loans.

(a) Closing Date Term Loan Commitments. (i) Each Lender severally, and not jointly with the other Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make a term loan denominated in Dollars (each, a "Closing Date Term Loan" and collectively, the "Closing Date Term Loans") to the Borrower on the Closing Date in an aggregate principal amount not to exceed the Closing Date Term Loan Commitment of such Lender, which Closing Date Term Loans shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a)(i) and subsequently repaid or prepaid may not be reborrowed. Each Lender's Closing Date Term Loan Commitment shall terminate immediately and without further action on the Closing Date after giving effect to the funding by such Lender of the Closing Date Term Loans to be made by it on such date.

(ii) Delayed Draw Term Loan Commitments. During the Delayed Draw Commitment Period, each Lender severally, and not jointly with the other Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make term loans denominated in Dollars in up to four separate draws (each, a “Delayed Draw Term Loan” and collectively, the “Delayed Draw Term Loans” and together with the Closing Date Term Loans, the “Term Loans”) to the Borrower on each Delayed Draw Funding Date, in an aggregate principal amount not to exceed the Delayed Draw Term Loan Commitment of such Lender, which Delayed Draw Term Loans shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a)(ii) and subsequently repaid or prepaid may not be reborrowed. Each Lender’s Delayed Draw Term Loan Commitment shall be reduced immediately and without further action on the applicable Delayed Draw Funding Date in an amount equal to and after giving effect to the funding by such Lender of the applicable Delayed Draw Term Loans to be made by it on such date. Each Lender’s Delayed Draw Term Loan Commitment shall be terminated immediately and without further action at 5:00 p.m., New York City time, on the Delayed Draw Commitment Termination Date. The Delayed Draw Term Loans (if and when funded) shall have the same terms and conditions as the Closing Date Term Loans for all purposes (it being understood, for the avoidance of doubt, that interest shall accrue on the Delayed Draw Term Loans from the date of funding thereof).

(iii) Each Borrowing of a Delayed Draw Term Loans shall be made from the applicable Lenders pro rata in accordance with their respective Delayed Draw Term Loan Commitments; provided, however, that the failure of any Lender to make any Delayed Draw Term Loan shall not in itself relieve the other Lenders of their obligations to lend.

(b) Type of Borrowing. Each Borrowing shall be comprised entirely of ABR Term Loans or Eurodollar Term Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Eurodollar Term Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Term Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Term Loan in accordance with the terms of this Agreement.

(c) Amount of Borrowing. At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is in an integral multiple of \$1,000,000 and not less than \$5,000,000. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$1,000,000. Borrowings of more than one (1) Type may be outstanding at the same time.

(d) Limitation on Interest Period. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing of a Term Loan if the Interest Period requested with respect thereto would end after the applicable Term Loan Maturity Date.

SECTION 2.02. [Reserved].

SECTION 2.03. Requests for Borrowings. To request Term Loans on the Closing Date or on any Delayed Draw Funding Date, the Borrower shall notify the Administrative Agent of such request by telephone (i) in the case of a Eurodollar Borrowing, not later than 2:00 p.m., New York City time, two (2) Business Days prior to the Closing Date or three (3) Business Days prior to the applicable Delayed Draw Funding Date, as applicable, and (ii) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the Closing Date or the applicable Delayed Draw Funding Date, as applicable. Each such telephonic borrowing request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Borrowing Request. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.01(a):

- (i) the aggregate amount of the requested Borrowing (which shall comply with Section 2.01(c));
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and
- (iv) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term “Interest Period”.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month’s duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender’s Term Loan to be made as part of the requested Borrowing.

SECTION 2.04. Funding of Borrowings.

(a) Each Lender shall make each applicable Term Loan to be made by it hereunder on the Closing Date and any applicable Delayed Draw Funding Date by wire transfer of immediately available funds by 12:00 noon, New York City time, or such earlier time as may be reasonably practicable, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. Upon satisfaction or waiver of the applicable conditions precedent specified herein, the Administrative Agent will make the applicable Term Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower designated by the Borrower in the applicable Borrowing Request.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender’s share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section 2.04 and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith upon written demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate otherwise applicable to such Borrowing. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender’s Term Loan included in such Borrowing.

SECTION 2.05. Interest Elections.

(a) The Borrower may elect from time to time to (i) convert ABR Term Loans to Eurodollar Term Loans, (ii) convert Eurodollar Term Loans to ABR Term Loans, provided that any such conversion of Eurodollar Term Loans may only be made on the last day of an Interest Period with respect

thereto or (iii) continue any Eurodollar Term Loan as such upon the expiration of the then current Interest Period with respect thereto.

(b) To make an Interest Election Request pursuant to this Section 2.05, the Borrower shall notify the Administrative Agent of such election by telephone (i) in the case of a conversion of ABR Term Loans to Eurodollar Term Loans under Section 2.05(a)(i), not later than 2:00 p.m., New York City time, three (3) Business Days (or, with respect to the initial Borrowing of Closing Date Term Loans, two (2) Business Days) prior to the date of the requested conversion, (ii) in the case of a continuation of Eurodollar Term Loans under Section 2.05(a)(iii), not later than 2:00 p.m., New York City time, three (3) Business Days prior to the expiration of the then current Interest Period with respect thereto and (iii) in the case of a conversion of Eurodollar Term Loans to ABR Term Loans under Section 2.05(a)(ii), not later than 11:00 a.m., New York City time, on the expiration date of the then current Interest Period with respect thereto. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Interest Election Request in a form approved by the Administrative Agent and signed by the Borrower.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.01:

(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 or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower 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 fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to 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 converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, and upon the request of the Required Lenders, (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.06. Limitation on Eurodollar Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Eurodollar Term Loans and

all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of the Eurodollar Term Loans comprising each Eurodollar Tranche shall be equal to \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof and (b) no more than ten (10) Eurodollar Tranches shall be outstanding at any one time.

SECTION 2.07. Interest on Term Loans.

(a) Subject to the provisions of Section 2.08, each ABR Term Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days or, when the Alternate Base Rate is based on the Prime Rate, a year with three hundred sixty-five (365) days or three hundred sixty-six (366) days in a leap year) at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin.

(b) Subject to the provisions of Section 2.08, each Eurodollar Term Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days) at a rate per annum equal, during each Interest Period applicable thereto, to the LIBO Rate for such Interest Period in effect for such Borrowing plus the Applicable Margin.

(c) Accrued interest on all Term Loans shall be payable in arrears on each Interest Payment Date applicable thereto, on the Termination Date with respect to such Term Loans and thereafter on written demand and (with respect to Eurodollar Term Loans) upon any repayment or prepayment thereof (on the amount repaid or prepaid); provided that in the event of any conversion of any Eurodollar Term Loan to an ABR Term Loan, accrued interest on such Term Loan shall be payable on the effective date of such conversion.

SECTION 2.08. Default Interest. If the Borrower shall default in the payment of the principal of or interest on any Term Loan or in the payment of any fee becoming due hereunder, whether at stated maturity, by acceleration or otherwise, the Borrower shall on written demand of the Administrative Agent (which written demand shall be given at the request of the Required Lenders) from time to time pay interest, to the extent permitted by law, on all overdue amounts up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days or, when the Alternate Base Rate is applicable and is based on the Prime Rate, a year of three hundred sixty-five (365) days or three hundred sixty-six (366) days in a leap year) equal to (a) with respect to the principal amount of any Term Loan, the rate then applicable for such Borrowings plus 2.0%, and (b) with respect to interest and fees, the rate applicable for ABR Term Loans plus 2.0%.

SECTION 2.09. Alternate Rate of Interest.

(a) In the event, and on each occasion, that on the date that is two (2) Business Days prior to the commencement of any Interest Period for a Eurodollar Term Loan, the Administrative Agent shall have reasonably determined (which determination shall be conclusive and binding upon the Borrower absent manifest error) that reasonable means do not exist for ascertaining the applicable LIBO Rate (including because the LIBO Screen Rate is not available or published on a current basis), the Administrative Agent shall, as soon as practicable thereafter, give written, facsimile or telegraphic notice of such determination to the Borrower and the Lenders and, until the circumstances giving rise to such notice no longer exist, any request by the Borrower for a Borrowing of Eurodollar Term Loans hereunder (including pursuant to a refinancing with Eurodollar Term Loans and including any request to continue, or to convert to, Eurodollar Term Loans) shall be deemed a request for a Borrowing of ABR Term Loans.

(b) Notwithstanding the foregoing, if at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in this Section 2.09 have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in this Section 2.09 have not arisen but the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Screen Rate shall no longer be used for determining interest rates for loans, then the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable; provided that, if such alternate rate of interest as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement. Notwithstanding anything to the contrary in Section 10.08, such amendment shall become effective without any further action or consent of any Lender so long as the Administrative Agent shall not have received, within five Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment. Until an alternate rate of interest shall be determined in accordance with this clause (b) (but, in the case of the circumstances described in clause (ii) of the first sentence of this Section 2.09(b), only to the extent the LIBO Screen Rate for such Interest Period is not available or published at such time on a current basis), any request by the Borrower for a Borrowing of Eurodollar Term Loans hereunder (including pursuant to a refinancing with Eurodollar Term Loans and including any request to continue, or to convert to, Eurodollar Term Loans) shall be deemed a request for a Borrowing of ABR Term Loans.

SECTION 2.10. Repayment of Term Loans; Evidence of Debt.

(a) The Borrower hereby unconditionally promises to pay to the Administrative Agent for the ratable account of each Lender the then unpaid principal amount of each Term Loan then outstanding on the Termination Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Term 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 Term Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower 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. The Borrower shall have the right, upon reasonable notice, to request information regarding the accounts referred to in the preceding sentence.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Term Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Term Loans made by it be evidenced by a promissory note. In such event, the Borrower shall promptly execute and deliver 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) in a form furnished by the Administrative Agent and reasonably acceptable to the Borrower. Thereafter, the Term Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.02) 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 2.11. Optional Termination or Reduction of Delayed Draw Commitments. Upon at least one (1) Business Day's prior written notice to the Administrative Agent, the Borrower may at any time in whole permanently terminate, or from time to time in part permanently reduce, the unused Delayed Draw Term Loan Commitments; provided that each such notice shall be revocable to the extent such termination or reduction would have resulted from a refinancing of the Obligations, which refinancing shall not be consummated or shall otherwise be delayed. Each such reduction of the unused Delayed Draw Term Loan Commitments shall be in the principal amount not less than \$5,000,000 and in an integral multiple of \$1,000,000. Any reduction of the Delayed Draw Term Loan Commitment pursuant to this Section 2.11 shall be applied on a pro rata basis.

SECTION 2.12. Mandatory Prepayment of Term Loans.

(a) The Borrower shall prepay the Term Loans in an amount necessary to comply with Section 6.03, in each case as directed by the Borrower.

(b) All prepayments under this Section 2.12 shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus Fees and any losses, costs and expenses, as more fully described in Sections 2.15 and 2.19 hereof.

SECTION 2.13. Optional Prepayment of Term Loans.

(a) The Borrower shall have the right, at any time and from time to time, to prepay any Term Loans, in whole or in part, (i) with respect to Eurodollar Term Loans, upon (A) telephonic notice followed promptly by written or facsimile notice or (B) written or facsimile notice received by 1:00 p.m., New York City time, three (3) Business Days prior to the proposed date of prepayment and (ii) with respect to ABR Term Loans, upon written or facsimile notice received by 1:00 p.m., New York City time, one (1) Business Day prior to the proposed date of prepayment; provided that ABR Term Loans may be prepaid on the same day notice is given if such notice is received by the Administrative Agent by 12:00 noon, New York City time; provided further, however, that (A) each such partial prepayment shall be in an amount not less than \$5,000,000 and in integral multiples of \$1,000,000, (B) no prepayment of Eurodollar Term Loans shall be permitted pursuant to this Section 2.13(a) other than on the last day of an Interest Period applicable thereto unless such prepayment is accompanied by the payment of the amounts described in Section 2.15, and (C) no partial prepayment of a Borrowing of Eurodollar Term Loans shall result in the aggregate principal amount of the Eurodollar Term Loans remaining outstanding pursuant to such Borrowing being less than \$5,000,000.

(b) All prepayments under Section 2.13(a) shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees and any losses, costs and expenses, as more fully described in Sections 2.15 and 2.19 hereof.

(c) Each notice of prepayment shall specify the prepayment date, the principal amount of the Term Loans to be prepaid and, in the case of Eurodollar Term Loans, the Borrowing or Borrowings pursuant to which made, shall be irrevocable and shall commit the Borrower to prepay such Term Loan by the amount and on the date stated therein; provided that the Borrower may revoke any

notice of prepayment under this Section 2.13 if such prepayment would have resulted from a refinancing of any or all of the Obligations hereunder, which refinancing shall not be consummated or shall otherwise be delayed. The Administrative Agent shall, promptly after receiving notice from the Borrower hereunder, notify each Lender of the principal amount of the Term Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

SECTION 2.14. Increased Costs.

(a) If any Change in Law shall:

(i) subject any Lender to any Taxes (other than (A) Indemnified Taxes or (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(ii) 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 such reserve requirement subject to Section 2.14(c)); or

(iii) impose on any Lender or the London interbank market any other condition (other than Taxes) affecting this Agreement or Eurodollar Term Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of converting any ABR Term Loan to a Eurodollar Term Loan or making, maintaining or continuing any Eurodollar Term Loan (or of maintaining its obligation to make any such Term Loan) or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender, such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender reasonably determines in good faith 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 capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Term Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy or liquidity), then from time to time the Borrower will pay to such Lender such additional amount or amounts, in each case as documented by such Lender to the Borrower as will compensate such Lender or such Lender's holding company for any such reduction suffered; it being understood that to the extent duplicative of the provisions in Section 2.16, this Section 2.14(b) shall not apply to Taxes.

(c) The Borrower 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 Eurodollar funds or deposits, additional interest on the unpaid principal amount of each Eurodollar Term Loan equal to the actual costs of such reserves allocated to such Term Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive in the absence of manifest error) 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 funding of the Eurodollar Term 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 Term Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error) which in each case shall be due and payable on each date on which

interest is payable on such Term Loan, provided the Borrower shall have received at least fifteen (15) days' prior notice (with a copy to the Administrative Agent, and which notice shall specify the Statutory Reserve Rate, if any, applicable to such Lender) of such additional interest or cost from such Lender. If a Lender fails to give notice fifteen (15) days prior to the relevant Interest Payment Date, such additional interest or cost shall be due and payable fifteen (15) days from receipt of such notice.

(d) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a), (b) or (c) of this Section 2.14 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(e) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.14 shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section 2.14 for any increased costs or reductions incurred more than one hundred eighty (180) days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof. The protection of this Section 2.14 shall be available to each Lender regardless of any possible contention as to the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

(f) Any determination by a Lender of amounts owed pursuant to this Section 2.14 to such Lender due to any Change in Law, pursuant to the proviso in the definition thereof shall be made in good faith in a manner generally consistent with such Lender's standard practice.

SECTION 2.15. Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Term Loan other than on the last day of an Interest Period applicable thereto (including as a result of the occurrence and continuance of an Event of Default), (b) the failure to borrow, convert, continue or prepay any Eurodollar Term Loan on the date specified in any notice delivered pursuant hereto, or (c) the assignment of any Eurodollar Term Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.18 or Section 10.08(d), then, in any such event, at the request of such Lender, the Borrower shall compensate such Lender for the loss, cost and expense attributable to such event. Such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith 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 Term Loan had such event not occurred, at the applicable rate of interest for such Term Loan (excluding, however the Applicable Margin included therein, if any), 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 Term 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 dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.15 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

SECTION 2.16. Taxes.

(a) Any and all payments by or on account of any Obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if any Indemnified Tax or Other Taxes are required to be withheld from any amounts payable to a Recipient, as determined in good faith by the applicable Withholding Agent, then (i) the sum payable by the Borrower shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.16), such Recipient receives an amount equal to the sum it would have received had no such deductions been made, (ii) the applicable Withholding Agent shall make such deductions and (iii) the applicable Withholding Agent shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition (and without duplication of any payments with respect to Other Taxes pursuant to Section 2.16(a)), the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify each Recipient within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by or on behalf of such Recipient on or with respect to any payment by or on account of any obligation of the Borrower hereunder or under any other Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. After a Recipient learns of the imposition of Indemnified Taxes or Other Taxes, such party will act in good faith to notify the Borrower promptly of its obligations thereunder. A certificate as to 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) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority pursuant to this Section 2.16, 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 to the extent available, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Borrower to do so) and (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.02(d) relating to the maintenance of a Participant Register, in either case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments under this Agreement or any other Loan Document shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or as reasonably requested by the Borrower, such properly completed and executed documentation prescribed by applicable law or requested by the Borrower as will (i) enable the Borrower to determine whether such Lender is subject to backup withholding or information reporting requirements, and (ii) permit such payments to be made without withholding or at a reduced rate; provided that a Foreign Lender shall not be required to deliver any documentation pursuant to this Section 2.16(f) that such Foreign Lender is not legally able to deliver.

(g) (1) Without limiting the generality of Section 2.16(f),

(i) any Lender that is a U.S. Person (as such term is defined in Section 7701(a)(30) of the Code) shall deliver to the Administrative Agent (and the Borrower at its request) on or prior to the date on which such Lender becomes a party under this Agreement (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon the reasonable request of the Borrower or the Administrative Agent), executed copies of Internal Revenue Service Form W-9 (or any successor form) certifying that such Lender is exempt from U.S. federal backup withholding tax;

(ii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Administrative Agent (in such number of copies as shall be requested by the recipient) (and the Borrower at its request) on or prior to the date on which such Foreign Lender becomes a party under this Agreement (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable;

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

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the Form of Exhibit C-1 to the effect that (i) such Foreign Lender is not (A) a “bank” within the meaning of section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Borrower within the meaning of section 881(c)(3)(B) of the Code, and (C) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Code, and (ii) the interest payments in question are not effectively connected with the United States trade or business conducted by such Lender (a “U.S. Tax Compliance Certificate”) and (y) duly completed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable;

(4) to the extent a Foreign Lender is not the beneficial owner (for example, where the Foreign Lender is a partnership or participating bank granting a typical participation), an Internal Revenue Service Form W-8IMY, accompanied by a Form W-8ECI, W-8BEN or W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-2 or C-3 (as applicable), Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that, if the Foreign Lender is a partnership (and not a participating bank) and one or more beneficial owners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax

Compliance Certificate substantially in the form of Exhibit C-4 on behalf of each such beneficial owner; or

(5) any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower to determine the withholding or deduction required to be made.

If the Administrative Agent is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, the Administrative Agent shall deliver to the Borrower, on or prior to the date on which it becomes the Administrative Agent (and from time to time thereafter when the previously delivered forms expire, or upon the reasonable request of the Borrower), such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate of withholding.

The Administrative Agent and each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(2) If a payment made to a Lender under this Agreement or 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 and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower 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 purposes of this clause (2), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) If the Administrative Agent or a Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.16, it shall pay over an amount equal to such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.16 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender incurred in obtaining such refund (including Taxes imposed with respect to such refund) 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) 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. Notwithstanding anything to the contrary in this paragraph (h), in no event will the Administrative Agent or any Lender be required to pay any amount to the Borrower pursuant to this paragraph (h) if, and then only to the extent, the payment of such amount would place the Administrative Agent or Lender in a less favorable net after-Tax position than the

Administrative Agent or Lender would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This Section 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 which it deems confidential) to the Borrower or any other Person.

SECTION 2.17. Payments Generally; Pro Rata Treatment.

(a) The Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest, or fees or of amounts payable under Section 2.14 or 2.15, or otherwise) prior to 1:00 p.m., New York City time, on the date when due, in immediately available funds, without setoff or counterclaim. Any amounts received after such time on any date may, in the reasonable 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 the Administrative Agent at its offices at 383 Madison Avenue, New York, New York, pursuant to wire instructions to be provided by the Administrative Agent, except that payments pursuant to Sections 2.14, 2.15 and 10.04 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder 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, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in the applicable currency.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all Obligations then due hereunder, such funds shall be applied (i) first, towards payment of Fees and expenses then due under Sections 2.19 and 10.04 payable to the Administrative Agent, (ii) second, towards payment of Fees and expenses then due under Sections 2.19 and 10.04 payable to the Arrangers and the Lenders and towards payment of interest then due on account of the Term Loans, ratably among the parties entitled thereto in accordance with the amounts of such Fees and expenses and interest then due to such parties and (iii) third, towards payment of principal of the Term Loans then due hereunder ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04(a), 8.04 or 10.04(c), 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.

(e) Pro Rata Treatment.

(i) Each payment by the Borrower of interest in respect of the Term Loans shall be applied to the amounts of such obligations owing to the Lenders pro rata according to the respective amounts then due and owing to the Lenders.

(ii) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Term Loans shall be made pro rata according to the respective outstanding principal amounts of the Term Loans then held by the Lenders (except that any prepayment of Term Loans with the proceeds of Refinancing Debt shall be applied solely to each applicable tranche of the Indebtedness being refinanced). Amounts prepaid on account of the Term Loans may not be reborrowed.

SECTION 2.18. Mitigation Obligations; Replacement of Lenders.

(a) If the Borrower is required to pay any additional amount or indemnification payment to any Lender under Section 2.14 or 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 Term Loans hereunder, to assign its rights and obligations hereunder to another of its offices, branches or affiliates or to file any certificate or document reasonably requested by the Borrower, if, in the judgment of such Lender, such designation, assignment or filing

(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 (other than immaterial costs and expenses) and would not otherwise be materially disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If, after the date hereof, any Lender requests compensation under Section 2.14 or if the 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, or becomes a Defaulting 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 Section 10.02), 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) such Lender shall have received payment of an amount equal to the outstanding principal of its Term Loans, accrued interest thereon, accrued fees and all other amounts due, owing and payable to it hereunder at such time, 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) and (ii) in the case of payments required to be made pursuant to Section 2.16, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and 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.

(c) Each party hereto agrees that (a) an assignment required pursuant to this Section 2.18 may be effected pursuant to an Assignment and Acceptance executed by the Borrower, the Administrative Agent and the assignee and (b) 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, further that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.19. Certain Fees.

(a) The Borrower shall pay to the Administrative Agent the fee set forth in that certain Administrative Agent Fee Letter dated as of March 17, 2020 between the Administrative Agent and the Borrower at the time set forth therein in immediately available funds.

(b) The Borrower shall pay to the Administrative Agent for the account of each Lender holding outstanding Delayed Draw Term Loan Commitments, a commitment fee (the "Delayed Draw Commitment Fee") equal to (A) the average daily unused amount of the Delayed Draw Term Loan Commitments of such Lender times (B) 0.15% per annum. All fees referred to in this Section 2.19(b) shall be calculated on the basis of a 360-day year and the actual number of days elapsed and payable quarterly in arrears on March 31, 2020, on June 30, 2020 and on the Delayed Draw Commitment Termination Date of the applicable Delayed Draw Term Loan Commitments.

(c) The Borrower shall pay on the Closing Date to each Lender, as compensation for providing the Closing Date Term Loans and the Delayed Draw Term Loan Commitments, an upfront fee (the "Upfront Fees") in an amount equal to 0.50% of the sum of such Lender's (x) Closing Date Term Loans actually funded on the Closing Date and (y) Delayed Draw Term Loan Commitments as of the Closing Date. The Upfront Fees shall be in all respects fully earned, due and payable on the Closing Date and non-refundable and non-creditable thereafter.

(d) All Fees shall be paid on the dates due, in immediately available funds, to the Administrative Agent as provided herein and in the Administrative Agent Fee Letter. Once paid, none of the Fees shall be refundable under any circumstances.

SECTION 2.20. Right of Set-Off. Upon the occurrence and during the continuance of any Event of Default pursuant to Section 7.01(b), the Administrative Agent and each Lender (and their respective banking Affiliates) is hereby 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 but excluding deposits in the Escrow Accounts, Payroll Accounts and other accounts, in each case, held in trust for an identified beneficiary) at any time held and other indebtedness at any time owing by the Administrative Agent and each such Lender (or any of such banking Affiliates) to or for the credit or the account of the Borrower against any and all of any such overdue amounts owing to such Lender (or any of such banking Affiliates) or the Administrative Agent under the Loan Documents, irrespective of whether or not the Administrative Agent or such Lender shall have made any demand under any Loan Document; provided that each Lender agrees promptly to notify 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 setoff and application; provided, further, that in the event that any Defaulting Lender exercises any such right of setoff, (x) all amounts so set off will be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.22(b) and, pending such payment, will be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (y) the Defaulting Lender will provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender and the Administrative Agent agree promptly to notify the Borrower after any such set-off and application made by such Lender or the Administrative Agent (or any of such banking Affiliates), as the case may be, provided that the failure to give such notice shall not affect the validity of

such set-off and application. The rights of each Lender and the Administrative Agent under this Section 2.20 are in addition to other rights and remedies which such Lender and the Administrative Agent may have upon the occurrence and during the continuance of any Event of Default.

SECTION 2.21. Payment of Obligations. Subject to the provisions of Section 7.01, upon the maturity (whether by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Borrower, the Lenders shall be entitled to immediate payment of such Obligations.

SECTION 2.22. Defaulting Lenders.

(a) Anything herein to the contrary notwithstanding, no Defaulting Lender shall be entitled to receive any fees accruing pursuant to Section 2.19 during the period that such Lender is a Defaulting Lender (without prejudice to the rights of the Non-Defaulting Lenders in respect of such fees).

(b) Any amount paid by the Borrower or otherwise received by the Administrative Agent for the account of a Defaulting Lender with respect to the Term Loan Facility under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or distributed to such Defaulting Lender, but shall instead be retained by the Administrative Agent in an Escrow Account until the termination of the Facility and payment in full of all obligations of the Borrower hereunder and will be applied by the Administrative Agent, to the fullest extent permitted by law, to the making of payments from time to time in the following order of priority: First to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent, second to the payment of the default interest and then current interest due and payable to the Lenders which are Non-Defaulting Lenders, ratably among them in accordance with the amounts of such interest then due and payable to them, third to the payment of fees then due and payable to the Non-Defaulting Lenders, ratably among them in accordance with the amounts of such fees then due and payable to them, fourth to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders and fifth after the termination of the Facility and payment in full of all obligations of the Borrower, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

(c) If the Borrower and the Administrative Agent agree in writing that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the Lenders, 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 amounts then held in the Escrow Account), such Lender shall purchase at par such portions of outstanding Term Loans of the other Lenders, and/or make such other adjustments, as the Administrative Agent may determine to be necessary to cause the Lenders to hold Term Loans on a pro rata basis in accordance with their respective applicable Delayed Draw Term Loan Commitments and/or Closing Date Term Loan Commitments, whereupon such Lender shall cease to be a Defaulting Lender and will be a Non-Defaulting Lender; provided that no adjustments shall be made retroactively with respect to fees accrued while such 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 Non-Defaulting Lender shall constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

SECTION 2.23. Incremental Term Loans.

(a) Borrower Request. The Borrower may, by written notice to the Administrative Agent from time to time, request an increase to the existing Term Loan Facility (the commitments thereunder, the "Incremental Commitments") in an amount not less than \$50,000,000 individually and not

to exceed the applicable Incremental Amount from one or more Incremental Lenders (which may include any existing Lender) willing to provide such Incremental Commitments in their sole discretion; provided that each Incremental Lender (which is not an existing Lender) shall be subject to the approval requirements of Section 10.02. Each such notice shall specify:

(i) the date (each, an “Increase Effective Date”) on which the Borrower proposes that the proposed Incremental Commitments shall be effective, which shall be a date not less than ten (10) Business Days after the date on which such notice is delivered to the Administrative Agent and

(ii) the identity of each Eligible Assignee to whom the Borrower proposes any portion of such Incremental Commitments be allocated and the amounts of such allocations (each provider of the Incremental Commitments referred to herein as an “Incremental Lender”); provided that any existing Lender approached to provide all or a portion of the proposed Incremental Commitments may elect or decline, in its sole discretion, to provide such Incremental Commitment.

(b) Conditions. Any Incremental Commitments shall become effective as of the applicable Increase Effective Date; provided that:

(i) all representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of such Increase Effective Date (both before and after giving effect thereto and, in the case of each Borrowing of Term Loans pursuant to Incremental Commitments, the application of proceeds therefrom) with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, “Material Adverse Change” or “Material Adverse Effect” shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to such Borrowing of Term Loans;

(ii) no Default or Event of Default shall have occurred and be continuing or would result from the Borrowings to be made on such Increase Effective Date; provided, for the avoidance of doubt, that no Default or Event of Default in respect of Section 6.03 shall have occurred and be continuing nor result from the making of such Borrowing on and as of the applicable Increase Effective Date, without giving effect to any Asset Coverage Ratio Cure Period;

(iii) after giving effect to the incurrence of such Incremental Commitments, the Aggregate Exposure with respect to all Lenders shall not exceed \$4,000,000,000; and

(iv) the Borrower shall have duly executed and delivered to the Administrative Agent a ~~Short~~Mortgage Supplement to the Long Form Mortgage and/or other Collateral Documents granting first priority Liens and security interests in any additional Pool Assets required to maintain compliance with Section 6.03 (subject to Liens permitted under Section 6.01(a)) in favor of the Administrative Agent, for the benefit of the Lenders, and shall have caused any such ~~Short Form~~Mortgage Supplement to be filed with the FAA in order to perfect the Liens on such additional Pool Assets, ~~and a stamped version thereof in the form of Aircraft, and evidence of such filing~~ will be provided to the Administrative Agent promptly after being made available by the FAA and no later than 25 business days after the applicable Increase Effective Date (or such longer period that is reasonably acceptable to the Administrative Agent) the Borrower shall register the International Interest in connection with the applicable Short Form Mortgage with the International Registry.

(c) Terms of Incremental Commitments. The terms and provisions of Term Loans made pursuant to the Incremental Commitments shall be identical to the existing Term Loans. For the

avoidance of doubt, Term Loans made in respect of Incremental Commitments made in reliance on this Section 2.23 are intended to be fully fungible with the Closing Date Term Loans and any Delayed Draw Term Loans. Prior to any funding of Term Loans pursuant to Incremental Commitments, the Administrative Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to such Borrowing.

The Incremental Commitments shall be effected by a joinder agreement (the “Increase Joinder”) executed by the Borrower, the Administrative Agent and each Incremental Lender making such Incremental Commitment, in form and substance reasonably satisfactory to each of them. The Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 2.23. In addition, unless otherwise specifically provided herein, all references in Loan Documents to Term Loans shall be deemed, unless the context otherwise requires, to include references to Term Loans made pursuant to Incremental Commitments made pursuant to this Agreement.

(d) Equal and Ratable Benefit. The Loans and Incremental Commitments established pursuant to this Section 2.23 shall constitute Loans and Incremental Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents and shall, without limiting the foregoing, benefit equally and ratably from the security interests created by the applicable Mortgages. The Borrower shall take any actions reasonably required by the Administrative Agent to ensure that the Lien and security interests granted by the Mortgages continue to be perfected after giving effect to the establishment of any such Incremental Commitments.

SECTION 3.

REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to make Term Loans hereunder, the Borrower represents and warrants as follows:

SECTION 3.01. Organization and Authority.

(a) The Borrower and each of its Material Subsidiaries are duly organized, validly existing and in good standing under the laws of the jurisdiction of their organization and are duly qualified and in good standing in each jurisdiction in which the failure to so qualify would have a Material Adverse Effect,

(b) the Borrower has the requisite corporate or limited liability company power and authority to effect the Transactions, and

(c) the Borrower and each of its Material Subsidiaries have all requisite power and authority and the legal right to own or lease and operate their properties, mortgage the Pool Assets and to conduct their business as now or currently proposed to be conducted. On the Closing Date, the Borrower has no Material Subsidiaries.

SECTION 3.02. Air Carrier Status. The Borrower is an “air carrier” within the meaning of Section 40102 of Title 49 and holds a certificate under Section 41102 of Title 49. The Borrower holds an air carrier operating certificate issued pursuant to Chapter 447 of Title 49. The Borrower is a “citizen of the United States” as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies (a “United States Citizen”).

The Borrower possesses all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted except where failure to so possess would not, in the aggregate, have a Material Adverse Effect.

SECTION 3.03. Due Execution. The execution, delivery and performance by the Borrower of each of the Loan Documents to which it is a party

(a) are within its corporate powers, have been duly authorized by all necessary corporate action, including the consent of shareholders where required, and do not

(i) contravene the charter or by-laws of the Borrower,

(ii) violate any applicable law (including, without limitation, the Exchange Act) or regulation (including, without limitation, Regulations T, U or X of the Board), or any order or decree of any court or Governmental Authority, other than violations by the Borrower which would not reasonably be expected to have a Material Adverse Effect or

(iii) conflict with or result in a breach of, constitute a default under, or create an adverse liability or rights under, any material indenture, mortgage or deed of trust or any material lease, agreement or other instrument binding on the Borrower or any of its properties, which, in the aggregate, would reasonably be expected to have a Material Adverse Effect; and (b) do not require the consent, authorization by or approval of or notice to or filing or registration with any Governmental Authority or any other Person, other than (i) approvals, consents and exemptions that have been obtained on or prior to the Closing Date and remain in full force and effect and (ii) consents, approvals and exemptions that the failure to obtain in the aggregate would not be reasonably expected to result in a Material Adverse Effect. Each Loan Document has been duly executed and delivered by the Borrower. This Agreement is, and each of the other Loan Documents to which the Borrower is or will be a party, when delivered hereunder or thereunder, will be, a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar 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 3.04. Financial Statements; Material Adverse Change.

(a) The Borrower has furnished to the Administrative Agent on behalf of the Lenders copies of the audited consolidated financial statements of the Borrower and its Subsidiaries for the fiscal year ended December 31, 2019, reported on by Ernst & Young LLP. Such financial statements present fairly, in all material respects, in accordance with GAAP, the financial condition, results of operations and cash flows of the Borrower and its Subsidiaries on a consolidated basis as of the date thereof and for the period covered thereby (subject to normal year-end audit adjustments and the absence of footnotes in the case of the unaudited financial statements). Documents required to be delivered pursuant to this Section 3.04(a) which are made available via EDGAR, or any successor system of the SEC, in the Borrower's Annual Report on Form 10-K, shall be deemed delivered to the Administrative Agent and the Lenders on the date such documents are made so available.

(b) Except as disclosed in:

(i) the Borrower's current report on Form 8-K, dated March 10, 2020, and

(ii) the Borrower's current report on Form 8-K, dated March 13, 2020 (in each case, including exhibits and other information incorporated by reference therein, but excluding any disclosures included therein to the extent they are predictive or forward-looking in nature), since December 31, 2019, there has been no Material Adverse Change.

SECTION 3.05. Use of Proceeds. The proceeds of the Term Loans shall be used for working capital and other general corporate purposes of the Borrower and its Subsidiaries (including the repayment of Indebtedness and the payment of fees and transaction costs as contemplated hereby and as referred to in Section 2.19), and no part of the proceeds of any Term Loan will be used for any purpose which would violate, or be inconsistent with, any of the margin regulations of the Board.

SECTION 3.06. Litigation and Compliance with Laws.

(a) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its properties (including any Pool Assets), before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign,

(i) that are likely to have a Material Adverse Effect or

(ii) that purport to, or could reasonably be expected to, affect the legality, validity, binding effect or enforceability of the Loan Documents or, in any material respect, the rights and remedies of the Administrative Agent or the Lenders thereunder or in connection with the Transactions.

(b) Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect,

(i) the Borrower and each of its Material Subsidiaries are currently in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities in respect of the conduct of their business and ownership of their property (including compliance with all applicable Environmental Laws governing their business), and

(ii) none of the Borrower or its Subsidiaries has (x) become subject to any Environmental Liability, or (y) received written notice of any pending or, to the knowledge of the Borrower, threatened claim with respect to any Environmental Liability.

SECTION 3.07. Investment Company Act. The Borrower is not, and is not required to be, registered as an "investment company" under the Investment Company Act of 1940, as amended.

SECTION 3.08. ERISA. No Termination Event has occurred or is reasonably expected to occur that would reasonably be expected to have a Material Adverse Effect.

SECTION 3.09. Title to Pool Assets. ~~(a) The Borrower and each of its Material Subsidiaries own all~~ shall have good and marketable title to each of the Pool Assets ~~which are owned or used in connection with their business, except to the extent that such failure would not reasonably be expected to have a Material Adverse Effect, free of all Liens other than Liens permitted under Section 6.01.~~

SECTION 3.10. Payment of Taxes. Each of the Borrower and its Material Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid when due all Taxes required to have been paid by it, except and solely to the extent that, in each case (a) such Taxes are being contested in good faith by appropriate

proceedings and the Borrower or such Material Subsidiary, as applicable, has set aside on its books adequate reserves therefor in accordance with GAAP or (b) the failure to do so would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11. Economic Sanctions.

(a) Neither the Borrower nor any of its Subsidiaries nor, to the knowledge of the Borrower, any director, officer or employee of the Borrower or such Subsidiary (each, a “Specified Person”) is an individual or entity currently the subject of any sanctions administered or enforced by the United States (including but not limited to OFAC or the U.S. Department of State), the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority (collectively, “Sanctions”), nor is the Borrower or any of its Subsidiaries located, organized or resident in a country or territory that is the subject of Sanctions.

(b) No Specified Person will use any proceeds of the Term Loans or lend, contribute or otherwise make available such proceeds to any Person for the purpose of funding, financing or facilitating the activities of or with any Person or in any country or territory that, at the time of such financing, is the subject of Sanctions, except to the extent licensed by OFAC or otherwise authorized under U.S. law.

(c) The Borrower, its Subsidiaries, and to the knowledge of the Borrower, the respective officers and directors of the Borrower and such Subsidiary are in compliance in all material respects with applicable Sanctions and will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with such laws.

SECTION 3.12. Anti-Corruption Laws. The Borrower and its Subsidiaries and, to the knowledge of the Borrower, the directors, officers, agents, and employees of the Borrower and its Subsidiaries are in compliance in all material respects with all applicable anti-corruption laws. The Borrower and its Subsidiaries will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with such laws and with the representation and warranty contained herein.

SECTION 3.13. Perfected Security Interests. The Collateral Documents, taken as a whole, are effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in all of the Pool Assets, subject as to enforceability to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. At such time as (a) if applicable, financing statements in appropriate form are filed in the appropriate offices (and the appropriate fees are paid) and (b) the applicable Mortgage (including, without limitation, any Mortgage Supplements) is filed for recordation with the FAA (and the appropriate fees are paid) and registrations with respect to the International Interests in the Pool Assets constituted by the applicable Mortgage are duly made in the International Registry the Administrative Agent, for the benefit of the Secured Parties, shall have a first priority (subject only to the Liens permitted under Section 6.01(a)) perfected security interest and/or mortgage (or comparable Lien) in all of the Pool Assets to the extent that the Liens on such Pool Assets may be perfected upon the filings or recordations or upon the taking of the actions described in clauses (a) and (b) above, subject in each case only to the Liens permitted under Section 6.01(a), and such security interest is entitled to the benefits, rights and protections afforded under the applicable Collateral Documents (subject to the qualification set forth in the first sentence of this Section 3.13).

SECTION 4.

CONDITIONS OF LENDING

SECTION 4.01. Conditions Precedent to Effectiveness and Funding of the Closing Date Term Loans. The effectiveness of this Agreement and the obligation of the Lenders to make the Closing Date Term Loans are subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) Supporting Documents. The Administrative Agent shall have received with respect to the Borrower:

(i) a copy of the Borrower's certificate of incorporation, as amended, certified as of a recent date by the Secretary of State of the state of its incorporation or formation;

(ii) a certificate of the Secretary of State of the state of the Borrower's incorporation, dated as of a recent date, as to the good standing of the Borrower (to the extent available in the applicable jurisdiction) and as to the charter documents on file in the office of such Secretary of State;

(iii) a certificate of the Secretary or an Assistant Secretary of the Borrower dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the by-laws of the Borrower as in effect on the date of such certification, (B) that attached thereto is a true and complete copy of resolutions adopted by the board of directors of the Borrower or an authorized committee thereof authorizing the Borrowings hereunder and the execution, delivery and performance in accordance with their respective terms of this Agreement, the other Loan Documents and any other documents required or contemplated hereunder or thereunder, (C) that the certificate of incorporation of the Borrower has not been amended since the date of the last amendment thereto indicated on the certificate of the Secretary of State furnished pursuant to clause (i) above, and (D) as to the incumbency and specimen signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer of the Borrower as to the incumbency and signature of the officer signing the certificate referred to in this clause (iii)); and

(iv) an Officer's Certificate from the Borrower certifying (A) as to the accuracy in all material respects of the representations and warranties contained in the Loan Documents as though made on and as of the Closing Date, except to the extent that any such representation or warranty by its terms is made as of a different specified date, in which case such representation or warranty shall be or was true and correct in all material respects as of such date (provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects as of the applicable date), in each case before and after giving effect to the Transactions and (B) as to the absence of any Default or Event of Default occurring and continuing on the Closing Date before and after giving effect to the Transactions.

(b) Credit Agreement. The Borrower shall have duly executed and delivered to the Administrative Agent this Agreement.

(c) [Reserved].

(d) Opinions of Counsel. The Administrative Agent, and the Lenders shall have received:

(i) a written opinion of David S. Cartee, Associate General Counsel for the Borrower, in a form reasonably satisfactory to the Administrative Agent; and

(ii) a written opinion of Davis Polk & Wardwell LLP, special New York counsel to the Borrower, in a form reasonably satisfactory to the Administrative Agent.

(e) Payment of Fees and Expenses. The Borrower shall have paid to the Administrative Agent and the Lenders, as applicable, the Fees as referred to in Section 2.19(a) and (c), and all reasonable and documented out-of-pocket expenses of the Administrative Agent (including reasonable attorneys' fees of Simpson Thacher & Bartlett LLP) for which invoices have been presented at least one (1) Business Day prior to the Closing Date, or the Borrower shall have authorized that such Fees and expenses be deducted from the proceeds of the initial funding under the Closing Date Term Loans.

(f) Representations and Warranties. All representations and warranties of the Borrower contained in this Agreement and the other Loan Documents executed and delivered on the Closing Date shall be true and correct in all material respects on and as of the Closing Date, before and after giving effect to the Transactions, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case such representation or warranty shall be true and correct in all material respects as of such specified date); provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to the Transactions.

(g) No Default. Before and after giving effect to the Transactions, no Default or Event of Default shall have occurred and be continuing on the Closing Date.

(h) Patriot Act. The Lenders shall have received at least three (3) days prior to the Closing Date all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, that such Lenders shall have requested at least ten (10) days prior to the Closing Date.

(i) Notice. The Administrative Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to the Borrowing of Closing Date Term Loans.

(j) Short-Form Aircraft Mortgage. The Borrower shall have duly executed and delivered to the Administrative Agent a short-form aircraft mortgage (the "Short Form Mortgage") granting first priority Liens and security interests in the Pool Assets (subject to Liens permitted under Section 6.01(a)) in favor of the Administrative Agent, for the benefit of the Lenders, and shall have caused such Short Form Mortgage to be filed with the FAA in order to perfect the Liens on the Pool Assets, and a stamped version thereof will be provided to the Administrative Agent. For the avoidance of doubt, no legal opinions with respect to collateral or FAA matters in connection with the Short Form Mortgage will be required on the Closing Date. The execution by each Lender of this Agreement shall be deemed to be confirmation by such Lender that any condition relating to such Lender's satisfaction or reasonable satisfaction with any documentation set forth in this Section 4.01 has been satisfied as to such Lender.

SECTION 4.02. Conditions Precedent to the Funding of Each Delayed Draw Term Loan. The obligation of the Lenders to make each Delayed Draw Term Loan on the applicable Delayed Draw Funding Date is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) Notice. The Administrative Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to such Borrowing.

(b) Representations and Warranties. All representations and warranties contained in this Agreement and the other Loan Documents (other than the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) shall be true and correct in all material respects on and as of each Delayed Draw Funding Date (both before and after giving effect thereto and, in the case of each Borrowing of Delayed Draw Term Loans, the application of proceeds therefrom) with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, “Material Adverse Change” or “Material Adverse Effect” shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to such Borrowing of Delayed Draw Term Loans.

(c) No Default. On each Delayed Draw Funding Date, no Default or Event of Default shall have occurred and be continuing nor result from the making of the requested Borrowing of Delayed Draw Term Loans and the application of proceeds thereof; provided, for the avoidance of doubt, that no Default or Event of Default in respect of Section 6.03 shall have occurred and be continuing nor result from the making of such Borrowing on and as of the date of such Borrowing, without giving effect to any Asset Coverage Ratio Cure Period.

(d) Capacity. The amount of the requested Delayed Draw Term Loans shall not exceed the remaining amount of the Delayed Draw Term Loan Commitment then in effect.

The request by the Borrower for, and the acceptance by the Borrower of, each of the Delayed Draw Term Loans hereunder shall be deemed to be a representation and warranty by the Borrower that the conditions specified in this Section 4.02 have been satisfied at that time.

SECTION 5.

AFFIRMATIVE COVENANTS

From the date hereof and for so long as the Delayed Draw Term Loan Commitments remain in effect and any principal of or interest on any Term Loan remain outstanding, the Borrower agrees to:

SECTION 5.01. Financial Statements, Reports, etc. Deliver to the Administrative Agent on behalf of the Lenders:

(a) Within ninety (90) days after the end of each fiscal year, the Borrower’s consolidated balance sheet and related statement of income and cash flows, showing the financial condition of the Borrower and its Subsidiaries on a consolidated basis as of the close of such fiscal year and the results of their respective operations during such year, the consolidated statement of the Borrower to be audited for the Borrower by Ernst & Young LLP or other independent public accountants of recognized national standing and accompanied by an opinion of such accountants (without a “going concern” or like qualification or exception and without any more qualification or exception as to the scope of such audit, except for any such qualification solely as a result of (x) an impending debt maturity within twelve (12) months of the Term Loan Facility under this Agreement or (y) a potential inability to satisfy any financial covenant) and to be certified by a Responsible Officer of the Borrower to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of the Borrower and its Subsidiaries on a consolidated basis in accordance with

GAAP. Documents required to be delivered pursuant to this clause (a) which are made publicly available via EDGAR, or any successor system of the SEC, in the Borrower's Annual Report on Form 10-K, shall be deemed delivered to the Lenders on the date such documents are made so available;

(b) Within forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year, the Borrower's consolidated balance sheets and related statements of income and cash flows, showing the financial condition of the Borrower and its Subsidiaries on a consolidated basis as of the close of such fiscal quarter and the results of their operations during such fiscal quarter and the then elapsed portion of the fiscal year, each certified by a Responsible Officer of the Borrower as fairly presenting in all material respects the financial condition and results of operations of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes. Documents required to be delivered pursuant to this clause (b) which are made publicly available via EDGAR, or any successor system of the SEC, in the Borrower's Quarterly Report on Form 10-Q, shall be deemed delivered to the Lenders on the date such documents are made so available;

(c) concurrently with any delivery of financial statements under (a) and (b) above, a certificate of a Responsible Officer of the Borrower (in substantially the form of Exhibit A) (i) certifying that, to the knowledge of such Responsible Officer, no Event of Default has occurred, or, if, to the knowledge of such Responsible Officer, such an Event of Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto, and (ii) setting forth computations in reasonable detail satisfactory to the Administrative Agent demonstrating compliance with the provisions of Sections 6.03 and 6.04;

(d) prompt written notice of any Termination Event that has occurred, or is reasonably expected to occur, to the extent such Termination Event would constitute an Event of Default under Section 7.01(l);

(e) promptly after a Responsible Officer of the Borrower obtains knowledge of the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Subsidiary that could reasonably be expected to result in a Material Adverse Effect, notification thereof;

(f)

(i) on the date on which any Investment Property that is not listed on a national securities exchange is initially included as Additional Pool Assets, an Officer's Certificate from the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, setting forth the book value of such Investment Property as of the last day of the month most recently ended, together with all supporting documents with respect to such Investment Property as the Administrative Agent may reasonably request, and

(ii) at any time thereafter that any Investment Property that is not listed on a national securities exchange shall be included as Additional Pool Assets, concurrently with any delivery of financial statements under clause (a) or (b) above in respect of each fiscal quarter of the Borrower, an Officer's Certificate from the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, setting forth the book value of such Investment Property as of the last day of such fiscal quarter, together with all supporting documents with respect to such Investment Property as the Administrative Agent may reasonably request; and

(g) if an Event of Default has occurred and is continuing, any subsequent Appraisal Report reasonably requested by the Administrative Agent or the Required Lenders, in each case as soon as reasonably practicable after receipt by the Borrower of such request.

Subject to the next succeeding sentence, information delivered pursuant to this Section 5.01 to the Administrative Agent may be made available by the Administrative Agent to the Lenders by posting such information on the Intralinks website on the Internet at <http://www.intralinks.com>. Information delivered pursuant to this Section 5.01 may also be delivered by electronic communication pursuant to procedures approved by the Administrative Agent pursuant to Section 10.01 hereto. Information required to be delivered pursuant to this Section 5.01 (to the extent not made available as set forth above) shall be deemed to have been delivered to the Administrative Agent on the date on which the Borrower provides written notice to the Administrative Agent that such information has been posted on the Borrower's website on the Internet at <http://www.delta.com> (to the extent such information has been posted or is available as described in such notice). Information required to be delivered pursuant to this Section 5.01 shall be in a format which is suitable for transmission.

Any notice or other communication delivered pursuant to this Section 5.01, or otherwise pursuant to this Agreement, shall be deemed to contain material non-public information unless (i) expressly marked by the Borrower as "PUBLIC", (ii) such notice or communication consists of copies of the Borrower's public filings with the SEC or (iii) such notice or communication has been posted on the Borrower's website on the Internet at <http://www.delta.com>.

SECTION 5.02. Existence. Preserve and maintain, and cause each of its Material Subsidiaries to 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:

(a) if such failure to preserve the same could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and

(b) as otherwise permitted in connection with (i) sales of assets not restricted by Section 6.05 or (ii) mergers, liquidations and dissolutions permitted by Section 6.02.

SECTION 5.03. Insurance. ~~Maintain~~ Other than with respect to the Pool Assets, as to which only the insurance provisions of the applicable Mortgage shall be applicable, maintain with financially sound and reputable insurance companies, insurance of such types and in such amounts (after giving effect to any self-insurance) as is customary in the United States domestic airline industry for major United States air carriers having both substantial domestic and international operations or otherwise in the Borrower's ordinary course of business and consistent with past practice, except to the extent that the failure to maintain such insurance could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.04. Maintenance of Properties. Except to the extent otherwise permitted hereunder, in its reasonable business judgment, keep and maintain, and cause each of its Material Subsidiaries to keep and maintain, all property material to the conduct of its business in good working order and condition (ordinary wear and tear and damage by casualty and condemnation excepted), except where the failure to keep such property in good working order and condition would not have a Material Adverse Effect.

SECTION 5.05. Obligations and Taxes. Pay, and cause each of its Material Subsidiaries to pay, all its and their material obligations promptly and in accordance with their terms, and

pay and discharge promptly all taxes, assessments, governmental charges, levies or claims imposed upon it or upon its income or profits or in respect of its property, before the same shall become more than ninety (90) days delinquent, except in each case where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; provided, however, that the Borrower and each of its Material Subsidiaries shall not be required to pay and discharge or to cause to be paid and discharged any such obligation, tax, assessment, charge, levy or claim so long as (i) the validity or amount thereof shall be contested in good faith by appropriate proceedings and (ii) the Borrower and its Material Subsidiaries shall have set aside on their books adequate reserves therefor in accordance with GAAP.

SECTION 5.06. Notice of Event of Default, etc. Promptly upon knowledge thereof by a Responsible Officer of the Borrower, give to the Administrative Agent notice in writing of any Default or Event of Default.

SECTION 5.07. Access to Books and Records. Maintain or cause to be maintained at all times true and complete books and records in all material respects in a manner consistent with GAAP in all material respects of the financial operations of the Borrower and provide the Administrative Agent and its representatives and advisors reasonable access to all such books and records (subject to requirements under any confidentiality agreements, if applicable), as well as any appraisals of the Pool Assets, during regular business hours, in order that the Administrative Agent may upon reasonable prior notice and with reasonable frequency, but in any event, so long as no Event of Default has occurred and is continuing, no more than one (1) time per year, examine and make abstracts from such books, accounts, records, appraisals and other papers, and permit the Administrative Agent and its respective representatives and advisors to confer with the officers of the Borrower and representatives (provided that the Borrower shall be given the right to participate in such discussions with such representatives) of the Borrower, all for the purpose of verifying the accuracy of the various reports delivered by the Borrower to the Administrative Agent or the Lenders pursuant to this Agreement or for otherwise ascertaining compliance with this Agreement; and at any reasonable time and from time to time during regular business hours, upon reasonable notice to the Borrower, permit the Administrative Agent and any agents or representatives (including, without limitation, appraisers) thereof to visit the properties of the Borrower and to conduct examinations of and to monitor the Pool Assets (other than with respect to all of the "Collateral" as defined in the Long Form Mortgage, as to which the provisions of Section 2.04 of the Long Form Mortgage shall apply), in each case at the expense of the Borrower (provided that the Borrower shall not be required to pay the expenses of more than one (1) such visit a year unless an Event of Default has occurred and is continuing); ~~provided, however, that (a) any such inspection of Aircraft (i) shall be limited to the Pool Assets, (ii) shall be a visual, walk-around inspection and (iii) may not include opening any panels, bays or the like and (b) no exercise of any inspection rights provided for in this Section 5.07 shall interfere with the normal operation or maintenance of any Aircraft by, or the business of, the Borrower.~~

SECTION 5.08. Compliance with Laws. Comply, and cause each of its Material Subsidiaries to comply, with all applicable laws, rules, regulations and orders of any Governmental Authority applicable to it or its property (including Environmental Laws), except where such noncompliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with anti-corruption laws and Sanctions.

SECTION 5.09. FAA and DOT Matters; Citizenship.

(a) Maintain at all times its status as an “air carrier” within the meaning of Section 40102(a)(2) of Title 49, and hold a certificate under Section 41102(a)(1) of Title 49;

(b) at all times hereunder be a United States Citizen; and

(c) maintain at all times its status at the FAA as an air carrier and hold an air carrier operating certificate and other operating authorizations issued by the FAA pursuant to 14 C.F.R. Parts 119 and 121 as currently in effect or as may be amended or recodified from time to time. Except as specifically permitted herein, possess and maintain all necessary certificates, exemptions, franchises, licenses, permits, designations, rights, concessions, authorizations, frequencies and consents which are material to the operation, consistent with the conduct of its business and operations as currently conducted, of any Pool Assets, except where the failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.10. Post-Closing Items.

(a) By the Appraisal Delivery Date, submit to the Administrative Agent (for distribution to the Lenders) the Initial Appraisal Report and such Initial Appraisal Report shall demonstrate that, on the date of delivery of such Initial Appraisal Report, the Borrower shall be in compliance on a pro forma basis with Section 6.03. The Borrower may from time to time cause to be delivered subsequent Appraisal Reports if it believes that any affected Pool Asset has a higher Appraised Value than that reflected in the most recent Appraisal Report delivered.

(b) (i) No later than 14 days after the Closing Date (or such longer period that is reasonably acceptable to the Administrative Agent; provided that in the event of any disruptions to the ordinary course operations of the FAA, including as a result of any technical difficulties or other delays, this deadline will be extended in a manner to be mutually agreed by the Borrower and the Administrative Agent), the Borrower shall (A) execute and deliver the Mortgage Related Amendments and (B) cause to be provided to the Administrative Agent (x) a customary New York law legal opinion with respect to the enforceability of, and creation of the security interests under, the Short Form Mortgage as amended by the Mortgage Related Amendments and (y) a customary FAA opinion covering the filing of the Short Form Mortgage as amended by the Mortgage Related Amendments with the FAA and the International Registry and the perfection of the first priority mortgage on the Pool Assets, and

(ii) no later than 2 business days after the Closing Date (or such longer period that is reasonably acceptable to the Administrative Agent) the Borrower shall register the International Interest in connection with the Short Form Mortgage with the International Registry; ~~provided that (x) for the avoidance of doubt, the Borrower will have the right to replace or exchange any Pool Assets and/or add Additional Pool Assets as contemplated by Section 10.08(f) and (y) the Liens on any disposed Pool Assets shall be automatically released upon the consummation of such disposition, so long as the Borrower is in compliance with Section 6.05, and the Administrative Agent shall be authorized to take, and shall take, any actions requested by the Borrower or otherwise deemed appropriate in order to effect the foregoing.~~ The Borrower and the Administrative Agent shall be permitted, without the consent of any other Lender, to effect such amendments to this Agreement and the other Loan Documents as are mutually agreed between the Borrower and the Administrative Agent in order to incorporate customary mortgage provisions and operational covenants consistent with the Borrower’s past practices (such amendments, the “Mortgage Related Amendments”).

SECTION 5.11. Further Assurances. Execute any and all further documents and instruments, and take all further actions, that may be required or advisable under applicable law, the Cape Town Treaty or by the FAA, or that the Administrative Agent may reasonably request, in order to create,

grant, establish, preserve and perfect the validity, perfection and priority of the Liens and security interests created or intended to be created by the Collateral Documents, to the extent required under this Agreement or the Collateral Documents, including, without limitation, amending, amending and restating, supplementing, assigning or otherwise modifying, renewing or replacing a Collateral Document or other agreements, instruments or documents relating thereto, in each case as may be reasonably requested by the Administrative Agent, in order to

(i) create interests as contemplated and permitted hereunder or under the applicable Collateral Document (including, but not limited to, International Interests, Assignments, Prospective Assignments, Sales, Prospective Sales, Assignments of Associated Rights and Subordinations) that may be registered and/or assigned under the Cape Town Treaty,

(ii) create, grant, establish, preserve and perfect the Liens in favor of the Administrative Agent for the benefit of the Secured Parties to the fullest extent possible under the Cape Town Treaty, including, where necessary, the subordination of other rights or interests and

(iii) realize the benefit of the remedial provisions that are contemplated by the Cape Town Treaty, subject to the provisions of Section 4.02 of the Long Form Mortgage.

Without limiting the generality of the foregoing or any other provisions of the Loan Documents, the Borrower hereby (A) agrees to exclude the application of Article XVI(1)(a) of the Aircraft Protocol (it being understood that such exclusion shall not derogate from any other rights of the Borrower under or pursuant to the Aircraft Mortgage) and (B) consents, pursuant to Article XV of the Aircraft Protocol, to any Assignment of Associated Rights within the scope of Article 33(1) of the Cape Town Convention which is permitted or required by the applicable Loan Documents and further agrees that the provisions of the preceding paragraph shall apply, in particular, with respect to Articles 31(4) and 36(1) of the Cape Town Convention to the extent applicable to any such Assignment of Associated Rights.

SECTION 6.

NEGATIVE COVENANTS

From the date hereof and for so long as the Delayed Draw Term Loan Commitments and any principal of or interest on any Term Loan remain outstanding, the Borrower will not:

SECTION 6.01. Liens on the Pool Assets. As of the Appraisal Delivery Date,

(a) Incur, create, assume or suffer to exist (or permit any Subsidiary to incur, create, assume or suffer to exist) any Lien upon or with respect to the Pool Assets, or enter into any arrangement (or permit any Subsidiary to enter into any arrangement) with any Person that would materially negatively impact the value of any Pool Asset realizable by any third party or assign any right to receive the proceeds from the sale, transfer or disposition of any of the Pool Assets, or file or authorize the filing with respect to any of the Pool Assets of any financing statement naming the Borrower or any Subsidiary as debtor under the UCC or any similar notice of Lien naming the Borrower or any Subsidiary as debtor under any similar recording or notice statute (including, without limitation, any filing under Title 49, United States Code, Section 44107), other than:

(i) Liens for taxes, assessments or governmental charges or claims that (x) are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor or (y) are not yet delinquent;

(ii) Liens arising by operation of law in connection with judgments, attachments or awards which do not constitute an Event of Default hereunder;

(iii) Restrictions arising under this Agreement;

(iv) Liens constituting normal operational usage of the affected property, including leases, subleases, use agreements, swap agreements, charter, third party maintenance, storage, leasing, pooling or interchange thereof; ~~and~~

(v) Liens imposed by law such as materialmen's, mechanics', carriers', workmen's and repairmen's Liens and other similar Liens arising in the ordinary course of business securing obligations that (x) are not overdue for a period of more than thirty (30) days, provided that no enforcement, collection, execution, levy or foreclosure proceeding shall have been commenced with respect thereto, or (y) are being contested in good faith and for which adequate reserves are established in accordance with GAAP; ~~and~~

(vi) Liens on the Pool Assets permitted under the Long Form Mortgage.

(b) Enter into or suffer to exist (or permit any Subsidiary to enter into or suffer to exist) any agreement prohibiting or conditioning the creation or assumption of any first priority Lien upon any Pool Asset to secure Indebtedness or other obligations of the Borrower or of any Subsidiary of the Borrower that holds Pool Assets.

SECTION 6.02. Merger, etc.

(a) Merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its assets (in each case, whether now owned or hereafter acquired) unless:

(i) immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing;

(ii) the Borrower is the surviving corporation or, if otherwise, (x) such other Person or continuing corporation (the "Successor Company") is a corporation or other entity organized under the laws of a state of the United States and (y) such Successor Company is a U.S. certificated air carrier; and

(iii) in the case of a Successor Company, the Successor Company shall (A) execute, prior to or contemporaneously with the consummation of such transaction, such agreements, if any, as are in the reasonable opinion of the Administrative Agent, necessary to evidence the assumption by the Successor Company of liability for all of the obligations of the Borrower hereunder and the other Loan Documents and (B) cause to be delivered to the Administrative Agent and the Lenders such legal opinions (which may be from in-house counsel) as any of them may reasonably request in connection with the matters specified in the preceding clause (A) and (C) provide such information as each Lender or the Administrative Agent reasonably requests in order to perform its "know your customer" due diligence with respect to the Successor Company. Upon any consolidation or merger in accordance with this Section 6.02(a) in any case in which the Borrower is not the surviving corporation, the Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, the Borrower under this Agreement with the same effect as if such Successor Company had been named as the Borrower herein. No such consolidation or merger shall have the effect of releasing the Borrower or any Successor Company which theretofore shall have become a successor to the Borrower in the manner

prescribed in this Section 6.02(a) from its liability with respect to any Loan Document to which it is a party.

(b) Liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution).

SECTION 6.03. Asset Coverage Ratio. Permit at any time the ratio (the “Asset Coverage Ratio”) of

(i) the Appraised Value of the Pool Assets to

(ii) the aggregate principal amount of all Term Loans and Delayed Draw Term Loan Commitments then outstanding to be less than 1.25 to 1.00 (the “Asset Coverage Test”), provided that if, (A) upon delivery of an Appraisal Report pursuant to this Agreement and (B) solely with respect to determining compliance with this Section 6.03 and Section 6.05 as a result thereof, it is determined that the Borrower shall not be in compliance with this Section 6.03, the Borrower shall, within sixty (60) days of the date of such Appraisal Report (an “Asset Coverage Ratio Cure Period”), (1) designate Additional Pool Assets as additional Pool Assets in accordance with Section 6.05(a) (including the modification of Schedule 6.05 to reflect such designation) to the extent that, after giving effect to such designation, the Appraised Value of the Pool Assets, based on the most recently delivered Appraisal Report with respect to assets already constituting Pool Assets and based on an Appraisal Report performed at (or relatively contemporaneously with) the time of such addition with respect to assets being added to Pool Assets, shall satisfy the Asset Coverage Test or (2) prepay the Term Loans in accordance with Section 2.12(a) and/or terminate Delayed Draw Term Loan Commitments in accordance with Section 2.11 in an amount sufficient to enable the Borrower to comply with this Section 6.03.

SECTION 6.04. Fixed Charge Coverage Ratio.-Permit the Fixed Charge Coverage Ratio at the end of any quarterly financial reporting period to be less than 1.25 to 1.00.

SECTION 6.05. Disposition of Pool Assets. Convey, sell, lease, transfer or otherwise dispose of (or permit any Subsidiary to convey, sell, lease, transfer or otherwise dispose of), whether voluntarily or involuntarily (it being understood that loss of property due to theft, destruction, confiscation, prohibition on use or similar event shall constitute a disposal for purposes of this covenant), or remove or substitute (or permit any Subsidiary to remove or substitute), any Pool Asset (or any engine included in the Pool Assets unless such engine is replaced by another working engine or engines of comparable value, assuming half-time condition) or agree (or permit any Subsidiary to agree) to do any of the foregoing in respect of the Pool Assets at any future time, except that: so long as no Event of Default exists, the Borrower or any of its Subsidiaries may replace a Pool Asset with an Additional Pool Asset of the Borrower or any Subsidiary (and Schedule 6.05 shall be modified to reflect such replacement), provided that (x) such replacement shall be made on at least a dollar-for-dollar basis based upon (A) in the case of the asset being removed from the Pool Assets, the Appraised Value of such Pool Asset (as determined by the most recently delivered Appraisal Report with respect to such Pool Asset) and (B) in the case of the asset being added to the Pool Assets, the Appraised Value of such asset (as determined by an Appraisal Report performed at (or relatively contemporaneously with) the time of such replacement) and (y) prior to effecting the replacement, the Borrower shall have delivered an Officer’s Certificate to the Administrative Agent certifying compliance with Section 6.01 and this Section 6.05 and attaching to such certificate an Appraisal Report; and

(b) so long as no Event of Default exists or would result therefrom, the Borrower or any of its Subsidiaries owning a Pool Asset may remove an asset from the Pool Assets (and Schedule 6.05 shall be modified to reflect such removal), provided that (x) after giving effect to such removal, the Appraised Value of the remaining Pool Assets (as determined by an Appraisal Report of all Pool Assets

performed at (or relatively contemporaneously with) the time of such removal) shall satisfy the Asset Coverage Test, and (y) prior to effecting the removal, the Borrower shall have delivered an Officer's Certificate to the Administrative Agent certifying that, and providing calculations demonstrating that, after giving effect to such removal, the Appraised Value of the Pool Assets shall satisfy the Asset Coverage Test, and otherwise certifying compliance with this Section 6.05 and attaching to such certificate Appraisal Report of all Pool Assets obtained in connection with such removal.

(c) At the Borrower's request, the Lien on any asset or type or category of asset (including after-acquired assets of that type or category) will be promptly released, provided, in each case, that the following conditions are satisfied or waived: (A) no Event of Default shall have occurred and be continuing, (B) either (x) after giving effect to such release, the Appraised Value of the Pool Assets shall satisfy the Asset Coverage Test, (y) the Borrower shall prepay the Loans in an amount required to comply with Section 6.03, or (z) the Borrower shall deliver to the Administrative Agent additional Pool Assets in an amount required to comply with Section 6.03 (in each case without, for the avoidance of doubt, giving effect to any Asset Coverage Ratio Cure Period), and (C) the Borrower shall deliver to the Administrative Agent an Officer's Certificate demonstrating compliance with Section 6.03 after giving effect to such release. The Administrative Agent agrees to promptly provide any documents or releases reasonably requested by the Borrower to evidence any such release.

SECTION 7.

EVENTS OF DEFAULT

SECTION 7.01. Events of Default. In the case of the happening of any of the following events and the continuance thereof beyond the applicable grace period if any (each, an "Event of Default"):

(a) any representation or warranty made by the Borrower in this Agreement or in any other Loan Document shall prove to have been false or misleading in any material respect when made and such representation, to the extent capable of being corrected, is not corrected within thirty (30) days after the earlier of (A) a Responsible Officer of the Borrower obtaining knowledge of such default or (B) receipt by the Borrower of notice from the Administrative Agent of such default; or

(b) default shall be made in the payment of (i) any Fees or interest on the Term Loans and such default shall continue unremedied for more than five (5) Business Days, (ii) any other amounts payable hereunder when due (other than amounts set forth in clauses (i) and (iii) hereof), and such default shall continue unremedied for more than ten (10) Business Days, or (iii) any principal of the Term Loans, when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise; or

(c) default shall be made by the Borrower in the due observance or performance of any covenant, condition or agreement contained in Section 6 hereof (subject to the Borrower's right to cure non-compliance with the covenant contained in Section 6.03 as described therein); or

(d) default shall be made by the Borrower in the due observance or performance of any other covenant, condition or agreement to be observed or performed pursuant to the terms of this Agreement or any of the other Loan Documents and, other than with respect to Section 5.10, such default shall continue unremedied for more than thirty (30) days from the earlier of (i) a Responsible Officer having knowledge of such default and (ii) written notice to the Borrower from the Administrative Agent of such default; or

(e) (i) failure by the Borrower or any Material Subsidiary to pay any principal of or interest on any Material Indebtedness when due (or, where permitted, within any applicable grace period), whether by scheduled maturity, required prepayment, acceleration, demand or otherwise and such default continues unremedied for five (5) Business Days after such due date or applicable grace period or (ii) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity; provided, however, that if any such failure, breach or default shall be waived or cured (as evidenced by a writing from such holder or trustee) then, to the extent of such waiver or cure, the Event of Default hereunder by reason of such failure, breach or default shall be deemed likewise to have been thereupon waived or cured; or

(f) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any 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 the Borrower or any Material Subsidiary for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(g) the Borrower or any 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 (f) of this Section 7.01, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any 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; or

(h) the Borrower or any Material Subsidiary admits in writing its inability to pay its debts; or

(i) [reserved]; or

(j) any material provision of any Loan Document shall, for any reason, cease to be valid and binding on the Borrower, or the Borrower shall so assert in any pleading filed in any court; ~~or~~

(k) any final judgment in excess of \$200,000,000 (exclusive of any judgment or order the amounts of which are fully covered by insurance less any applicable deductible and as to which the insurer has been notified of such judgment and has not denied coverage) shall be rendered against the Borrower or any of its Material Subsidiaries and the enforcement thereof shall not have been stayed, vacated, satisfied, discharged or bonded pending appeal within sixty (60) consecutive days; or

(l) any Termination Event that could reasonably be expected to result in a Material Adverse Effect shall have occurred;

then, and in every such event and at any time thereafter during the continuance of such event, the Administrative Agent may (with the consent of the Required Lenders), and at the request of the Required Lenders, the Administrative Agent shall, by written notice to the Borrower, take one or more of the following actions, at the same or different times: (i) terminate forthwith the Delayed Draw Term Loan

Commitments; (ii) declare the Term Loans or any portion thereof then outstanding to be forthwith due and payable, whereupon the principal of the Term Loans and other Obligations together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower, anything contained herein or in any other Loan Document to the contrary notwithstanding; and (iii) exercise any and all remedies under the Loan Documents and under applicable law available to the Administrative Agent and the Lenders. In case of any event with respect to the Borrower described in clause (f) or (g) of this Section 7.01, the actions and events described in (i) and (ii) above shall be required or taken automatically, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. Any payment received as a result of the exercise of remedies hereunder shall be applied in accordance with Section 2.17(b).

SECTION 8.

THE AGENTS

SECTION 8.01. Administration by Agents.

(a) Each of the Lenders hereby irrevocably appoints JPMCB to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) Each of the Lenders hereby authorizes the Administrative Agent, in its sole discretion:

(i) in connection with (x) the sale or other disposition of any Pool Assets or (y) any release of a Lien, in each case, to the extent permitted by the express terms of this Agreement, to release a Lien granted to the Administrative Agent, for the benefit of the Secured Parties, on such asset;

(ii) to enter into the other Loan Documents on terms acceptable to the Administrative Agent and to perform its respective obligations thereunder;

(iii) to enter into any other agreements reasonably satisfactory to the Administrative Agent granting Liens to the Administrative Agent, for the benefit of the Secured Parties, on any assets of the Borrower to secure the Obligations.

(c) Each of the parties hereto agrees that at such time as the Obligations (other than contingent indemnification obligations not due and payable) shall have been paid in full and any unused Delayed Draw Term Loan Commitments hereunder have been terminated, each of the Liens granted to the Administrative Agent, for the benefit of the Secured Parties, hereunder and under the Mortgages shall automatically be discharged and released without any further action by any Person.

(d) ~~(b)~~ It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

SECTION 8.02. Rights of Administrative Agent. Any institution 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 institution serving as the Administrative Agent hereunder in its individual capacity. Such institution and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such institution were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 8.03. Liability of the Administrative Agent.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder and thereunder shall be administrative in nature. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii) 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 hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08 or in the other Loan Documents) and (iii) except as expressly set forth herein and in the other Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries or Affiliates that is communicated to or obtained by the institution serving as the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent will believe in good faith shall be necessary, under the circumstances as provided in Section 10.08 and the final paragraph of Article 7) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for, or have any duty to ascertain or inquire into, (A) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (B) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (C) 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 Event of Default, (D) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (E) the satisfaction of any condition set forth in Section 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent, and (iv) the Administrative Agent will not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Federal, state or foreign bankruptcy, insolvency, or similar law now or hereafter in effect.

(b) 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. 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.

(c) The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 8.04. Reimbursement and Indemnification. Each Lender agrees (a) to reimburse on demand the Administrative Agent for such Lender's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Lenders under this Agreement and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Borrower and (b) to indemnify and hold harmless the Administrative Agent and any of its Related Parties, on demand, in the amount equal to such Lender's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement or any of the Loan Documents to the extent not reimbursed by the Borrower (except such as shall result from its gross negligence or willful misconduct).

SECTION 8.05. Successor Agents. 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 (provided no Event of Default has occurred and is continuing) of the Borrower (such consent not to be unreasonably withheld 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 (or such earlier day as shall be agreed by the Required Lenders with the consent of the Borrower (such consent not to be unreasonably withheld or delayed)) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), in consultation with the Borrower, on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. For the avoidance of doubt, whether or not a successor Administrative Agent has been appointed, the retiring Administrative Agent's resignation shall nonetheless become effective in accordance with such notice of resignation on the Resignation Effective Date. With effect from the Resignation Effective Date, (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (b) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications

and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. 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 and Section 10.04 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 the Administrative Agent.

SECTION 8.06. Independent Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 8.07. Advances and Payments.

(a) On the date of each Term Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each of the Lenders, the amount of the Term Loan to be made by it in accordance with its Closing Date Term Loan Commitment or Delayed Draw Term Loan Commitment, as applicable, hereunder. Should the Administrative Agent do so, each of the Lenders agrees forthwith to reimburse the Administrative Agent in immediately available funds for the amount so advanced on its behalf by the Administrative Agent, together with interest at the NYFRB Rate if not so reimbursed on the date due from and including such date but not including the date of reimbursement.

(b) Any amounts received by the Administrative Agent in connection with this Agreement (other than amounts to which the Administrative Agent is entitled pursuant to Sections 2.18, 2.19, 8.04 and 10.04), the application of which is not otherwise provided for in this Agreement, shall be applied in accordance with Section 2.17(b). All amounts to be paid to a Lender by the Administrative Agent shall be credited to that Lender, after collection by the Administrative Agent, in immediately available funds either by wire transfer or deposit in that Lender's correspondent account with the Administrative Agent, as such Lender and the Administrative Agent shall from time to time agree.

SECTION 8.08. Sharing of Setoffs. Each Lender agrees that, except to the extent this Agreement expressly provides for payments to be allocated to a particular Lender or to the Lenders under the Term Loan Facility, if it shall, through the exercise either by it or any of its banking Affiliates of a right of banker's lien, setoff or counterclaim against the Borrower, including, but not limited to, a secured claim under Section 506 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim and received by such Lender (or any of its banking Affiliates) under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Term Loans as a result of which the unpaid portion of its Term Loans is proportionately less than the unpaid portion of the Term Loans of any other Lender (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lender a participation in the Term Loans of such other Lender, so

that the aggregate unpaid principal amount of each Lender's Term Loans and its participation in Term Loans of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all Term Loans then outstanding, as the principal amount of its Term Loans prior to the obtaining of such payment was to the principal amount of all Term Loans outstanding, prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders under the Term Loan Facility share such payment pro-rata, provided that if any such non-pro-rata payment is thereafter recovered or otherwise set aside, such purchase of participations shall be rescinded (without interest). The Borrower expressly consents to the foregoing arrangements and agrees, to the fullest extent permitted by law, that any Lender holding (or deemed to be holding) a participation in a Term Loan acquired pursuant to this Section or any of its banking Affiliates may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by the Borrower to such Lender as fully as if such Lender was the original obligee thereon, in the amount of such participation.

SECTION 8.09. Other Agents. No Agent (other than the Administrative Agent) shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, no such Agent shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any such Agent in deciding to enter into this Agreement or in taking or not taking action hereunder.

SECTION 8.10. Withholding Taxes. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any withholding tax applicable to such payment. 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 for any reason, or the Administrative Agent has paid over to the Internal Revenue Service applicable withholding tax relating to a payment to a Lender but no deduction has been made from such payment, without duplication of any indemnification obligations set forth in Section 8.04, 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 any expenses incurred.

SECTION 8.11. Appointment by Secured Parties. Each existing and future Secured Party shall be deemed to have appointed the Administrative Agent as its agent under the Loan Documents in accordance with the terms of this Section 8 and to have acknowledged that the provisions of this Section 8 apply to such Secured Party mutatis mutandis as though it were a party hereto (and any acceptance by such Secured Party of the benefits of this Agreement or any other Loan Document shall be deemed an acknowledgment of the foregoing).

SECTION 8.12. 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 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 Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans and this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans 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 Term Loans and this Agreement, (C) the entrance into, participation in, administration of and performance of the Term Loans 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 Term Loans and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Administrative Agent is not 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 Term Loans and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

SECTION 9.

[RESERVED]

SECTION 10.

MISCELLANEOUS

SECTION 10.01. Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile or electronic mail (other than to the Borrower, unless agreed by the Borrower in its sole discretion) pursuant to procedures approved by the Administrative Agent), and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or electronic mail (other than to the Borrower, unless agreed by the Borrower in its sole discretion), as follows:

(i) if to the Borrower, to it at Delta Air Lines, Inc., 1030 Delta Boulevard, Atlanta, GA 30354, Attention of: (x) Treasurer, Dept. 856, Telecopier No.: (404) 715-3110, Telephone No.: (404) 715-5993 and (y) Chief Legal Officer, Dept. 971, Telecopier No.: (404) 715-2233, Telephone No.: (404) 715-2191;

(ii) if to JPMCB as Administrative Agent, to it at JPMorgan Chase Bank, N.A., 500 Stanton Christiana Rd., NCC5 / 1st Floor, Newark, DE 19713, Attention: Matthew Reed, Telephone No.: +1-302-634-4648, Email: matthew.p.reed@chase.com, with a copy to JPMorgan Chase Bank, N.A., 383 Madison Avenue, New York, New York 10179, Attention of: Cristina Caviness (Email Address: cristina.caviness@jpmorgan.com); and

(iii) if to any Lender, to it at its address (or telecopy number) set forth in its administrative questionnaire in a form as the Administrative Agent may require.

(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 Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its reasonable 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.

(c) Any party hereto may change its address or telecopy number 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.

SECTION 10.02. Successors and Assigns.

(a) 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 (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder (other than as permitted by Section 6.02(a)) without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower 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 10.02. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (d) of this Section 10.02) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent and the Lenders) 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 Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Term Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Administrative Agent; provided that no consent of the Administrative Agent shall be required if the assignee is a Lender or an Affiliate of a Lender; and

(B) the Borrower; provided that no consent of the Borrower shall be required for an assignment (i) if an Event of Default under Section 7.01(b), Section 7.01(f) or Section 7.01(g) has

occurred and is continuing or (ii) if the assignee is a Lender or an Eligible Affiliate Assignee; provided further, that the Borrower will be deemed to have consented to any assignment of Term Loans unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof;

(ii) Assignments shall be subject to the following additional conditions:

(A) any assignment of any portion of the Delayed Draw Term Loan Commitments or Term Loans shall be made to an Eligible Assignee;

(B) 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 Delayed Draw Term Loan Commitments or Term Loans, the amount of such Delayed Draw Term Loan Commitments or Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$1,000,000, and after giving effect to such assignment, the portion of the Delayed Draw Term Loan Commitments or Term Loans held by the assigning Lender shall not be less than \$1,000,000, in each case unless the Borrower and the Administrative Agent otherwise consent, provided that any such assignment shall be in increments of \$500,000 in excess of the minimum amount described above;

(C) 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;

(D) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of \$3,500 for the account of the Administrative Agent (unless otherwise agreed); and

(E) the assignee, if it was not a Lender immediately prior to such assignment, shall deliver to the Administrative Agent an administrative questionnaire in a form as the Administrative Agent may require.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 10.02, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance 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, 2.16 and 10.04). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.02 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 paragraph (d) of this Section.

(iv) The Administrative Agent shall maintain at its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the principal amount (and stated interest) of the Term 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 any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Notwithstanding anything to the contrary contained herein, no assignment may be made hereunder to any Defaulting Lender or any of its subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (v).

(vi) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment will be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Term Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Borrower and Administrative Agent (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all outstanding Term Loans and in accordance with its Aggregate Exposure Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder becomes effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest will be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(c) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed administrative questionnaire in a form as the Administrative Agent may require (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Acceptance 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(a), 8.04 or 10.04(c), the Administrative Agent shall have no obligation to accept such Assignment and Acceptance and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) (i) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Delayed Draw Term Loan Commitments and Term Loans); 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 Borrower, the Administrative Agent and the 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, modification or waiver described in the first proviso to Section 10.08(a) that affects such Participant. Subject to paragraph (d)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.14 and 2.16 to the same extent as if it

were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.08 as though it were a Lender, provided such Participant agrees to be subject to the requirements of Section 8.08 as though it were a Lender. 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 Term 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 Delayed Draw Term Loan Commitments, Term Loans or its other obligations under this Agreement or any Loan Document) except to the extent that such disclosure is necessary to establish that such Delayed Draw Term Loan Commitments, Term 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, the Borrower 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 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant. 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 such Participant agrees, for the benefit of the Borrower, to comply with Sections 2.16(f), 2.16(g), 2.16(h) and 2.18 as though it were a Lender.

(e) 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 any central bank having jurisdiction over such Lender, and this Section 10.02 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.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.02, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that prior to any such disclosure, each such assignee or participant or proposed assignee or participant are advised of and agree to be bound by either the provisions of Section 10.03 or other provisions at least as restrictive as Section 10.03.

SECTION 10.03. Confidentiality. Each Lender and each Agent agrees to keep any information delivered or made available by or on behalf of the Borrower to it confidential, in accordance with its customary procedures, from anyone other than persons employed or retained by such Lender or Agent who are or are expected to become engaged in evaluating, approving, structuring or administering the Term Loans, and who are advised by such Lender or Agent of the confidential nature of such information; provided that nothing herein shall prevent any Lender or Agent from disclosing such information (a) to any of its Related Parties and their respective agents, legal counsel, auditors and other advisors (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, and the applicable Lender or Agent shall be responsible for compliance by such Persons with such obligation) or to any other Lender, (b) upon the order of any court or administrative agency, (c) upon the request or demand of any regulatory agency or authority (including in connection with any audit or examination by a bank examiner exercising examination or regulatory authority over such Lender or Agent), (d) which has

been publicly disclosed other than as a result of a disclosure by any Lender or Agent which is not permitted by this Agreement, (e) in connection with any litigation to which any Lender or Agent, or their respective Affiliates may be a party to the extent reasonably required, (f) to the extent reasonably required in connection with the exercise of any remedy hereunder, (g) with the Borrower's consent, (h) to any nationally recognized rating agency that requires access to information about a Lender or Agent's investment portfolio in connection with ratings issued with respect to such Lender or Agent and (i) to any actual or proposed participant or assignee of all or part of its rights hereunder or to any direct or indirect contractual counterparty (or the professional advisors thereto) to any swap or derivative transaction relating to the Borrower and its obligations, in each case, subject to the proviso in Section 10.02(f) (with any reference to any assignee or participant set forth in such proviso being deemed to include a reference to such contractual counterparty for purposes of this Section 10.03(i)). If any Lender or Agent is in any manner requested or required to disclose any of the information delivered or made available to it by the Borrower under clauses (b) or (e) of this Section, such Lender or Agent will, to the extent permitted by law, provide the Borrower with prompt notice, to the extent reasonable, so that the Borrower may seek, at its sole expense, a protective order or other appropriate remedy or may waive compliance with this Section. In addition, any Lender or Agent may disclose information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry.

SECTION 10.04. Expenses; Indemnity; Damage Waiver.

(a) (i) The Borrower shall pay or reimburse:

(A) all reasonable fees and reasonable out-of-pocket expenses of the Administrative Agent and the Arrangers (limited in the case of legal fees and expenses, to the reasonable fees, disbursements and other charges of Simpson Thacher & Bartlett LLP, as counsel to the Administrative Agent) associated with the syndication of the credit facility provided for herein, and the preparation, execution, delivery and administration of the Loan Documents and (in the case of the Administrative Agent) any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated); and

(B) all fees and out-of-pocket expenses of the Administrative Agent and the Lenders (limited in the case of legal fees and expenses, to one (1) outside counsel to the Administrative Agent and the Lenders, taken as a whole (and, in the case of an actual or perceived conflict of interest, an additional counsel to all such similarly situated affected parties)) in connection with the enforcement of the Loan Documents.

(ii) The Borrower shall pay or reimburse all reasonable fees and reasonable expenses of the Administrative Agent and the Appraisers incurred in connection with the Administrative Agent's (x) periodic appraisals and (y) other monitoring of Pool Assets as allowed hereunder.

(iii) All payments or reimbursements pursuant to the foregoing clauses (a)(i) and (ii) shall be paid within thirty (30) days of written demand together with back-up documentation supporting such reimbursement request.

(b) The Borrower shall indemnify each Agent and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (limited in the case of legal fees and expenses, to one (1) outside counsel to all Indemnitees, taken as a whole (and, in the case of an actual or perceived conflict of interest, an additional counsel to all such similarly situated affected Indemnitees)) incurred by or asserted against any Indemnitee arising out of, in

connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Term Loan or the use of the proceeds therefrom, (iii) in connection with clauses (i) and (ii) above, any Release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related to or asserted against the Borrower 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 and regardless of whether any Indemnitee is a party thereto and whether or not the same are brought by the Borrower, its equity holders, affiliates or creditors or any other Person; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to (x) have resulted from the material breach of the obligations of such Indemnitee under the Loan Documents or the gross negligence or willful misconduct of such Indemnitee or (y) arise from disputes solely among the Indemnites (other than any dispute involving claims against any Person in its capacity as an Agent or similar role hereunder) that do not involve an act or omission by the Borrower or any of its Subsidiaries. For the avoidance of doubt, no Indemnitee shall be liable for any damages arising from the use by others of information or other materials obtained through electronic, telecommunications or other information transmission systems, except to the extent any such damages are found by a final non-appealable judgment of a court of competent jurisdiction to arise from the gross negligence or willful misconduct of such Indemnitee. This Section 10.04(b) shall not apply with respect to Taxes other than Taxes that represent losses or damages arising from any non-Tax claim.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent under paragraph (a) or (b) of this Section 10.04, each Lender severally agrees to pay to the Administrative Agent such portion of the unpaid amount equal to such Lender's Aggregate Exposure Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought); 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 in its capacity as such.

(d) To the extent permitted by applicable law, neither the Borrower 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 or any agreement or instrument contemplated hereby, the Transactions, any Term Loan or the use of the proceeds thereof (other than in respect of such damages incurred or paid by an Indemnitee to a third party).

SECTION 10.05. 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 party hereto hereby 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 of the Southern District of New York sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby 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 of the parties hereto agrees that a final judgment in any such action or proceeding shall, to the extent permitted by law, be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each party hereto hereby 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 this Agreement in any court referred to in paragraph (b) of this Section 10.05. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 10.06. No Waiver. No failure on the part of the Administrative Agent or any of the Lenders to exercise, and no delay in exercising, any right, power or remedy hereunder or any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

SECTION 10.07. Extension of Maturity. Should any payment of principal of or interest or any other amount due hereunder become due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of principal, interest shall be payable thereon at the rate herein specified during such extension.

SECTION 10.08. Amendments, etc.

(a) Except as set forth in Sections 2.09, Section 2.23 and 5.10 or as otherwise set forth in this Agreement, no modification, amendment or waiver of any provision of this Agreement or any Mortgage, and no consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders (or signed by the Administrative Agent with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given; provided, however, that no such modification or amendment shall without the prior written consent of:

(i) each Lender directly and adversely affected thereby (A) increase the Delayed Draw Term Loan Commitment of any Lender or extend the Delayed Draw Commitment Period (it being understood that a waiver of an Event of Default shall not constitute an increase in or extension of the termination date of the Delayed Draw Term Loan Commitment of a Lender), or (B) reduce the principal amount of any Term Loan or the rate of interest payable thereon (provided that only the consent of the Required Lenders shall be necessary for a waiver of default interest referred to in Section 2.08), or extend any date for the payment of principal, interest or Fees hereunder or reduce any Fees payable hereunder or extend the final maturity of the Borrower's obligations hereunder or (B) amend, modify or waive any provision of Sections 2.17(b) or (e); and

(ii) all of the Lenders (A) amend or modify any provision of this Agreement which provides for the unanimous consent or approval of the Lenders or (B) amend this Section 10.08 that has the effect of changing the number or percentage of Lenders that must approve any modification, amendment, waiver or consent or modify the percentage of the Lenders required in the definition of

Required Lenders: or (C) release all or substantially all of the Liens granted to the Administrative Agent for the benefit of the Secured Parties hereunder or under any other Loan Document (except to the extent contemplated by Section 5.10(b) on the date hereof).

provided further, that any Mortgage may be amended, supplemented or otherwise modified with the consent of the Borrower and the Administrative Agent (i) to add assets (or categories of assets) to the Pool Assets covered by such Loan Document, as contemplated by clause (c) of the definition of Additional Pool Assets set forth in Section 1.01 hereof or (ii) to remove any asset or type or category of asset (including after-acquired assets of that type or category) from the Pool Assets covered by such Loan Document to the extent the release thereof is permitted by Section 5.10(b).

(b) No such amendment or modification shall adversely affect the rights and obligations of the Administrative Agent hereunder without its prior written consent.

(c) No notice to or demand on the Borrower shall entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances. Each assignee under Section 10.02(b) shall be bound by any amendment, modification, waiver, or consent authorized as provided herein, and any consent by a Lender shall bind any Person subsequently acquiring an interest on the Term Loans held by such Lender. No amendment to this Agreement shall be effective against the Borrower unless signed by the Borrower.

(d) Notwithstanding anything to the contrary contained in Section 10.08(a), (i) in the event that the Borrower requests that this Agreement be modified or amended in a manner which would require the unanimous consent of all of the Lenders or the consent of all Lenders directly and adversely affected thereby and, in each case, such modification or amendment is agreed to by the Required Lenders, then the Borrower may replace any non-consenting Lender in accordance with Section 10.02; provided that such amendment or modification can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrower to be made pursuant to this clause (i)); (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Delayed Draw Term Loan Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that the Delayed Draw Term Loans and the outstanding Term Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders), (iii) notwithstanding anything to the contrary herein, any Extension Agreement effected in accordance with Section 2.22 may be made without the consent of the Required Lenders and (iv) if the Administrative Agent and the Borrower shall have jointly identified any ambiguity, mistake, typographical error or other obvious error or any error or omission of a technical or immaterial nature in any provision of the Loan Documents (including the exhibits and schedules thereto), then the Administrative Agent and the Borrower shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document.

(e) In addition, notwithstanding anything to the contrary contained in Section 10.08(a), this Agreement and, as appropriate, the other Loan Documents, may be amended with the written consent of the Administrative Agent (not to be unreasonably withheld or delayed), the Borrower and the lenders providing the relevant Replacement Term Loans (as defined below) as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower (x) to permit the refinancing, replacement or modification of all outstanding Term Loans (“Refinanced Term Loans”) with a replacement term loan tranche (“Replacement Term Loans”) hereunder (any such amendment, a “Refinancing Amendment”) and (y) to include appropriately the Lenders holding such credit facilities in any determination of Required Lenders; provided that (i) the aggregate principal amount of such

Replacement Term Loans shall not exceed the aggregate principal amount of such Refinanced Term Loans, (ii) the Applicable Margins for such Replacement Term Loans shall not be higher than the Applicable Margins for such Refinanced Term Loans, (iii) the Weighted Average Life to Maturity of such Replacement Term Loans shall not be shorter than the Weighted Average Life to Maturity of such Refinanced Term Loans at the time of such refinancing (except to the extent of nominal amortization for periods where amortization has been eliminated as a result of prepayment of the applicable Term Loans) and (iv) all other terms applicable to such Replacement Term Loans shall be substantially identical to, or less favorable to the Lenders providing such Replacement Term Loans than those applicable to such Refinanced Term Loans, except to the extent necessary to provide for covenants and other terms applicable to any period after the latest Term Loan Maturity Date in effect immediately prior to such refinancing. The effectiveness of (and the borrowing under) any Refinancing Amendment shall be subject to the satisfaction on the date thereof of each of the conditions set forth in Section 4.01(f) (other than the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) and 4.01(g) (it being understood that all references to the making or borrowing of Term Loans or similar language in such Section 4.01 shall be deemed to refer to the effective date of such Refinancing Amendment) and such other conditions as the parties thereto shall agree.

(f) In addition, notwithstanding anything to the contrary contained in Section 10.08, the Borrower may from time to time deliver to the Administrative Agent an updated Schedule 6.05 to replace the then-existing Schedule 6.05 in connection with (x) any disposition, transfer or removal by the Borrower or any Subsidiary of the Borrower of any Pool Asset pursuant to Section 6.05 or (y) any designation of Additional Pool Assets as Pool Assets as contemplated by the definition of Additional Pool Assets set forth in Section 1.01 hereof.

SECTION 10.09. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 10.10. Headings. Section headings used herein are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Agreement.

SECTION 10.11. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Term Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Event of 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 the principal of or any accrued interest on any Term Loan or any other amount payable under this Agreement is outstanding. The provisions of Sections 2.14, 2.15, 2.16 and 10.04 and Section 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Term Loans or the termination of this Agreement or any provision hereof.

SECTION 10.12. Execution in 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. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the

subject matter hereof. 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 .pdf copy shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 10.13. USA PATRIOT Act. Each Lender that is subject to the requirements of the Patriot Act hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

SECTION 10.14. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY 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 OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). 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 10.15. No Fiduciary Duty. Each 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 Borrower, its stockholders and/or its affiliates. The Borrower agrees that nothing in the Loan Documents or otherwise related to the Transactions 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 the Borrower, its stockholders or its affiliates, on the other hand. The parties hereto 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 Borrower and its Subsidiaries, on the other hand, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of the Borrower, 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 the Borrower, its stockholders or its affiliates on other matters) or any other obligation to the Borrower 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 the Borrower, its management, stockholders, affiliates, creditors or any other Person. The Borrower acknowledges and agrees that the Borrower 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. The Borrower 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 the Borrower, in connection with such transaction or the process leading thereto.

SECTION 10.16. Acknowledgement 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 10.17. Registrations with International Registry. Each of the parties hereto (i) consents to the registrations with the International Registry of the International Interest constituted by any Mortgage, and (ii) covenants and agrees that it will take all such action reasonably requested by Borrower or Administrative Agent in order to make any registrations with the International Registry, including without limitation establishing a valid and existing account with the International Registry and appointing an Administrator and/or a Professional User reasonably acceptable to the Administrative Agent to make registrations with respect to the Pool Assets and providing consents to any registration as may be contemplated by the Loan Documents.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and the year first written.

BORROWER:

DELTA AIR LINES, INC., a Delaware corporation

By:____

Name:

Title:

[Signature Page to Delta Credit Agreement – 364-Day Term Loan Facility]

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and as a Lender

By:____
Name:
Title:

[Signature Page to Delta Credit Agreement – 364-Day Term Loan Facility]

[●],
as a Lender

By:____
Name:
Title:

[for Lenders requiring two signature blocks]

By:____
Name:
Title:

[Signature Page to Delta Credit Agreement – 364-Day Term Loan Facility]

AMENDMENT NO. 2

AMENDMENT NO. 2 dated as of June 29, 2020 (this “Agreement”) among Delta Air Lines, Inc., a Delaware corporation (the “Company”), JPMorgan Chase Bank, N.A. (“JPMCB”), as administrative agent (in such capacity, the “Administrative Agent”) and the Lenders (as defined below) party hereto. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Amended Credit Agreement referred to below.

RECITALS:

1. The Company is party to that certain Credit Agreement dated as of March 17, 2020 (as amended by that certain Amendment No. 1 dated as of April 3, 2020 and as may be further amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Credit Agreement”) by and among the Company, the lenders from time to time party thereto (the “Lenders”) and JPMCB, as administrative agent for the Lenders;

2. The Company has requested that the Lenders amend certain provisions of the Credit Agreement as set forth in Section 1 below (the “Amendment”);

3. In accordance with Section 10.08 of the Credit Agreement, the Company, the Administrative Agent and the Required Lenders have agreed to amend the Credit Agreement as set forth herein; and

4. Now, therefore, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Amendments to Credit Agreement. Effective as of the Amendment No. 2 Effective Date (as defined below), the 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 Credit Agreement attached as Annex A hereto (as amended, the “Amended Credit Agreement”).

SECTION 2. Representations and Warranties. To induce the Administrative Agent to enter into this Agreement, the Company hereby represents and warrants to the Lenders and the Administrative Agent as follows:

(a) (i) the Company has the corporate power and authority to execute, deliver and perform this Agreement, (ii) the execution, delivery and performance by the Company of this Agreement have been duly authorized by all necessary corporate action of the Company and (iii) this Agreement constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms (subject, as to enforceability, to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity));

(b) all representations and warranties contained in the Amended Credit Agreement and the other Loan Documents (other than the representations and warranties set forth in Sections 3.04(b) and 3.06(a) of the Amended Credit Agreement) are true and correct in all material respects on and as of the date hereof with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations

and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, “Material Adverse Change” or “Material Adverse Effect” shall be true and correct in all respects, as though made on and as of the applicable date; and

(c) as of the date hereof, no Default or Event of Default has occurred and is continuing or would result from this Agreement.

SECTION 3. Conditions Precedent to Effectiveness of the Amendment. This Agreement shall become effective as of the first date (the “Amendment No. 2 Effective Date”) that the Administrative Agent shall have received an executed counterpart (which may include a facsimile or other electronic transmission) of this Agreement from the Company and the Lenders who shall constitute the Required Lenders.

SECTION 4. Reference to and Effect on the Credit Agreement and the other Loan Documents.

(a) On and after the Amendment No. 2 Effective Date, each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof” or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement, as amended by this Agreement. The Credit Agreement and each of the other Loan Documents, as specifically amended by this Agreement, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(b) The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents except as expressly set forth herein. This Agreement shall for all purposes constitute a Loan Document.

SECTION 5. Acknowledgments. The Company hereby acknowledges that it has read this Agreement and consents to its terms, and further hereby affirms, confirms, represents, warrants and agrees that notwithstanding the effectiveness of this Agreement, the obligations of the Company under each of the Loan Documents shall not be impaired and each of the Loan Documents is, and shall continue to be, in full force and effect and is hereby confirmed and ratified in all respects.

SECTION 6. Costs and Expenses. The Company hereby agrees to reimburse the Administrative Agent for its reasonable and documented out-of-pocket expenses in connection with this Agreement, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, all in accordance with the terms and conditions of Section 10.04(a) of the Credit Agreement.

SECTION 7. Execution in Counterparts. This Agreement may be executed in one or more 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 an executed counterpart of a signature page of this Agreement by telecopy, emailed pdf. or electronic mail 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 any 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, 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 8. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 9. Headings. Section headings used herein are included for convenience of reference only and shall not affect the interpretation of this Agreement.

SECTION 10. Miscellaneous Provisions. The provisions of Sections 10.01, 10.03, 10.04, 10.05, 10.06, 10.09, 10.11, 10.12 and 10.14 of the Credit Agreement shall apply with like effect as to this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

DELTA AIR LINES, INC., a Delaware corporation

By:	<u>/s/ Kenneth W. Morge II</u>
Name:	Kenneth W. Morge II
Title:	Vice President and Treasurer

[Signature Page to Amendment No. 2]

JPMORGAN CHASE BANK, N.A., as Administrative Agent and as a Lender

By: /s/ Cristina Caviness

Name: Cristina Caviness

Title: Vice President

BANCO BILBAO VIZCAYA ARGENTARIA, S.A. NEW YORK BRANCH, as a Lender

By: /s/ Brian Crowley
Name: Brian Crowley
Title: Managing Director

By: /s/ Miriam Trautmann
Name: Miriam Trautmann
Title: Senior Vice President

BANK OF AMERICA, N.A., as a Lender

By: /s/ Prathamesh Kshirsagar

Name: Prathamesh Kshirsagar

Title: Director

BARCLAYS BANK PLC, as a Lender

By: /s/ Craig Malloy

Name: Craig Malloy

Title: Director

BNP Paribas, as a Lender

By: /s/ Thomas C. Iacono

Name: Thomas C. Iacono

Title: Vice President

By: /s/ Stefano Locatelli

Name: Stefano Locatelli

Title: Vice President

Citibank, N.A., as a Lender

By: /s/ Meghan O'Connor

Name: Meghan O'Connor

Title: Vice President

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Ryan Durkin

Name: Ryan Durkin

Title: Authorized Signatory

MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ Alysha Salinger
Name: Alysha Salinger
Title: Authorized Signatory

MORGAN STANLEY SENIOR FUNDING, INC., as a Lender

By: /s/ Alysha Salinger
Name: Alysha Salinger
Title: Vice President

STANDARD CHARTERED BANK as a Lender

By: /s/ James Beck

Name: James Beck

Title: Associate Director

Sumitomo Mitsui Banking Corporation, as a Lender

By: /s/ Akira Eyama

Name: Akira Eyama

Title: Managing Director

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Sean P. Walters
Name: Sean P. Walters
Title: Vice President

WELLS FARGO BANK, N.A., as a Lender

By: /s/ Adam Spreyer
Name: Adam Spreyer
Title: Director

Amended Credit Agreement

[See attached.]

364-DAY TERM LOAN CREDIT AGREEMENT

among

**DELTA AIR LINES, INC.,
as Borrower,**

**THE LENDERS PARTY HERETO,
and**

**JPMORGAN CHASE BANK, N.A.,
as Administrative Agent**

and

**JPMORGAN CHASE BANK, N.A.,
as Sole Lead Arranger and Bookrunner**

Dated as of March 17, 2020

Table of Contents

Page

Section 1. DEFINITIONS	1
Section 1.01. Defined Terms	1
Section 1.02. Terms Generally	23 <u>25</u>
Section 1.03. Accounting Terms; GAAP	24 <u>25</u>
Section 1.04. Interest Rates	24 <u>25</u>
Section 2. AMOUNT AND TERMS OF CREDIT	24 <u>25</u>
Section 2.01. Term Loans	24 <u>25</u>
Section 2.02. [Reserved]	25 <u>27</u>
Section 2.03. Requests for Borrowings	25 <u>27</u>
Section 2.04. Funding of Borrowings	26 <u>27</u>
Section 2.05. Interest Elections	26 <u>28</u>
Section 2.06. Limitation on Eurodollar Tranches	27 <u>29</u>
Section 2.07. Interest on Term Loans	27 <u>29</u>
Section 2.08. Default Interest	28 <u>29</u>
Section 2.09. Alternate Rate of Interest	28 <u>29</u>
Section 2.10. Repayment of Term Loans; Evidence of Debt	29 <u>30</u>
Section 2.11. Optional Termination or Reduction of Delayed Draw Commitments.	29 <u>31</u>
Section 2.12. Mandatory Prepayment of Term Loans	30 <u>31</u>
Section 2.13. Optional Prepayment of Term Loans	30 <u>31</u>
Section 2.14. Increased Costs	30 <u>32</u>
Section 2.15. Break Funding Payments	32 <u>33</u>
Section 2.16. Taxes	32 <u>34</u>
Section 2.17. Payments Generally; Pro Rata Treatment	35 <u>37</u>
Section 2.18. Mitigation Obligations; Replacement of Lenders	36 <u>38</u>
Section 2.19. Certain Fees	37 <u>38</u>
Section 2.20. Right of Set-Off	38 <u>39</u>
Section 2.21. Payment of Obligations	38 <u>39</u>
Section 2.22. Defaulting Lenders	38 <u>40</u>
Section 2.23. Incremental Term Loans	39 <u>40</u>
Section 3. REPRESENTATIONS AND WARRANTIES	40 <u>42</u>
Section 3.01. Organization and Authority	41 <u>42</u>
Section 3.02. Air Carrier Status	41 <u>42</u>
Section 3.03. Due Execution	41 <u>42</u>
Section 3.04. Financial Statements; Material Adverse Change	41 <u>43</u>

Section 3.05. Use of Proceeds	42 43
Section 3.06. Litigation and Compliance with Laws	42 43
Section 3.07. Investment Company Act	42 44
Section 3.08. ERISA	42 44
Section 3.09. Title to Pool Assets	42 44
Section 3.10. Payment of Taxes	42 44
Section 3.11. Economic Sanctions	43 44
Section 3.12. Anti-Corruption Laws	43 44
Section 3.13. Perfected Security Interests	43 44
Section 4. CONDITIONS OF LENDING	44 45
Section 4.01. Conditions Precedent to Effectiveness and Funding of the Closing Date Term Loans	44 45
Section 4.02. Conditions Precedent to the Funding of Each Delayed Draw Term Loan	45 47
Section 5. AFFIRMATIVE COVENANTS	46 48
Section 5.01. Financial Statements, Reports, etc.	46 48
Section 5.02. Existence	48 49
Section 5.03. Insurance	48 49
Section 5.04. Maintenance of Properties	48 50
Section 5.05. Obligations and Taxes	48 50
Section 5.06. Notice of Event of Default, etc.	49 50
Section 5.07. Access to Books and Records	49 50
Section 5.08. Compliance with Laws	49 50
Section 5.09. FAA and DOT Matters; Citizenship	49 51
Section 5.10. Post-Closing Items.	49 51
Section 5.11. Further Assurances	50 51
Section 5.12. Minimum Liquidity	52
Section 6. NEGATIVE COVENANTS	51 52
Section 6.01. Liens on the Pool Assets	51 52
Section 6.02. Merger, etc.	51 53
Section 6.03. Asset Coverage Ratio	52 54
Section 6.04. Fixed Charge Coverage Ratio 52 [Reserved]	54
Section 6.05. Disposition of Pool Assets	53 54
Section 6.06. Restricted Payments	55
Section 7. EVENTS OF DEFAULT	53 55
Section 7.01. Events of Default	53 55

Section 8. THE AGENTS ~~55~~[57](#)

Section 8.01. Administration by Agents ~~55~~[57](#)

Section 8.02. Rights of Administrative Agent ~~56~~[58](#)

Section 8.03. Liability of the Administrative Agent ~~56~~[58](#)

Section 8.04. Reimbursement and Indemnification ~~57~~[59](#)

Section 8.05. Successor Agents ~~58~~[60](#)

Section 8.06. Independent Lenders ~~58~~[60](#)

Section 8.07. Advances and Payments ~~58~~[60](#)

Section 8.08. Sharing of Setoffs ~~59~~[61](#)

Section 8.09. Other Agents ~~59~~[61](#)

Section 8.10. Withholding Taxes ~~59~~[61](#)

Section 8.11. Appointment by Secured Parties ~~60~~[62](#)

Section 8.12. Certain ERISA Matters ~~60~~[62](#)

Section 9. [RESERVED] ~~61~~[63](#)

Section 10. MISCELLANEOUS ~~61~~[63](#)

Section 10.01. Notices ~~61~~[63](#)

Section 10.02. Successors and Assigns ~~61~~[63](#)

Section 10.03. Confidentiality ~~65~~[67](#)

Section 10.04. Expenses; Indemnity; Damage Waiver ~~65~~[67](#)

Section 10.05. Governing Law; Jurisdiction; Consent to Service of Process ~~67~~[69](#)

Section 10.06. No Waiver ~~67~~[69](#)

Section 10.07. Extension of Maturity ~~67~~[69](#)

Section 10.08. Amendments, etc. ~~67~~[69](#)

Section 10.09. Severability ~~69~~[71](#)

Section 10.10. Headings ~~69~~[71](#)

Section 10.11. Survival ~~69~~[71](#)

Section 10.12. Execution in Counterparts; Integration; Effectiveness ~~70~~[72](#)

Section 10.13. USA PATRIOT Act ~~70~~[72](#)

Section 10.14. WAIVER OF JURY TRIAL ~~70~~[72](#)

Section 10.15. No Fiduciary Duty ~~70~~[72](#)

Section 10.16. Acknowledgement and Consent to Bail-In of Affected Financial Institutions ~~71~~[73](#)

Section 10.17. Registrations with International Registry ~~71~~[73](#)

INDEX OF APPENDICES

Schedule 2.01 Term Commitment Amounts

Schedule 6.05 Pool Assets

EXHIBIT A Form of Compliance Certificate

EXHIBIT B Form of Assignment and Acceptance

EXHIBIT C-1 Form of U.S. Tax Compliance Certificate – Foreign Lenders That Are Not
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT C-2 Form of U.S. Tax Compliance Certificate – Foreign Participants That Are
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT C-3 Form of U.S. Tax Compliance Certificate – Foreign Participants That Are Not Partnerships for U.S. Federal Income Tax
Purposes

EXHIBIT C-4 Form of U.S. Tax Compliance Certificate – Foreign Lenders That Are
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT D [Reserved]

EXHIBIT E Form of Borrowing Request

EXHIBIT F Form of Interest Election Request

364-DAY TERM LOAN CREDIT AGREEMENT

Dated as of March 17, 2020

364-DAY TERM LOAN CREDIT AGREEMENT, dated as of March 17, 2020, among DELTA AIR LINES, INC., a Delaware corporation (the “Borrower”), each of the several banks and other financial institutions or entities from time to time party hereto (the “Lenders”) and JPMORGAN CHASE BANK, N.A. (“JPMCB”), as administrative agent for the Lenders (together with its permitted successors in such capacity, the “Administrative Agent”).

INTRODUCTORY STATEMENT

The Borrower has applied to the Lenders for a 364-day term loan facility in an aggregate principal amount of \$2,300,000,000 as set forth herein, consisting of term loans to be funded on the Closing Date (as defined below) in an aggregate principal amount of \$1,150,000,000 and delayed draw term loans to be funded on each Delayed Draw Funding Date (as defined below) in an aggregate principal amount of up to \$1,150,000,000.

The proceeds of the Term Loans will be used for working capital and other general corporate purposes of the Borrower and its Subsidiaries.

As of the Amendment No. 1 Effective Date (as defined below), to effect the modification under Section 5.10(b) and to provide security for the repayment of the Loans and the payment of the other Obligations of the Borrower hereunder and under the other Loan Documents, the Borrower will provide to the Administrative Agent and the Lenders (as more fully described herein) a mortgage with respect to the Pool Assets from the Borrower pursuant to the Long Form Mortgage (as defined below).

Accordingly, the parties hereto hereby agree as follows:

SECTION 1.

DEFINITIONS

SECTION 1.01. Defined Terms.

“ABR”, when used in reference to any Term Loan or Borrowing, refers to whether such Term Loan, or the Term Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“Additional Pool Assets” shall mean (a) Routes and/or Slots of the Borrower or any Subsidiary, (b) Aircraft, airframes, engines, spare engines and Spare Parts of the Borrower or any Subsidiary and (c) other assets of the Borrower or any Subsidiary which shall be reasonably satisfactory to the Administrative Agent, in each case designated by the Borrower as “Additional Pool Assets”, and all of which assets shall be valued by a new Appraisal Report at the time the Borrower designates such assets as Additional Pool Assets.

“Administrative Agent” shall have the meaning set forth in the first paragraph of this Agreement.

“Administrator” shall have the meaning given to such term in the Regulations and Procedures for the International Registry.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” shall mean, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person (a “Controlled Person”) shall be deemed to be “controlled by” another Person (a “Controlling Person”) if the Controlling Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of the Controlled Person whether by contract or otherwise; provided that the PBGC shall not be an Affiliate of the Borrower.

“Agents” shall mean the Administrative Agent and the Arrangers.

“Agreement” shall mean this 364-Day Term Loan Credit Agreement, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.

“Aggregate Exposure” shall mean, with respect to any Lender at any time, an amount equal to the sum of the aggregate then unpaid principal amount of such Lender’s Term Loans then outstanding plus unused Delayed Draw Term Loan Commitments plus unused Incremental Commitments.

“Aggregate Exposure Percentage” shall mean, with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender’s Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

“Aircraft” shall have the meaning set forth in the Long Form Mortgage.

“Aircraft Protocol” shall mean the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment adopted on November 16, 2001, at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto (and from and after the effective date of the Cape Town Treaty in the relevant country, means when referring to the Aircraft Protocol with respect to that country, the Aircraft Protocol as in effect in such country, unless otherwise indicated).

“Airport Authority” shall mean any city or any public or private board or other body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities, which in each case is an owner, administrator, operator or manager of one or more airports or related facilities.

“Alternate Base Rate” shall mean, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the sum of the one (1) month LIBO Rate in effect on such day (or, if such day is not a Business Day, the immediately preceding Business Day) plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the one (1) month LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the one (1) month LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.09 hereof, 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. For the avoidance of doubt, if the Alternate Base Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Appliance” shall mean an instrument, equipment, apparatus, a part, an appurtenance, or an accessory used, capable of being used, or intended to be used, in operating or controlling aircraft in flight, including a parachute, communication equipment, and another mechanism installed in or attached to aircraft during flight, and not a part of an aircraft, engine, or propeller (and shall include without limitation “appliances” as defined in 49 U.S.C. § 40102(a)(11)).

“Amendment No. 1” shall mean Amendment No. 1 dated as of April 3, 2020 between the Borrower and the Administrative Agent.

“Amendment No. 1 Effective Date” shall have the meaning assigned to such term in Amendment No. 1.

“Amendment No. 2” shall mean Amendment No. 2 dated as of June 29, 2020 among the Borrower, the Administrative Agent and the Lenders party thereto.

“Amendment No. 2 Effective Date” shall have the meaning assigned to such term in Amendment No. 2.

“Applicable Appraisal Discount Rate” shall mean, on the date of any valuation of Routes done in connection with an Appraisal Report, 9.0 %.

“Applicable Margin” shall mean the rate per annum determined pursuant to the Applicable Pricing Grid.

“Applicable Pricing Grid” shall mean the table set forth below:

<u>Level</u>	<u>Moody’s/S&P/Fitch Ratings</u>	<u>Applicable Margin for Eurodollar Term Loans</u>	<u>Applicable Margin for ABR Term Loans</u>
I	Baa3/BBB-/BBB- or better	2.00%	1.00%
II	Ba1/BB+/BB+ or worse	2.25%	1.25%

For the purposes of the foregoing, (a) if the Borrower shall not maintain a public Rating from at least two (2) Rating Agencies, the Rating shall be deemed to be Level II, (b) if the Borrower shall maintain a public Rating from only two (2) Rating Agencies and they are at different Levels, then Level I shall apply, (c) if the Borrower shall maintain a public Rating from all three (3) Rating Agencies, (i) if two (2) Ratings are Level I and the third Rating is Level II, Level I shall apply and (ii) if two (2) Ratings are Level II and the third Rating is Level I, Level II shall apply; provided that if the Ratings established by any Rating Agency shall be changed (other than as a result of a change in the rating system of such Rating Agency), such change shall be effective as of the date on which it is first announced by the applicable Rating Agency. Each change in the Applicable Margin shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

“Appraisal Delivery Date” shall mean the date that is 14 days following the Closing Date (or such later date as reasonably agreed to by the Administrative Agent).

“Appraisal Report” shall mean (a) the Initial Appraisal Report and (b) any other appraisal prepared by an Appraiser, in form and substance reasonably satisfactory to the Administrative Agent,

which certifies, at the time of determination, the Appraised Value of the Appraised Pool Assets described therein.

“Appraised Pool Assets” shall mean Pool Assets included in an Appraisal Report.

“Appraised Value” shall mean, as of any date of determination, (a) in the case of Appraised Pool Assets, the fair market value thereof as reflected in the most recent Appraisal Report obtained in respect of such Pool Assets in accordance with this Agreement (in the case of any Routes, utilizing the Applicable Appraisal Discount Rate) (provided that, prior to the date that the Initial Appraisal Report is delivered to the Administrative Agent in accordance with Section 5.10, the Appraised Value of the Pool Assets shall be deemed to be \$2,875,000,000) and (b) in the case of Investment Property (if any), (i) to the extent listed on a national security exchange, the market value thereof and (ii) otherwise, the book value thereof as reflected in the most recent Officer’s Certificate delivered pursuant to Section 5.01(f).

“Appraisers” shall mean, (a) Morten Beyer & Agnew, (b) BK Associates, Inc. and (c) such other appraisal firm or firms as may be retained by the Administrative Agent and the Borrower from time to time.

“ARB Indebtedness” shall mean, with respect to the Borrower or any of its Subsidiaries, without duplication, all Indebtedness or obligations of the Borrower or such Subsidiary created or arising with respect to any limited recourse revenue bonds issued for the purpose of financing or refinancing improvements to, or the construction or acquisition of, airport and other related facilities and equipment, the use or construction of which qualifies and renders interest on such bonds exempt from certain federal or state taxes.

“Arranger” shall mean JPMCB, in its capacity as sole lead arranger and bookrunner with respect to the Term Loan Facility.

“Asset Coverage Ratio” shall have the meaning given to such term in Section 6.03.

“Asset Coverage Ratio Cure Period” shall have the meaning given to such term in Section 6.03.

“Asset Coverage Test” shall have the meaning given to such term in Section 6.03.

“Assignment” shall have the meaning given in the Cape Town Convention.

“Assignment and Acceptance” shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.02), and accepted by the Administrative Agent, substantially in the form of Exhibit B.

“Associated Rights” shall have the meaning given in the Cape Town Convention.

“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” shall mean The Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq.

“Bankruptcy Event” shall mean, 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.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations 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”.

“Board” shall mean the Board of Governors of the Federal Reserve System of the United States.

“Borrower” shall have the meaning set forth in the first paragraph of this Agreement.

“Borrowing” shall mean the incurrence, conversion or continuation of Term Loans of a single Type made from all the Lenders on a single date and having, in the case of Eurodollar Term Loans, a single Interest Period.

“Borrowing Request” shall mean a request by the Borrower, executed by a Responsible Officer of the Borrower, for a Borrowing in accordance with Section 2.03 and in substantially the form of Exhibit E.

“Business Day” shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City are required or authorized to remain closed; provided, however, that when used in connection with a Eurodollar Term Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in Dollar deposits on the London interbank market.

“Cape Town Convention” shall mean the official English language text of the Convention on International Interests in Mobile Equipment, adopted on November 16, 2001 at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto (and from and after the effective date of the Cape Town Treaty in the relevant country, means when referring to the Cape Town Convention with respect to that country, the Cape Town Convention as in effect in such country, unless otherwise indicated).

“Cape Town Treaty” shall mean, collectively, (a) the Cape Town Convention, (b) the Aircraft Protocol, and from and after the effective date of the Cape Town Treaty in the relevant country, shall mean when referring to the Cape Town Treaty with respect to that country, the Cape Town Treaty as in effect in such country, unless otherwise indicated, and (c) all rules and regulations (including but not limited to the Regulations and Procedures for the International Registry) adopted pursuant thereto and, in the case of each of the foregoing described in clauses (a) through (c), all amendments, supplements and revisions thereto.

“Capital Asset Sale” shall have the meaning given to such term in the definition of “EBITDAR” in this Section 1.01.

“Cash Equivalents” means:

(1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the federal government of the United States (or by any agency or instrumentality thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;

(2) direct obligations of state, provincial and local government entities, in each case maturing within one year from the date of acquisition thereof, which have, at the date of such acquisition, a rating of at least A- (or the equivalent thereof) from S&P or A-3 (or the equivalent thereof) from Moody’s;

(3) obligations of domestic or foreign companies and their subsidiaries, including, without limitation, bills, notes, bonds, debentures, and mortgage-backed securities, in each case maturing within one year from the date of acquisition thereof and which have, at the date of such acquisition, a rating of at least A- (or the equivalent thereof) from S&P or A-3 (or the equivalent thereof) from Moody’s;

(4) commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 (or the equivalent thereof) from S&P or P-2 (or the equivalent thereof) from Moody’s;

(5) certificates of deposit, banker’s acceptances, banker’s discount notes, time deposits, US Dollar time deposits or overnight bank deposits maturing within one year 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 other commercial bank of recognized standing organized under the laws of the United States or any state thereof or the District of Columbia that has a combined capital and surplus and undivided profits of not less than \$100,000,000;

(6) fully collateralized repurchase agreements with a term of not more than six months for underlying securities that would otherwise be eligible for investment;

(7) investments in money in an investment company organized under the 40 Act, or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest 95% of their assets in obligations of the type described in clauses (1) through (6) above, including money market funds or short-term and intermediate bonds funds;

(8) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the 40 Act or with the criteria set forth in National Instrument 81-102—Mutual Funds, as amended,

(ii) are rated AAA (or the equivalent thereof) by S&P or Aaa (or the equivalent thereof) by Moody's and (iii) have portfolio assets of at least \$500,000,000;

(9) deposits available for withdrawal on demand with commercial banks organized in the United States having capital and surplus in excess of \$100,000,000;

(10) 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 or A3 by Moody's; and

(11) any other securities or pools of securities that are classified under GAAP as cash equivalents or short-term investments on a balance sheet.

“Change in Law” shall mean, after the date hereof, (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law (including pursuant to any treaty or, for purposes of Section 5.10, any other agreement governing the right to fly international routes), rule or regulation or in the interpretation or application thereof by any Governmental Authority, Airport Authority or Foreign Aviation Authority after the date of this Agreement applicable to the Borrower or (c) compliance by any Lender (or, for purposes of Section 2.14(b), by any lending office of such Lender or by such Lender'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 date of this Agreement; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, requirements, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, regulations, requirements, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law” regardless of the date enacted, adopted, implemented or issued.

“Closing Date” shall mean the date on which this Agreement has been executed and the conditions precedent to the effectiveness of this Agreement and the making of the Closing Date Term Loans set forth in Section 4.01 have been satisfied or waived.

“Closing Date Term Loans” shall have the meaning given to such term in Section 2.01(a).

“Closing Date Term Loan Commitment” shall mean the commitment of each Lender to make Term Loans on the Closing Date hereunder in an aggregate principal amount not to exceed the amount set forth under the heading “Closing Date Term Loan Commitment” opposite its name in Schedule 2.01 hereto. The aggregate amount of the Closing Date Term Loan Commitments as of the Closing Date is \$1,150,000,000.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Collateral Documents” shall mean, collectively, the Short Form Mortgage, the Long Form Mortgage, each Mortgage Supplement and any other agreements, instruments or documents that grant a Lien in any Pool Asset in favor of the Administrative Agent for the benefit of the Secured Parties.

“Consolidated Net Income” shall mean, with respect to any specified Person for any period, the aggregate of the net income (or net loss) of such Person and its Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; provided that: (a) all extraordinary gains (but not losses) and all gains (but not losses) realized in connection with any Capital Asset Sale or the disposition of securities or the early extinguishment of Indebtedness, together with any related provision for taxes on any such gain, will be excluded therefrom; (b) the net income (but not net loss) of any Person that is not the specified Person or a Subsidiary or that is accounted for by the equity method of accounting will be included therein only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or Subsidiary of the Person; (c) the net income (but not net loss) of any Subsidiary will be excluded therefrom to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary or its stockholders; (d) the cumulative effect of a change in accounting principles will be excluded therefrom; and (e) the effect of non-cash gains and losses attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to FASB ASC No. 815 will be excluded therefrom.

“Default” shall mean any event that, unless cured or waived, with the passage of time or the giving of notice or both, would be an Event of Default.

“Defaulting Lender” shall mean, at any time, any Lender that (a) has failed, within one (1) Business Day of the date required to be funded or paid by it hereunder, to fund or pay (x) any portion of the Term Loans, or (y) any other amount required to be paid by it hereunder to the Administrative Agent, unless, in the case of clause (x) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower, the Administrative Agent or any other Lender in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations (i) under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or (ii) generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by the Administrative Agent, any other Lender or the Borrower, acting in good faith, to provide a confirmation in writing from an authorized officer or other authorized representative of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Delayed Draw Term Loans under this Agreement, which request shall only have been made after the conditions precedent to borrowings have been met, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent’s, such other Lender’s or the Borrower’s, as applicable, receipt of such confirmation in form and substance satisfactory to it and the Administrative Agent and (d) has become, or has had its Parent Company become, the subject of a Bankruptcy Event or a Bail-In Action. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any of clauses (a) through (d) above will be conclusive and binding absent manifest error, and such Lender will be deemed to be a Defaulting Lender upon notification of such determination by the Administrative Agent to the Borrower and the Lenders.

“Delayed Draw Commitment Fee” shall have the meaning given to such term in Section 2.19(b).

“Delayed Draw Commitment Period” shall mean the period from the Closing Date to and including the Delayed Draw Commitment Termination Date.

“Delayed Draw Commitment Termination Date” shall mean the earliest to occur of (i) the Delayed Draw Scheduled Commitment Termination Date, (ii) the date the Delayed Draw Term Loan Commitments are permanently reduced to zero pursuant to 2.13(a) and (iii) the date of the acceleration of the Term Loans in accordance with the terms hereof.

“Delayed Draw Funding Date” shall mean up to four dates during the Delayed Draw Commitment Period on which Delayed Draw Term Loans are made.

“Delayed Draw Scheduled Commitment Termination Date” means, September 17, 2020.

“Delayed Draw Term Loan” shall have the meaning given to such term in Section 2.01(a)(ii).

“Delayed Draw Term Loan Commitment” shall mean the commitment of each Lender to make Delayed Draw Term Loans on each Delayed Draw Funding Date hereunder in an aggregate principal amount not to exceed the amount set forth under the heading “Delayed Draw Term Loan Commitment” opposite its name in Schedule 2.01 hereto. The aggregate amount of the Delayed Draw Term Loan Commitments as of the Closing Date is \$1,150,000,000.

“Dollars” and “\$” shall mean lawful money of the United States of America.

“DOT” shall mean the United States Department of Transportation and any successor thereto.

“EBITDAR” shall mean, for any period, all as determined in accordance with GAAP, without duplication, an amount equal to (a) the Consolidated Net Income of the Borrower and its Subsidiaries for such period, plus (b) the sum of (i) any provision for income taxes for such period, (ii) Interest Expense for such period, (iii) extraordinary, non-recurring or unusual losses for such period, (iv) depreciation and amortization for such period, (v) amortized debt discount for such period, (vi) the amount of any deduction to consolidated net income as the result of any grant to any employee of the Borrower or its Subsidiaries of any Equity Interests during such period, (vii) aircraft rent expense for such period, (viii) any aggregate net loss during such period arising from a Capital Asset Sale (as defined below), (ix) all other non-cash charges for such period, (x) any losses arising under fuel hedging arrangements during such period, (xi) costs and expenses, including fees, incurred directly during such period in connection with the consummation of the transactions contemplated under the Loan Documents, and (xii) expenses or losses with respect to business interruption covered by insurance, in each case to the extent actually reimbursed, in the case of each of subclauses (i) through (xii) of this clause (b), to the extent deducted in the calculation of consolidated net income of the Borrower and its Subsidiaries for such period in accordance with GAAP, minus (c) the sum of (i) income tax credits for such period, (ii) interest income for such period, (iii) extraordinary, non-recurring or unusual gains for such period, (iv) any aggregate net gain during such period arising from the sale, exchange or other disposition of capital assets by the Borrower or its Subsidiaries (including any fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets and all securities) (a “Capital Asset Sale”), (v) any gains arising under fuel hedging arrangements during such period, and (vi) any other non-cash gains that have been added in determining consolidated net income during such period, in the case of each of subclauses (i) through (vi) of this clause (c), to the extent included in the calculation of consolidated net income of the Borrower and its Subsidiaries for such period in accordance with GAAP. For purposes of this definition, the following items shall be excluded in determining consolidated net income of the Borrower and its Subsidiaries for any period: (1) the income (or deficit) of any other Person accrued prior to the date it became a Subsidiary of, or was merged or consolidated into, the Borrower or any of its Subsidiaries; (2) the income (or deficit) of any other Person (other than a

Subsidiary) in which the Borrower or any of its Subsidiaries has an ownership interest, except to the extent any such income has actually been received by the Borrower or such Subsidiary, as applicable, in the form of cash dividends or distributions; (3) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of income accrued during such period; (4) any write-up of any asset; (5) any net gain from the collection of the proceeds of life insurance policies; (6) any net gain arising from the acquisition of any securities, or the extinguishment, under GAAP, of any Indebtedness, of the Borrower or any of its Subsidiaries; (7) in the case of a successor to the Borrower by consolidation or merger or as a transferee of its assets, any earnings of such successor prior to such consolidation, merger or transfer of assets; (8) any deferred credit representing the excess of equity in any Subsidiary at the date of acquisition of such Subsidiary over the cost to the Borrower or any of its Subsidiaries of the investment in such Subsidiary; and (9) any foreign currency translation gains or losses (including gains or losses related to currency remeasurements of Indebtedness).

“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 delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Affiliate Assignee” shall mean with respect to any Lender, an Affiliate thereof that is: (i) a commercial bank or financial institution organized under the laws of the United States, or any state thereof, and having total assets in excess of \$1,000,000,000; (ii) a commercial bank or financial institution organized under the laws of France, Germany, Spain, the Netherlands or the United Kingdom, or under the Laws of a political subdivision of any such country, and having total assets in excess of \$1,000,000,000; provided that such bank or institution is acting through a branch or agency located in such country or the United States; or (iii) a commercial bank or financial institution organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development, or under the laws of a political subdivision of any such country, and having total assets in excess of \$1,000,000,000; provided that such bank or institution is acting through a branch or agency located in the United States.

“Eligible Assignee” shall mean (a) a commercial bank having total assets in excess of \$1,000,000,000, (b) a finance company, insurance company or other financial institution or fund, in each case reasonably acceptable to the Administrative Agent, which in the ordinary course of business extends credit of the type contemplated herein or invests therein and has total assets in excess of \$200,000,000 and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or Section 406 of ERISA, (c) any Lender or any Affiliate of any Lender and (d) any other financial institution reasonably satisfactory to the Administrative Agent; provided that “Eligible Assignee” shall not include any natural person, the Borrower or any Affiliate of the Borrower.

“Environmental Laws” shall mean all applicable laws (including common law), statutes, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions or legally binding requirements or agreements issued, promulgated or entered into by or with any Governmental Authority,

relating to the protection of environment, preservation or reclamation of natural resources, the handling, treatment, storage, disposal, Release into the environment or threatened Release into the environment of, or human exposure to, any pollutants, contaminants or any toxic, radioactive or otherwise hazardous materials.

“Environmental Liability” shall mean any liability, contingent or otherwise, (including any liability for damages, natural resource damage, costs of environmental investigation, remediation or monitoring or costs, fines or penalties) resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment, disposal or the arrangement for disposal of any Hazardous Materials, (c) human exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement, lease or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” shall mean shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person (whether direct or indirect), and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated thereunder.

“ERISA Affiliate” shall mean any trade or business (whether or not incorporated) that, together with the Borrower, is treated as (i) a single employer under Section 414(b) or (c) of the Code, or (ii) 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, or that is under common control with the Borrower within the meaning of Section 4001 of ERISA.

“Escrow Accounts” shall mean (1) accounts of the Borrower or any Subsidiary, solely to the extent any such accounts hold funds set aside by the Borrower or any Subsidiary (plus accrued interest thereon) to manage the collection and payment of amounts collected, withheld or incurred by the Borrower or such Subsidiary for the benefit of third parties relating to: (a) federal income tax withholding and backup withholding tax, employment taxes, transportation excise taxes and security related charges, (b) any and all state and local income tax withholding, employment taxes and related charges and fees and similar taxes, charges and fees, including, but not limited to, state and local payroll withholding taxes, unemployment and supplemental unemployment taxes, disability taxes, workman’s or workers’ compensation charges and related charges and fees, (c) state and local taxes imposed on overall gross receipts, sales and use taxes, fuel excise taxes and hotel occupancy taxes, (d) passenger facility fees and charges collected on behalf of and owed to various administrators, institutions, authorities, agencies and entities, (e) other similar federal, state or local taxes, charges and fees (including without limitation any amount required to be withheld or collected under applicable law) and (f) other funds held in trust for, or otherwise segregated for the benefit of, an identified beneficiary; in each case, held in escrow accounts, agent accounts, trust funds or other segregated accounts; or (2) accounts, capitalized interest accounts, debt service reserve accounts, escrow accounts and other similar accounts or funds established in connection with the ARB Indebtedness.

“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.

“Eurodollar”, when used in reference to any Term Loan or Borrowing, refers to whether such Term Loan, or the Term Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the LIBO Rate.

“Eurodollar Tranche” shall mean the collective reference to Eurodollar Term Loans under a particular facility the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Term Loans shall originally have been made on the same day).

“Event of Default” shall have the meaning given to such term in Section 7.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

“Excluded Taxes” shall mean, 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 the Borrower hereunder or under any Loan Document, (a) income or franchise Taxes imposed on (or measured by) its net income however denominated by the United States of America or any political subdivision thereof or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or any political subdivision thereof, (b) any Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such taxes (other than a connection arising solely from such recipient’s having executed, delivered, enforced, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to, or enforced, this Agreement or any Loan Document), (c) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which such recipient is located, (d) in the case of a Foreign Lender, any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, immediately before designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 2.16(a), (e) in the case of a Lender, any withholding tax that is attributable to such Lender’s failure to comply with Section 2.16(f) or 2.16(g) and (f) any withholding tax that is imposed by reason of FATCA.

“FAA” shall mean the Federal Aviation Administration of the United States of America and any successor thereto.

“FAA Slot” shall mean all “slots” as defined in 14 CFR § 93.213(a)(2), as that section may be amended or re-codified from time to time, or, in the case of slots at New York LaGuardia Airport, as defined in the Final Order, Operating Limitations at New York LaGuardia Airport, 71 Fed. Reg. 77,854 (December 27, 2006), as such order may be amended or re-codified from time to time, and in any subsequent order issued by the FAA related to New York LaGuardia Airport, as such order may be amended or re-codified from time to time, or, in the case of slots at John F. Kennedy International Airport, as defined in the Operating Limitations at John F. Kennedy International Airport, Order Limiting Scheduled Operations at John F. Kennedy International Airport, 73 Fed. Reg. 3510 (January 18, 2008), as such order may be amended or re-codified from time to time, and in any subsequent order issued by the FAA related to John F. Kennedy International Airport, as such order may be amended or re-codified from time to time, in each case of the Borrower and, if applicable, any Subsidiary of the Borrower, now held or hereafter acquired (other than “slots” which have been permanently allocated to another air carrier and in which the Borrower and, if applicable, any Subsidiary of the Borrower holds temporary use rights).

“FATCA” shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement, any amended or successor provisions that are substantively similar thereto, any regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code, and any intergovernmental agreements with the United States with respect thereto and any laws or regulations implementing such intergovernmental agreement.

“Federal Funds Effective Rate” shall mean, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate, provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Fees” shall collectively mean the Delayed Draw Commitment Fee, the Upfront Fees and other fees referred to in Section 2.19.

“Fifth-Freedom Rights” shall mean the operational right to enplane passenger traffic and cargo in a foreign country and deplane it in another foreign country, including any such right pursuant to a bilateral treaty between the United States and a foreign country.

“Fitch” shall mean Fitch Ratings Inc. (or any successor thereto).

“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.

~~“Fixed Charge Coverage Ratio” shall mean, at any date for which such ratio is to be determined, the ratio of EBITDAR for the Rolling Twelve Month period ended on such date to the sum of the following for such period: (a) Interest Expense, plus (b) the aggregate cash aircraft rental expense of the Borrower and its Subsidiaries on a consolidated basis for such period payable in cash in respect of any aircraft leases (other than Finance Lease Obligations), all as determined in accordance with GAAP.~~

“Foreign Aviation Authorities” shall mean any foreign governmental, quasi-governmental, regulatory or other agency, public corporation or private entity that exercises jurisdiction over the authorization (a) to serve any foreign point on each of the Routes and/or to conduct operations related to the Routes and Supporting Route Facilities and/or (b) to hold and operate any Foreign Slots.

“Foreign Lender” shall mean any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is located. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Slot” shall mean all of the rights and operational authority, now held or hereafter acquired, of the Borrower to conduct one (1) landing or takeoff operation during a specific hour or other period at each non-United States airport served in conjunction with the Borrower’s operations over a Route, other than “slots” which have been permanently allocated to another air carrier and in which the Borrower holds temporary use rights.

“GAAP” shall mean generally accepted accounting principles set forth in the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time, in each case applied in accordance with Section 1.03.

“Governmental Authority” shall mean 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 organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

“Guarantee” of or by any Person (the “guarantor”) shall mean any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation 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 other obligation 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 or other obligation 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 other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided that the term Guarantee shall not include (i) endorsements for collection or deposits or (ii) customary contractual indemnities in commercial agreements, in each case in the ordinary course of business and consistent with past practice. The amount of any obligation relating to a Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made (or, if less, the maximum reasonably anticipated liability for which such Person may be liable pursuant to the terms of the instrument evidencing such Guarantee) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform) as determined by the guarantor in good faith.

“Hazardous Materials” shall mean 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, and radon gas, and all other substances that are regulated as hazardous pursuant to, or, due to their hazardous qualities, could reasonably be expected to give rise to liability under any Environmental Law.

“Hedging Obligations” shall mean, with respect to any Person, all obligations and liabilities of such Person under (1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements; (2) other swap or derivative agreements or arrangements designed to manage interest rates or interest rate risk; and (3) other swap or derivative agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, fuel prices or other commodity prices.

“Impacted Interest Period” shall have the meaning given to such term in the definition of “LIBO Rate”.

“Increase Effective Date” shall have the meaning given to such term in Section 2.23(a).

“Increase Joinder” shall have the meaning given to such term in Section 2.23(c).

“Incremental Amount” shall mean, at any time, the excess, if any, of (i) \$1,700,000,000 over (ii) the aggregate amount of all Incremental Commitments established under the Term Loan Facility prior to such time in accordance with Section 2.23.

“Incremental Commitments” shall have the meaning given to such term in Section 2.23(a).

“Incremental Lender” shall have the meaning given to such term in Section 2.23(a).

“Indebtedness” of any Person shall mean, without duplication, (a) all obligations of such Person for borrowed money (including in connection with deposits or advances), (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 current accrued expenses incurred and current accounts payable, in each case 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 Guarantees 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 and (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“Indemnified Taxes” shall mean Taxes (other than Excluded Taxes) imposed on or with respect to any payments made by the Borrower under this Agreement or any other Loan Document.

“Indemnitee” shall have the meaning given to such term in Section 10.04(b).

“Initial Appraisal Report” shall mean the initial appraisal report delivered in respect of the Pool Assets in accordance with Section 5.10.

“Interest Election Request” shall mean a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.05 and in substantially the form of Exhibit F.

“Interest Expense” shall mean, for any period, the gross cash interest expense (including the interest component of Finance Lease Obligations), of the Borrower and its Subsidiaries on a consolidated basis for such period, all as determined in accordance with GAAP.

“Interest Payment Date” shall mean (a) as to any Eurodollar Term Loan having an Interest Period of one (1), two (2) or three (3) months, the last day of such Interest Period, (b) as to any Eurodollar Term Loan having an Interest Period of more than three (3) months, each day that is three (3) months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period and (c) with respect to ABR Term Loans, the last Business Day of each March, June, September and December.

“Interest Period” shall mean, as to any Borrowing of Eurodollar Term Loans, the period commencing on the date of such Borrowing (including as a result of a conversion from ABR Term Loans) or on the last day of the preceding Interest Period applicable to such Borrowing and ending on the

numerically corresponding day (or if there is no corresponding day, the last day) in the calendar month that is one (1), two (2), three (3) or six (6) months (or, if available to all applicable Lenders, twelve (12) months) thereafter, as the Borrower may elect in the related notice delivered pursuant to Section 2.03 or 2.05; provided that (i) if any Interest Period would end on a day which shall not be 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) no Interest Period shall end later than the applicable Termination Date.

“International Interest” shall mean an “international interest” as defined in the Cape Town Convention.

“International Registry” shall mean the “International Registry” as defined in the Cape Town Convention.

“Interpolated Rate” shall mean, at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) 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 LIBO Screen Rate for the longest period for which the LIBO Screen Rate is available that is shorter than the Impacted Interest Period; and (b) the LIBO Screen Rate for the shortest period for which that LIBO Screen Rate is available) that exceeds the Impacted Interest Period, in each case, at such time.

“Investment Property” shall have the meaning given to such term in the UCC.

“JFK” shall mean New York’s John F. Kennedy (JFK) International Airport.

“JPMCB” shall have the meaning set forth in the first paragraph of this Agreement.

“Lenders” shall have the meaning set forth in the first paragraph of this Agreement. For the avoidance of doubt, references herein to Lenders shall include Incremental Lenders, if any.

“LIBO Rate” shall mean, with respect to any Eurodollar Borrowing for any Interest Period, the LIBO Screen Rate at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period; provided that if the LIBO Screen Rate shall not be available at such time for such Interest Period (an “Impacted Interest Period”) then the LIBO Rate shall be the Interpolated Rate.

“LIBO Screen Rate” shall mean, for any day and time, with respect to any Eurodollar Borrowing 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 U.S. Dollars 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 be zero for the purposes of this Agreement.

“Lien” shall mean (a) any mortgage, deed of trust, pledge, deed to secure debt, hypothecation, security interest, International Interest, easement (including, without limitation, reciprocal

easement agreements and utility agreements), rights-of-ways, reservations, encroachments, zoning and other land use restrictions, claim or any other title defect, lease, encumbrance, restriction, lien or charge of any kind whatsoever and (b) the interest of a vendor or a lessor under any conditional sale, capital lease or other 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).

“Loan Documents” shall mean this Agreement, each Collateral Document and any other instrument or agreement (which is designated as a Loan Document therein) executed and delivered by the Borrower to the Administrative Agent or any Lender, in each case, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms hereof.

“Long Form Mortgage” shall mean that certain Amended and Restated Aircraft Security Agreement dated as of the Amendment No. 1 Effective Date made by the Borrower in favor of the Administrative Agent for the benefit of the Secured Parties (including each Mortgage Supplement thereto), which amends and restates the Short Form Mortgage delivered by the Borrower on the Closing Date.

“Material Adverse Change” shall mean any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect.

“Material Adverse Effect” shall mean a material adverse effect on (a) the business, operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Administrative Agent and the Lenders thereunder, or (c) the ability of the Borrower to pay the obligations under the Loan Documents.

“Material Indebtedness” shall mean Indebtedness (other than the Term Loans) of the Borrower in an aggregate principal amount exceeding \$200,000,000.

“Material Subsidiary” means, at any time, any Subsidiary of the Borrower having at such time (i) total assets, as of the last day of the most recently ended fiscal quarter for which the Borrower’s annual or quarterly financial statements have been most recently required to have been delivered pursuant to Section 5.01, having a net book value greater than or equal to 10% of the total assets of the Borrower and all of its Subsidiaries on a consolidated basis (as shown on the most recent balance sheet of the Borrower delivered pursuant to Section 5.01 or, if available earlier and delivered to the Administrative Agent, the balance sheet that is internally available for the then most recently ended fiscal quarter or fiscal year, as applicable), (ii) total revenue, as of the last day of the most recently ended fiscal quarter for which the Borrower’s annual or quarterly financial statements have been most recently required to have been delivered pursuant to Section 5.01, greater than or equal to 10% of the total revenue of the Borrower and all of its Subsidiaries on a consolidated basis (as shown on the most recent income statement of the Borrower delivered pursuant to Section 5.01 or, if available earlier and delivered to the Administrative Agent, the income statement that is internally available for the then most recently ended fiscal quarter or fiscal year, as applicable) or (iii) any Pool Assets.

“Moody’s” shall mean Moody’s Investors Service, Inc. (or any successor thereto).

“Mortgages” shall mean, collectively, any Short Form Mortgage then in effect and the Long Form Mortgage, including each Mortgage Supplement thereto.

“Mortgage Related Amendments” shall have the meaning given to such term in Section 5.10(b).

“Mortgage Supplements” shall have the meaning set forth in the Long Form Mortgage.

“Multiemployer Plan” shall mean a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA, which is maintained or contributed to by (or to which there is an obligation to contribute of) the Borrower or a Subsidiary of the Borrower or an ERISA Affiliate, and each such plan for the five-year period immediately following the latest date on which the Borrower, or a Subsidiary of the Borrower or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

“Multiple Employer Plan” shall mean a Single Employer Plan, which is maintained for employees of the Borrower or an ERISA Affiliate and at least one (1) person (as defined in Section 3(9) of ERISA) other than the Borrower and its ERISA Affiliates and in respect of which the Borrower or an ERISA Affiliate could have liability, contingent or otherwise, under ERISA.

“Non-Defaulting Lender” shall mean, at any time, a Lender that is not a Defaulting Lender.

“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.

“NYFRB” shall mean the Federal Reserve Bank of New York.

“NYFRB Rate” shall mean, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Obligations” shall mean the unpaid principal of and interest on (including interest, reasonable fees and reasonable out-of-pocket costs accruing after the maturity of the Term Loans and interest, reasonable fees and reasonable out-of-pocket costs accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest, fees or costs is allowed in such proceeding) the Term Loans and all other obligations and liabilities of the Borrower to the Administrative Agent or any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which arise under, out of, or in connection with, this Agreement, any other Loan Document or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, reasonable fees, indemnities, reasonable out-of-pocket costs, reasonable and documented out-of-pocket expenses (including all reasonable fees, charges and disbursements of counsel to the Administrative Agent or any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise.

“Officer’s Certificate” shall mean a certificate executed by a Responsible Officer of the Borrower in his/her capacity as such.

“Other Taxes” shall mean any and all present or future stamp, mortgage, intangible, documentary, recording or filing taxes or any other similar taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are imposed with respect to an assignment.

“Overnight Bank Funding Rate” shall mean, for any day, the rate comprised of both overnight federal funds and overnight Eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Parent Company” shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

“Participant” shall have the meaning given to such term in Section 10.02(d).

“Participant Register” shall have the meaning given to such term in Section 10.02(d).

“Patriot Act” shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001, Title III of Pub. L. 107-56, signed into law on October 26, 2001 or any subsequent legislation that amends, supplements or supersedes such Act.

“Payroll Accounts” shall mean depository accounts used only for payroll.

“PBGC” shall mean the Pension Benefit Guaranty Corporation, or any successor agency or entity performing substantially the same functions.

“Person” shall mean any natural person, corporation, division of a corporation, partnership, limited liability company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

“Plan” shall mean a Single Employer Plan or a Multiple Employer Plan that is a pension plan subject to the provisions of Title IV of ERISA, Sections 412 or 430 of the Code or Section 302 of ERISA.

“Plan Asset Regulations” means of 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA, as amended from time to time.

“Pool Assets” shall mean, on any date of determination (a) the Aircraft specified on Schedule 6.05 hereto and (b) any Additional Pool Assets designated by the Borrower at its discretion pursuant to the terms of this Agreement. The Pool Assets on the Closing Date are set forth on Schedule 6.05 hereto. Schedule 6.05 may be updated from time to time in the Borrower’s sole discretion to replace or exchange any Aircraft and/or to add Additional Pool Assets as contemplated by Section 10.08(f).

“Prime Rate” shall mean the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Professional User” shall have the meaning given it in the Regulations and Procedures for the International Registry.

“Prospective Assignment” shall have the meaning given in the Cape Town Convention.

“Prospective Sale” shall have the meaning given in the Cape Town Convention.

“Protocol” shall mean the Protocol referred to in the defined term “Cape Town Convention.”

“Rating Agency” shall mean any of S&P, Moody’s and Fitch.

“Ratings” shall mean as of any date of determination, the corporate credit rating as determined by S&P, the corporate family rating as determined by Moody’s or the corporate credit rating as determined by Fitch, as applicable, of the Borrower.

“Recipient” means (a) the Administrative Agent, (b) any Lender or (c) any other recipient of any payment to be made by or on account of any Obligation of the Borrower hereunder or under any Loan Document, as applicable.

“Refinanced Term Loans” shall have the meaning given to such term in Section 10.08(e).

“Refinancing Amendment” shall have the meaning given to such term in Section 10.08(e).

“Refinancing Debt” shall mean Indebtedness (or commitments in respect thereof) incurred to refinance (whether concurrently or after any repayment or prepayment of any such Indebtedness being refinanced) (a) the Term Loans or (b) Indebtedness (or commitments in respect thereof) incurred pursuant to the preceding clause (a), in each case, from time to time, in whole or part, in the form of (i) one or more new term facilities (each, a “Refinancing Term Facility”) made available under this Agreement with the consent (which consent shall not be unreasonably withheld or delayed) of the Borrower and the Administrative Agent (to the extent such consent would be required under Section 10.02(b) for an assignment of Term Loans to the applicable lender) and the lenders providing such financing (and no other lenders) or (ii) one or more series of term facilities outside of this Agreement; provided that (A) any Refinancing Debt shall not mature prior to the maturity date of, or have a shorter Weighted Average Life to Maturity than, the Term Loans (or any refinancing thereof incurred pursuant to the preceding clause (b)) being refinanced, (B) the other terms and conditions of such Refinancing Debt (excluding pricing, premium, maturity, scheduled amortization and optional prepayment or redemption provisions) shall be customary market terms for indebtedness of such type, (C) after giving pro forma effect to the incurrence of Refinancing Debt and the application of the net proceeds therefrom, the Borrower shall be in pro forma compliance with Section 6.03 and Section 6.04, (D) there shall be no additional direct or contingent obligors with respect to such Refinancing Debt, (E) the aggregate principal amount of such Refinancing Debt shall not exceed the aggregate principal amount of the Indebtedness

being refinanced plus accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the refinancing, (F) no Lender shall be obligated to provide any such Refinancing Debt and (G) such Indebtedness shall (i) rank pari passu in right of payment with the Obligations and be secured by the Pool Assets on a pari passu basis with the Obligations, (ii) rank junior in right of payment with the Obligations and be secured by the Pool Assets on a junior basis to the Obligations or (iii) be unsecured or secured by assets other than Pool Assets.

“Refinancing Term Facility” shall have the meaning given to such term in the definition of “Refinancing Debt”.

“Register” shall have the meaning given to such term in Section 10.02(b)(iv).

“Regulations and Procedures for the International Registry” shall mean the official English language text of the International Registry Procedures and Regulations issued by the Supervisory Authority (as defined in the Cape Town Convention) pursuant to the Aircraft Protocol.

“Related Parties” shall mean, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, partners, members, employees, agents, advisors, trustees, managers and representatives of such Person and such Person’s Affiliates.

“Release” shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.

“Replacement Term Loan” shall have the meaning given to such term in Section 10.08(e).

“Required Lenders” shall mean, at any time, Lenders holding more than 50% of the aggregate principal amount of all Term Loans and Delayed Draw Term Loan Commitments outstanding.

“Resignation Effective Date” shall have the meaning given to such term in Section 8.05.

“Responsible Officer” shall mean the chief executive officer, president, chief financial officer, treasurer, assistant treasurer, vice president, controller, chief accounting officer, secretary or assistant secretary of the Borrower, but in any event, with respect to financial matters, the chief financial officer, treasurer, assistant treasurer, controller or chief accounting officer of the Borrower.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Restricted Payment” shall mean any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in the Borrower.

“Rolling Twelve Months” shall mean, with respect to any date of determination, the month most recently ended and the eleven (11) immediately preceding months for which, in each case, financial statements are available considered as a single period.

“Routes” shall mean the routes for which the Borrower holds or hereafter acquires the requisite authority to operate foreign air transportation pursuant to Title 49 including, without limitation,

applicable frequencies, exemption and certificate authorities, Fifth-Freedom Rights and “behind/beyond rights”, whether or not utilized by the Borrower.

“S&P” shall mean Standard & Poor’s Rating Services, a Standard & Poor’s Financial Services LLC business.

“Sale” shall have the meaning given in the Cape Town Convention.

(or any successor thereto).

“Sanctions” shall have the meaning given to such term in Section 3.11(a).

“SEC” shall mean the United States Securities and Exchange Commission.

“Secured Parties” shall mean, collectively, (i) Administrative Agent, (ii) each Lender and (iii) each other Indemnitee.

“Short Form Mortgage” shall have the meaning given to such term in Section 4.01(j).

“Single Employer Plan” shall mean a single employer plan, as defined in Section 4001(a)(15) of ERISA, that is maintained for current or former employees of the Borrower or an ERISA Affiliate and in respect of which the Borrower or any ERISA Affiliate could reasonably be expected to have liability under Title IV of ERISA.

“Slot” shall mean each FAA Slot and each Foreign Slot.

“Spare Part” shall mean (a) an accessory, appurtenance, or part of (i) an Aircraft (except an engine or propeller), (ii) an engine (except a propeller), (iii) a propeller or (iv) an Appliance, in each case that is to be installed at a later time in an aircraft, engine, propeller or Appliance and shall include, without limitation, “spare parts” as defined in 49 U.S.C. § 40102(a)(43), (b) an Appliance or (c) a propeller.

“Specified Person” shall have the meaning given to such term in Section 3.11(a).

“Stated Maturity Date” shall mean March 16, 2021.

“Statutory Reserve Rate” shall mean a fraction (expressed as a decimal), the numerator of which is the number one (1) and the denominator of which is the number one (1) minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Term Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“Subsidiary” shall mean, with respect to any Person (in this definition referred to as the “parent”), any corporation, association or other business entity (whether now existing or hereafter organized) of which at least a majority of the securities or other ownership or membership interests

having ordinary voting power for the election of directors (or equivalent governing body) is, at the time as of which any determination is being made, owned or controlled by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Successor Company” shall have the meaning given to such term in Section 6.02(a)(ii).

“Supporting Route Facilities” shall mean gates, ticket counters and other facilities assigned, allocated, leased, or made available to the Borrower at non-U.S. airports used in the operation of scheduled service over a Route.

“Taxes” shall mean any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Loan” shall have the meaning given to such term in Section 2.01(a); provided, for the avoidance of doubt, that for all purposes of this Agreement and the other Loan Documents, the term “Term Loans” shall include any Term Loan made pursuant to an Incremental Commitment.

“Term Loan Facility” shall mean the Closing Date Term Loan Commitments, the Closing Date Term Loans, the Delayed Draw Term Loan Commitments and any Delayed Draw Term Loans made hereunder.

“Term Loan Maturity Date” shall mean, with respect to (a) Term Loans made hereunder, the Stated Maturity Date and (b) with respect to any Refinancing Term Facility, the final maturity date therefor as specified in the applicable Refinancing Amendment.

“Termination Date” shall mean the earlier to occur of (a) the Term Loan Maturity Date and (b) the acceleration of the Term Loans in accordance with the terms hereof.

“Termination Event” shall mean (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 thirty (30) day notice period is waived) as in effect on the Closing Date (no matter how such notice requirement may be changed in the future), (b) an event described in Section 4068 of ERISA, (c) the withdrawal of the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year in which it was a “substantial employer,” as such term is defined in Section 4001(a)(2) of ERISA, (d) the incurrence of liability by the Borrower or any ERISA Affiliate under Section 4064 of ERISA upon the termination of a Multiple Employer Plan, (e) the imposition of Withdrawal Liability or receipt of notice from a Multiemployer Plan that such liability may be imposed, (f) a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA, (g) providing notice of intent to terminate a Plan pursuant to Section 4041(c) of ERISA or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, if such amendment requires the provision of security, (h) the institution of proceedings to terminate a Plan by the PBGC under Section 4042 of ERISA, (i) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Sections 302 or 303 of ERISA) applicable to such Plan, whether or not waived, (j) any failure by any Plan to satisfy the special funding rules for plans maintained by commercial airlines contained in Section 402 of the Pension Protection Act of 2006, (k) 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, or (l) any other event or condition which 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 Plan, or the imposition of any liability under Title IV of ERISA (other than for the payment of premiums to the PBGC in the ordinary course).

“Title 49” shall mean Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto or any subsequent legislation that amends, supplements or supersedes such provisions.

“Transactions” shall mean the execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents, the creation of the Liens over the Pool Assets in favor of the Administrative Agent and/or the Administrative Agent for the benefit of the Secured Parties and the borrowing of the Term Loans.

“Type”, when used in reference to any Term Loan or Borrowing, refers to whether the rate of interest on such Term Loan, or on the Term Loans comprising such Borrowing, is determined by reference to the LIBO Rate or the Alternate Base Rate.

“UCC” shall mean the Uniform Commercial Code as in effect in the State of New York from time to time.

“United States Citizen” shall have the meaning given to such term in Section 3.02.

“Upfront Fees” shall have the meaning given to such term in Section 2.19(c).

“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.

“Unrestricted Cash” means cash and Cash Equivalents of the Borrower that (i) may be classified, in accordance with GAAP, as “unrestricted” on the consolidated balance sheets of the Borrower or (ii) may be classified, in accordance with GAAP, as “restricted” on the consolidated balance sheets of the Borrower solely in favor of the Administrative Agent and the Secured Parties.

“U.S. Tax Compliance Certificate” shall have the meaning given to such term in Section 2.16(g)(1)(ii)(3).

“Weighted Average Life to Maturity” shall mean, 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.

“Withdrawal Liability” shall have the meaning given to such term under Part I of Subtitle E of Title IV of ERISA and shall include liability that results from either a complete or partial withdrawal.

“Withholding Agent” shall mean the Borrower and the Administrative Agent.

“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. 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, restated, supplemented, extended, amended and restated 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 permitted 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, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time, (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 and (g) “knowledge” or “aware” or words of similar import shall mean, when used in reference to the Borrower, the actual knowledge of any Responsible Officer.

SECTION 1.03. 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; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests 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 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. Upon any such request for an amendment, the Borrower, the Required Lenders and the Administrative Agent agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating the Borrower’s financial condition shall be the same after such accounting changes as if such accounting changes had not occurred.

SECTION 1.04. Interest Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of “LIBO Rate” or with respect to any comparable or

successor rate thereto, or replacement rate therefor, provided that the foregoing shall not apply to any liability arising out of the bad faith, willful misconduct or negligence of the Administrative Agent.

SECTION 2.

AMOUNT AND TERMS OF CREDIT

SECTION 2.01. Term Loans.

(a) Closing Date Term Loan Commitments.

(i) Each Lender severally, and not jointly with the other Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make a term loan denominated in Dollars (each, a “Closing Date Term Loan” and collectively, the “Closing Date Term Loans”) to the Borrower on the Closing Date in an aggregate principal amount not to exceed the Closing Date Term Loan Commitment of such Lender, which Closing Date Term Loans shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a)(i) and subsequently repaid or prepaid may not be reborrowed. Each Lender’s Closing Date Term Loan Commitment shall terminate immediately and without further action on the Closing Date after giving effect to the funding by such Lender of the Closing Date Term Loans to be made by it on such date.

(ii) Delayed Draw Term Loan Commitments. During the Delayed Draw Commitment Period, each Lender severally, and not jointly with the other Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make term loans denominated in Dollars in up to four separate draws (each, a “Delayed Draw Term Loan” and collectively, the “Delayed Draw Term Loans” and together with the Closing Date Term Loans, the “Term Loans”) to the Borrower on each Delayed Draw Funding Date, in an aggregate principal amount not to exceed the Delayed Draw Term Loan Commitment of such Lender, which Delayed Draw Term Loans shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a)(ii) and subsequently repaid or prepaid may not be reborrowed. Each Lender’s Delayed Draw Term Loan Commitment shall be reduced immediately and without further action on the applicable Delayed Draw Funding Date in an amount equal to and after giving effect to the funding by such Lender of the applicable Delayed Draw Term Loans to be made by it on such date. Each Lender’s Delayed Draw Term Loan Commitment shall be terminated immediately and without further action at 5:00 p.m., New York City time, on the Delayed Draw Commitment Termination Date. The Delayed Draw Term Loans (if and when funded) shall have the same terms and conditions as the Closing Date Term Loans for all purposes (it being understood, for the avoidance of doubt, that interest shall accrue on the Delayed Draw Term Loans from the date of funding thereof).

(iii) Each Borrowing of a Delayed Draw Term Loans shall be made from the applicable Lenders pro rata in accordance with their respective Delayed Draw Term Loan Commitments; provided, however, that the failure of any Lender to make any Delayed Draw Term Loan shall not in itself relieve the other Lenders of their obligations to lend.

(b) Type of Borrowing. Each Borrowing shall be comprised entirely of ABR Term Loans or Eurodollar Term Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Eurodollar Term Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Term Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Term Loan in accordance with the terms of this Agreement.

(c) Amount of Borrowing. At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is in an integral multiple of

\$1,000,000 and not less than \$5,000,000. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$1,000,000. Borrowings of more than one (1) Type may be outstanding at the same time.

(d) Limitation on Interest Period. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing of a Term Loan if the Interest Period requested with respect thereto would end after the applicable Term Loan Maturity Date.

SECTION 2.02. [Reserved].

SECTION 2.03. Requests for Borrowings. To request Term Loans on the Closing Date or on any Delayed Draw Funding Date, the Borrower shall notify the Administrative Agent of such request by telephone (i) in the case of a Eurodollar Borrowing, not later than 2:00 p.m., New York City time, two (2) Business Days prior to the Closing Date or three (3) Business Days prior to the applicable Delayed Draw Funding Date, as applicable, and (ii) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the Closing Date or the applicable Delayed Draw Funding Date, as applicable. Each such telephonic borrowing request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Borrowing Request. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.01(a):

(i) the aggregate amount of the requested Borrowing (which shall comply with Section 2.01(c));

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

(iv) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period".

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Term Loan to be made as part of the requested Borrowing.

SECTION 2.04. Funding of Borrowings.

(a) Each Lender shall make each applicable Term Loan to be made by it hereunder on the Closing Date and any applicable Delayed Draw Funding Date by wire transfer of immediately available funds by 12:00 noon, New York City time, or such earlier time as may be reasonably practicable, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. Upon satisfaction or waiver of the applicable conditions precedent specified herein, the Administrative Agent will make the applicable Term Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower designated by the Borrower in the applicable Borrowing Request.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section 2.04 and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith upon written demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate otherwise applicable to such Borrowing. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Term Loan included in such Borrowing.

SECTION 2.05. Interest Elections.

(a) The Borrower may elect from time to time to (i) convert ABR Term Loans to Eurodollar Term Loans, (ii) convert Eurodollar Term Loans to ABR Term Loans, provided that any such conversion of Eurodollar Term Loans may only be made on the last day of an Interest Period with respect thereto or (iii) continue any Eurodollar Term Loan as such upon the expiration of the then current Interest Period with respect thereto.

(b) To make an Interest Election Request pursuant to this Section 2.05, the Borrower shall notify the Administrative Agent of such election by telephone (i) in the case of a conversion of ABR Term Loans to Eurodollar Term Loans under Section 2.05(a)(i), not later than 2:00 p.m., New York City time, three (3) Business Days (or, with respect to the initial Borrowing of Closing Date Term Loans, two (2) Business Days) prior to the date of the requested conversion, (ii) in the case of a continuation of Eurodollar Term Loans under Section 2.05(a)(iii), not later than 2:00 p.m., New York City time, three (3) Business Days prior to the expiration of the then current Interest Period with respect thereto and (iii) in the case of a conversion of Eurodollar Term Loans to ABR Term Loans under Section 2.05(a)(ii), not later than 11:00 a.m., New York City time, on the expiration date of the then current Interest Period with respect thereto. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Interest Election Request in a form approved by the Administrative Agent and signed by the Borrower.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.01:

(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 or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower 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 fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to 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 converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, and upon the request of the Required Lenders, (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.06. Limitation on Eurodollar Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Eurodollar Term Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of the Eurodollar Term Loans comprising each Eurodollar Tranche shall be equal to \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof and (b) no more than ten (10) Eurodollar Tranches shall be outstanding at any one time.

SECTION 2.07. Interest on Term Loans.

(a) Subject to the provisions of Section 2.08, each ABR Term Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days or, when the Alternate Base Rate is based on the Prime Rate, a year with three hundred sixty-five (365) days or three hundred sixty-six (366) days in a leap year) at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin.

(b) Subject to the provisions of Section 2.08, each Eurodollar Term Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days) at a rate per annum equal, during each Interest Period applicable thereto, to the LIBO Rate for such Interest Period in effect for such Borrowing plus the Applicable Margin.

(c) Accrued interest on all Term Loans shall be payable in arrears on each Interest Payment Date applicable thereto, on the Termination Date with respect to such Term Loans and thereafter on written demand and (with respect to Eurodollar Term Loans) upon any repayment or prepayment thereof (on the amount repaid or prepaid); provided that in the event of any conversion of any Eurodollar Term Loan to an ABR Term Loan, accrued interest on such Term Loan shall be payable on the effective date of such conversion.

SECTION 2.08. Default Interest. If the Borrower shall default in the payment of the principal of or interest on any Term Loan or in the payment of any fee becoming due hereunder, whether at stated maturity, by acceleration or otherwise, the Borrower shall on written demand of the Administrative Agent (which written demand shall be given at the request of the Required Lenders) from

time to time pay interest, to the extent permitted by law, on all overdue amounts up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days or, when the Alternate Base Rate is applicable and is based on the Prime Rate, a year of three hundred sixty-five (365) days or three hundred sixty-six (366) days in a leap year) equal to (a) with respect to the principal amount of any Term Loan, the rate then applicable for such Borrowings plus 2.0%, and (b) with respect to interest and fees, the rate applicable for ABR Term Loans plus 2.0%.

SECTION 2.09. Alternate Rate of Interest.

(a) In the event, and on each occasion, that on the date that is two (2) Business Days prior to the commencement of any Interest Period for a Eurodollar Term Loan, the Administrative Agent shall have reasonably determined (which determination shall be conclusive and binding upon the Borrower absent manifest error) that reasonable means do not exist for ascertaining the applicable LIBO Rate (including because the LIBO Screen Rate is not available or published on a current basis), the Administrative Agent shall, as soon as practicable thereafter, give written, facsimile or telegraphic notice of such determination to the Borrower and the Lenders and, until the circumstances giving rise to such notice no longer exist, any request by the Borrower for a Borrowing of Eurodollar Term Loans hereunder (including pursuant to a refinancing with Eurodollar Term Loans and including any request to continue, or to convert to, Eurodollar Term Loans) shall be deemed a request for a Borrowing of ABR Term Loans.

(b) Notwithstanding the foregoing, if at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in this Section 2.09 have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in this Section 2.09 have not arisen but the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Screen Rate shall no longer be used for determining interest rates for loans, then the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable; provided that, if such alternate rate of interest as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement. Notwithstanding anything to the contrary in Section 10.08, such amendment shall become effective without any further action or consent of any Lender so long as the Administrative Agent shall not have received, within five Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment. Until an alternate rate of interest shall be determined in accordance with this clause (b) (but, in the case of the circumstances described in clause (ii) of the first sentence of this Section 2.09(b), only to the extent the LIBO Screen Rate for such Interest Period is not available or published at such time on a current basis), any request by the Borrower for a Borrowing of Eurodollar Term Loans hereunder (including pursuant to a refinancing with Eurodollar Term Loans and including any request to continue, or to convert to, Eurodollar Term Loans) shall be deemed a request for a Borrowing of ABR Term Loans.

SECTION 2.10. Repayment of Term Loans; Evidence of Debt.

(a) The Borrower hereby unconditionally promises to pay to the Administrative Agent for the ratable account of each Lender the then unpaid principal amount of each Term Loan then outstanding on the Termination Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Term 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 Term Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower 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. The Borrower shall have the right, upon reasonable notice, to request information regarding the accounts referred to in the preceding sentence.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Term Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Term Loans made by it be evidenced by a promissory note. In such event, the Borrower shall promptly execute and deliver 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) in a form furnished by the Administrative Agent and reasonably acceptable to the Borrower. Thereafter, the Term Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.02) 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 2.11. Optional Termination or Reduction of Delayed Draw Commitments. Upon at least one (1) Business Day's prior written notice to the Administrative Agent, the Borrower may at any time in whole permanently terminate, or from time to time in part permanently reduce, the unused Delayed Draw Term Loan Commitments; provided that each such notice shall be revocable to the extent such termination or reduction would have resulted from a refinancing of the Obligations, which refinancing shall not be consummated or shall otherwise be delayed. Each such reduction of the unused Delayed Draw Term Loan Commitments shall be in the principal amount not less than \$5,000,000 and in an integral multiple of \$1,000,000. Any reduction of the Delayed Draw Term Loan Commitment pursuant to this Section 2.11 shall be applied on a pro rata basis.

SECTION 2.12. Mandatory Prepayment of Term Loans.

(a) The Borrower shall prepay the Term Loans in an amount necessary to comply with Section 6.03, in each case as directed by the Borrower.

(b) All prepayments under this Section 2.12 shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus Fees and any losses, costs and expenses, as more fully described in Sections 2.15 and 2.19 hereof.

SECTION 2.13. Optional Prepayment of Term Loans.

(a) The Borrower shall have the right, at any time and from time to time, to prepay any Term Loans, in whole or in part, (i) with respect to Eurodollar Term Loans, upon (A) telephonic

notice followed promptly by written or facsimile notice or (B) written or facsimile notice received by 1:00 p.m., New York City time, three (3) Business Days prior to the proposed date of prepayment and (ii) with respect to ABR Term Loans, upon written or facsimile notice received by 1:00 p.m., New York City time, one (1) Business Day prior to the proposed date of prepayment; provided that ABR Term Loans may be prepaid on the same day notice is given if such notice is received by the Administrative Agent by 12:00 noon, New York City time; provided further, however, that (A) each such partial prepayment shall be in an amount not less than \$5,000,000 and in integral multiples of \$1,000,000, (B) no prepayment of Eurodollar Term Loans shall be permitted pursuant to this Section 2.13(a) other than on the last day of an Interest Period applicable thereto unless such prepayment is accompanied by the payment of the amounts described in Section 2.15, and (C) no partial prepayment of a Borrowing of Eurodollar Term Loans shall result in the aggregate principal amount of the Eurodollar Term Loans remaining outstanding pursuant to such Borrowing being less than \$5,000,000.

(b) All prepayments under Section 2.13(a) shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees and any losses, costs and expenses, as more fully described in Sections 2.15 and 2.19 hereof.

(c) Each notice of prepayment shall specify the prepayment date, the principal amount of the Term Loans to be prepaid and, in the case of Eurodollar Term Loans, the Borrowing or Borrowings pursuant to which made, shall be irrevocable and shall commit the Borrower to prepay such Term Loan by the amount and on the date stated therein; provided that the Borrower may revoke any notice of prepayment under this Section 2.13 if such prepayment would have resulted from a refinancing of any or all of the Obligations hereunder, which refinancing shall not be consummated or shall otherwise be delayed. The Administrative Agent shall, promptly after receiving notice from the Borrower hereunder, notify each Lender of the principal amount of the Term Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

SECTION 2.14. Increased Costs.

(a) If any Change in Law shall:

(i) subject any Lender to any Taxes (other than (A) Indemnified Taxes or (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(ii) 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 such reserve requirement subject to Section 2.14(c)); or

(iii) impose on any Lender or the London interbank market any other condition (other than Taxes) affecting this Agreement or Eurodollar Term Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of converting any ABR Term Loan to a Eurodollar Term Loan or making, maintaining or continuing any Eurodollar Term Loan (or of maintaining its obligation to make any such Term Loan) or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender, such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender reasonably determines in good faith 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 capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Term Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy or liquidity), then from time to time the Borrower will pay to such Lender such additional amount or amounts, in each case as documented by such Lender to the Borrower as will compensate such Lender or such Lender's holding company for any such reduction suffered; it being understood that to the extent duplicative of the provisions in Section 2.16, this Section 2.14(b) shall not apply to Taxes.

(c) The Borrower 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 Eurodollar funds or deposits, additional interest on the unpaid principal amount of each Eurodollar Term Loan equal to the actual costs of such reserves allocated to such Term Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive in the absence of manifest error) 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 funding of the Eurodollar Term 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 Term Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error) which in each case shall be due and payable on each date on which interest is payable on such Term Loan, provided the Borrower shall have received at least fifteen (15) days' prior notice (with a copy to the Administrative Agent, and which notice shall specify the Statutory Reserve Rate, if any, applicable to such Lender) of such additional interest or cost from such Lender. If a Lender fails to give notice fifteen (15) days prior to the relevant Interest Payment Date, such additional interest or cost shall be due and payable fifteen (15) days from receipt of such notice.

(d) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a), (b) or (c) of this Section 2.14 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(e) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.14 shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section 2.14 for any increased costs or reductions incurred more than one hundred eighty (180) days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof. The protection of this Section 2.14 shall be available to each Lender regardless of any possible contention as to the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

(f) Any determination by a Lender of amounts owed pursuant to this Section 2.14 to such Lender due to any Change in Law, pursuant to the proviso in the definition thereof shall be made in good faith in a manner generally consistent with such Lender's standard practice.

SECTION 2.15. Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Term Loan other than on the last day of an Interest Period applicable thereto (including as a result of the occurrence and continuance of an Event of Default), (b) the failure to borrow,

convert, continue or prepay any Eurodollar Term Loan on the date specified in any notice delivered pursuant hereto, or (c) the assignment of any Eurodollar Term Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.18 or Section 10.08(d), then, in any such event, at the request of such Lender, the Borrower shall compensate such Lender for the loss, cost and expense attributable to such event. Such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith 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 Term Loan had such event not occurred, at the applicable rate of interest for such Term Loan (excluding, however the Applicable Margin included therein, if any), 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 Term 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 dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.15 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

SECTION 2.16. Taxes.

(a) Any and all payments by or on account of any Obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if any Indemnified Tax or Other Taxes are required to be withheld from any amounts payable to a Recipient, as determined in good faith by the applicable Withholding Agent, then (i) the sum payable by the Borrower shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.16), such Recipient receives an amount equal to the sum it would have received had no such deductions been made, (ii) the applicable Withholding Agent shall make such deductions and (iii) the applicable Withholding Agent shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition (and without duplication of any payments with respect to Other Taxes pursuant to Section 2.16(a)), the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify each Recipient within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by or on behalf of such Recipient on or with respect to any payment by or on account of any obligation of the Borrower hereunder or under any other Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. After a Recipient learns of the imposition of Indemnified Taxes or Other Taxes, such party will act in good faith to notify the Borrower promptly of its obligations thereunder. A certificate as to 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) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority pursuant to this Section 2.16, 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 to the extent available, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Borrower to do so) and (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.02(d) relating to the maintenance of a Participant Register, in either case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments under this Agreement or any other Loan Document shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or as reasonably requested by the Borrower, such properly completed and executed documentation prescribed by applicable law or requested by the Borrower as will (i) enable the Borrower to determine whether such Lender is subject to backup withholding or information reporting requirements, and (ii) permit such payments to be made without withholding or at a reduced rate; provided that a Foreign Lender shall not be required to deliver any documentation pursuant to this Section 2.16(f) that such Foreign Lender is not legally able to deliver.

(g) (1) Without limiting the generality of Section 2.16(f),

(i) any Lender that is a U.S. Person (as such term is defined in Section 7701(a)(30) of the Code) shall deliver to the Administrative Agent (and the Borrower at its request) on or prior to the date on which such Lender becomes a party under this Agreement (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon the reasonable request of the Borrower or the Administrative Agent), executed copies of Internal Revenue Service Form W-9 (or any successor form) certifying that such Lender is exempt from U.S. federal backup withholding tax;

(ii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Administrative Agent (in such number of copies as shall be requested by the recipient) (and the Borrower at its request) on or prior to the date on which such Foreign Lender becomes a party under this Agreement (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable;

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

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the Form of Exhibit C-1 to the effect that (i) such Foreign Lender is not (A) a “bank” within the meaning of section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Borrower within the meaning of section 881(c)(3)(B) of the Code, and (C) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Code, and (ii) the interest payments in question are not effectively connected with the United States trade or business conducted by such Lender (a “U.S. Tax Compliance Certificate”) and (y) duly completed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable;

(4) to the extent a Foreign Lender is not the beneficial owner (for example, where the Foreign Lender is a partnership or participating bank granting a typical participation), an Internal Revenue Service Form W-8IMY, accompanied by a Form W-8ECI, W-8BEN or W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-2 or C-3 (as applicable), Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that, if the Foreign Lender is a partnership (and not a participating bank) and one or more beneficial owners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-4 on behalf of each such beneficial owner; or

(5) any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower to determine the withholding or deduction required to be made.

If the Administrative Agent is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, the Administrative Agent shall deliver to the Borrower, on or prior to the date on which it becomes the Administrative Agent (and from time to time thereafter when the previously delivered forms expire, or upon the reasonable request of the Borrower), such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate of withholding.

The Administrative Agent and each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(2) If a payment made to a Lender under this Agreement or 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 and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower 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 purposes of this clause (2), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(h) If the Administrative Agent or a Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.16, it shall pay over an amount equal to such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.16 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender incurred in obtaining such refund (including Taxes imposed with respect to such refund) 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) 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. Notwithstanding anything to the contrary in this paragraph (h), in no event will the Administrative Agent or any Lender be required to pay any amount to the Borrower pursuant to this paragraph (h) if, and then only to the extent, the payment of such amount would place the Administrative Agent or Lender in a less favorable net after-Tax position than the Administrative Agent or Lender would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This Section 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 which it deems confidential) to the Borrower or any other Person.

SECTION 2.17. Payments Generally; Pro Rata Treatment.

(a) The Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest, or fees or of amounts payable under Section 2.14 or 2.15, or otherwise) prior to 1:00 p.m., New York City time, on the date when due, in immediately available funds, without setoff or counterclaim. Any amounts received after such time on any date may, in the reasonable 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 the Administrative Agent at its offices at 383 Madison Avenue, New York, New York, pursuant to wire instructions to be provided by the Administrative Agent, except that payments pursuant to Sections 2.14, 2.15 and 10.04 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder 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, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in the applicable currency.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all Obligations then due hereunder, such funds shall be applied (i) first, towards payment of Fees and expenses then due under Sections 2.19 and 10.04 payable to the Administrative Agent, (ii) second, towards payment of Fees and expenses then due under Sections 2.19 and 10.04 payable to the Arrangers and the Lenders and towards payment of interest then due on account of the Term Loans, ratably among the parties entitled thereto in accordance with the amounts of such Fees and expenses and interest then due to such parties and (iii) third, towards payment of principal of the Term Loans then due hereunder ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04(a), 8.04 or 10.04(c), 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.

(e) Pro Rata Treatment.

(i) Each payment by the Borrower of interest in respect of the Term Loans shall be applied to the amounts of such obligations owing to the Lenders pro rata according to the respective amounts then due and owing to the Lenders.

(ii) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Term Loans shall be made pro rata according to the respective outstanding principal amounts of the Term Loans then held by the Lenders (except that any prepayment of Term Loans with the proceeds of Refinancing Debt shall be applied solely to each applicable tranche of the Indebtedness being refinanced). Amounts prepaid on account of the Term Loans may not be reborrowed.

SECTION 2.18. Mitigation Obligations; Replacement of Lenders.

(a) If the Borrower is required to pay any additional amount or indemnification payment to any Lender under Section 2.14 or 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 Term Loans hereunder, to assign its rights and obligations hereunder to another of its offices, branches or affiliates or to file any certificate or document reasonably requested by the Borrower, if, in the judgment of such Lender, such designation, assignment or filing (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 (other than immaterial costs and expenses) and would not otherwise be materially disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If, after the date hereof, any Lender requests compensation under Section 2.14 or if the 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, or becomes a Defaulting 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 Section 10.02), 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) such Lender shall have received payment of an amount equal to the

outstanding principal of its Term Loans, accrued interest thereon, accrued fees and all other amounts due, owing and payable to it hereunder at such time, 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) and (ii) in the case of payments required to be made pursuant to Section 2.16, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and 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.

(c) Each party hereto agrees that (a) an assignment required pursuant to this Section 2.18 may be effected pursuant to an Assignment and Acceptance executed by the Borrower, the Administrative Agent and the assignee and (b) 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, further that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.19. Certain Fees.

(a) The Borrower shall pay to the Administrative Agent the fee set forth in that certain Administrative Agent Fee Letter dated as of March 17, 2020 between the Administrative Agent and the Borrower at the time set forth therein in immediately available funds.

(b) The Borrower shall pay to the Administrative Agent for the account of each Lender holding outstanding Delayed Draw Term Loan Commitments, a commitment fee (the “Delayed Draw Commitment Fee”) equal to (A) the average daily unused amount of the Delayed Draw Term Loan Commitments of such Lender times (B) 0.15% per annum. All fees referred to in this Section 2.19(b) shall be calculated on the basis of a 360-day year and the actual number of days elapsed and payable quarterly in arrears on March 31, 2020, on June 30, 2020 and on the Delayed Draw Commitment Termination Date of the applicable Delayed Draw Term Loan Commitments.

(c) The Borrower shall pay on the Closing Date to each Lender, as compensation for providing the Closing Date Term Loans and the Delayed Draw Term Loan Commitments, an upfront fee (the “Upfront Fees”) in an amount equal to 0.50% of the sum of such Lender’s (x) Closing Date Term Loans actually funded on the Closing Date and (y) Delayed Draw Term Loan Commitments as of the Closing Date. The Upfront Fees shall be in all respects fully earned, due and payable on the Closing Date and non-refundable and non-creditable thereafter.

(d) All Fees shall be paid on the dates due, in immediately available funds, to the Administrative Agent as provided herein and in the Administrative Agent Fee Letter. Once paid, none of the Fees shall be refundable under any circumstances.

SECTION 2.20. Right of Set-Off. Upon the occurrence and during the continuance of any Event of Default pursuant to Section 7.01(b), the Administrative Agent and each Lender (and their respective banking Affiliates) is hereby 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 but excluding deposits in the Escrow Accounts, Payroll Accounts and other accounts, in each case, held in trust for an identified beneficiary) at any time held and other indebtedness at any time owing by the Administrative Agent and each such Lender (or any of such banking Affiliates) to or for the credit or the account of the Borrower against any and all of any such overdue amounts owing to such Lender (or any of such banking Affiliates) or the Administrative Agent under the Loan Documents,

irrespective of whether or not the Administrative Agent or such Lender shall have made any demand under any Loan Document; provided that each Lender agrees promptly to notify 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 setoff and application; provided, further, that in the event that any Defaulting Lender exercises any such right of setoff, (x) all amounts so set off will be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.22(b) and, pending such payment, will be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (y) the Defaulting Lender will provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender and the Administrative Agent agree promptly to notify the Borrower after any such set-off and application made by such Lender or the Administrative Agent (or any of such banking Affiliates), as the case may be, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender and the Administrative Agent under this Section 2.20 are in addition to other rights and remedies which such Lender and the Administrative Agent may have upon the occurrence and during the continuance of any Event of Default.

SECTION 2.21. Payment of Obligations. Subject to the provisions of Section 7.01, upon the maturity (whether by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Borrower, the Lenders shall be entitled to immediate payment of such Obligations.

SECTION 2.22. Defaulting Lenders.

(a) Anything herein to the contrary notwithstanding, no Defaulting Lender shall be entitled to receive any fees accruing pursuant to Section 2.19 during the period that such Lender is a Defaulting Lender (without prejudice to the rights of the Non-Defaulting Lenders in respect of such fees).

(b) Any amount paid by the Borrower or otherwise received by the Administrative Agent for the account of a Defaulting Lender with respect to the Term Loan Facility under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or distributed to such Defaulting Lender, but shall instead be retained by the Administrative Agent in a Escrow Account until the termination of the Facility and payment in full of all obligations of the Borrower hereunder and will be applied by the Administrative Agent, to the fullest extent permitted by law, to the making of payments from time to time in the following order of priority: First to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent, second to the payment of the default interest and then current interest due and payable to the Lenders which are Non-Defaulting Lenders, ratably among them in accordance with the amounts of such interest then due and payable to them, third to the payment of fees then due and payable to the Non-Defaulting Lenders, ratably among them in accordance with the amounts of such fees then due and payable to them, fourth to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders and fifth after the termination of the Facility and payment in full of all obligations of the Borrower, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

(c) If the Borrower and the Administrative Agent agree in writing that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the Lenders, 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 amounts then held in the Escrow Account), such Lender shall purchase at par such portions of outstanding Term Loans of the other

Lenders, and/or make such other adjustments, as the Administrative Agent may determine to be necessary to cause the Lenders to hold Term Loans on a pro rata basis in accordance with their respective applicable Delayed Draw Term Loan Commitments and/or Closing Date Term Loan Commitments, whereupon such Lender shall cease to be a Defaulting Lender and will be a Non-Defaulting Lender; provided that no adjustments shall be made retroactively with respect to fees accrued while such 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 Non-Defaulting Lender shall constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

SECTION 2.23. Incremental Term Loans.

(a) Borrower Request. The Borrower may, by written notice to the Administrative Agent from time to time, request an increase to the existing Term Loan Facility (the commitments thereunder, the "Incremental Commitments") in an amount not less than \$50,000,000 individually and not to exceed the applicable Incremental Amount from one or more Incremental Lenders (which may include any existing Lender) willing to provide such Incremental Commitments in their sole discretion; provided that each Incremental Lender (which is not an existing Lender) shall be subject to the approval requirements of Section 10.02. Each such notice shall specify (i) the date (each, an "Increase Effective Date") on which the Borrower proposes that the proposed Incremental Commitments shall be effective, which shall be a date not less than ten (10) Business Days after the date on which such notice is delivered to the Administrative Agent and (ii) the identity of each Eligible Assignee to whom the Borrower proposes any portion of such Incremental Commitments be allocated and the amounts of such allocations (each provider of the Incremental Commitments referred to herein as an "Incremental Lender"); provided that any existing Lender approached to provide all or a portion of the proposed Incremental Commitments may elect or decline, in its sole discretion, to provide such Incremental Commitment.

(b) Conditions. Any Incremental Commitments shall become effective as of the applicable Increase Effective Date; provided that:

(i) all representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of such Increase Effective Date (both before and after giving effect thereto and, in the case of each Borrowing of Term Loans pursuant to Incremental Commitments, the application of proceeds therefrom) with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to such Borrowing of Term Loans;

(ii) no Default or Event of Default shall have occurred and be continuing or would result from the Borrowings to be made on such Increase Effective Date; provided, for the avoidance of doubt, that no Default or Event of Default in respect of Section 6.03 shall have occurred and be continuing nor result from the making of such Borrowing on and as of the applicable Increase Effective Date, without giving effect to any Asset Coverage Ratio Cure Period;

(iii) after giving effect to the incurrence of such Incremental Commitments, the Aggregate Exposure with respect to all Lenders shall not exceed \$4,000,000,000; and

(iv) the Borrower shall have duly executed and delivered to the Administrative Agent a Mortgage Supplement to the Long Form Mortgage and/or other Collateral Documents granting first

priority Liens and security interests in any additional Pool Assets required to maintain compliance with Section 6.03 (subject to Liens permitted under Section 6.01(a)) in favor of the Administrative Agent, for the benefit of the Lenders, and shall have caused any such Mortgage Supplement to be filed with the FAA in order to perfect the Liens on such additional Pool Assets in the form of Aircraft, and evidence of such filing will be provided to the Administrative Agent promptly after being made available by the FAA and no later than 5 business days after the applicable Increase Effective Date (or such longer period that is reasonably acceptable to the Administrative Agent) the Borrower shall register the International Interest in connection with the applicable Short Form Mortgage with the International Registry.

(c) Terms of Incremental Commitments. The terms and provisions of Term Loans made pursuant to the Incremental Commitments shall be identical to the existing Term Loans. For the avoidance of doubt, Term Loans made in respect of Incremental Commitments made in reliance on this Section 2.23 are intended to be fully fungible with the Closing Date Term Loans and any Delayed Draw Term Loans. Prior to any funding of Term Loans pursuant to Incremental Commitments, the Administrative Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to such Borrowing.

The Incremental Commitments shall be effected by a joinder agreement (the “Increase Joinder”) executed by the Borrower, the Administrative Agent and each Incremental Lender making such Incremental Commitment, in form and substance reasonably satisfactory to each of them. The Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 2.23. In addition, unless otherwise specifically provided herein, all references in Loan Documents to Term Loans shall be deemed, unless the context otherwise requires, to include references to Term Loans made pursuant to Incremental Commitments made pursuant to this Agreement.

(d) Equal and Ratable Benefit. The Loans and Incremental Commitments established pursuant to this Section 2.23 shall constitute Loans and Incremental Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents and shall, without limiting the foregoing, benefit equally and ratably from the security interests created by the applicable Mortgages. The Borrower shall take any actions reasonably required by the Administrative Agent to ensure that the Lien and security interests granted by the Mortgages continue to be perfected after giving effect to the establishment of any such Incremental Commitments.

SECTION 3.

REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to make Term Loans hereunder, the Borrower represents and warrants as follows:

SECTION 3.01. Organization and Authority. (a) The Borrower and each of its Material Subsidiaries are duly organized, validly existing and in good standing under the laws of the jurisdiction of their organization and are duly qualified and in good standing in each jurisdiction in which the failure to so qualify would have a Material Adverse Effect, (b) the Borrower has the requisite corporate or limited liability company power and authority to effect the Transactions, and (c) the Borrower and each of its Material Subsidiaries have all requisite power and authority and the legal right to own or lease and operate their properties, mortgage the Pool Assets and to conduct their business as

now or currently proposed to be conducted. On the Closing Date, the Borrower has no Material Subsidiaries.

SECTION 3.02. Air Carrier Status. The Borrower is an “air carrier” within the meaning of Section 40102 of Title 49 and holds a certificate under Section 41102 of Title 49. The Borrower holds an air carrier operating certificate issued pursuant to Chapter 447 of Title 49. The Borrower is a “citizen of the United States” as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies (a “United States Citizen”). The Borrower possesses all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted except where failure to so possess would not, in the aggregate, have a Material Adverse Effect.

SECTION 3.03. Due Execution. The execution, delivery and performance by the Borrower of each of the Loan Documents to which it is a party (a) are within its corporate powers, have been duly authorized by all necessary corporate action, including the consent of shareholders where required, and do not (i) contravene the charter or by-laws of the Borrower, (ii) violate any applicable law (including, without limitation, the Exchange Act) or regulation (including, without limitation, Regulations T, U or X of the Board), or any order or decree of any court or Governmental Authority, other than violations by the Borrower which would not reasonably be expected to have a Material Adverse Effect or (iii) conflict with or result in a breach of, constitute a default under, or create an adverse liability or rights under, any material indenture, mortgage or deed of trust or any material lease, agreement or other instrument binding on the Borrower or any of its properties, which, in the aggregate, would reasonably be expected to have a Material Adverse Effect; and (b) do not require the consent, authorization by or approval of or notice to or filing or registration with any Governmental Authority or any other Person, other than (i) approvals, consents and exemptions that have been obtained on or prior to the Closing Date and remain in full force and effect and (ii) consents, approvals and exemptions that the failure to obtain in the aggregate would not be reasonably expected to result in a Material Adverse Effect. Each Loan Document has been duly executed and delivered by the Borrower. This Agreement is, and each of the other Loan Documents to which the Borrower is or will be a party, when delivered hereunder or thereunder, will be, a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar 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 3.04. Financial Statements; Material Adverse Change.

(a) The Borrower has furnished to the Administrative Agent on behalf of the Lenders copies of the audited consolidated financial statements of the Borrower and its Subsidiaries for the fiscal year ended December 31, 2019, reported on by Ernst & Young LLP. Such financial statements present fairly, in all material respects, in accordance with GAAP, the financial condition, results of operations and cash flows of the Borrower and its Subsidiaries on a consolidated basis as of the date thereof and for the period covered thereby (subject to normal year-end audit adjustments and the absence of footnotes in the case of the unaudited financial statements). Documents required to be delivered pursuant to this Section 3.04(a) which are made available via EDGAR, or any successor system of the SEC, in the Borrower’s Annual Report on Form 10-K, shall be deemed delivered to the Administrative Agent and the Lenders on the date such documents are made so available.

(b) Except as disclosed in (i) the Borrower’s current report on Form 8-K, dated March 10, 2020, and (ii) the Borrower’s current report on Form 8-K, dated March 13, 2020 (in each case,

including exhibits and other information incorporated by reference therein, but excluding any disclosures included therein to the extent they are predictive or forward-looking in nature), since December 31, 2019, there has been no Material Adverse Change.

SECTION 3.05. Use of Proceeds. The proceeds of the Term Loans shall be used for working capital and other general corporate purposes of the Borrower and its Subsidiaries (including the repayment of Indebtedness and the payment of fees and transaction costs as contemplated hereby and as referred to in Section 2.19), and no part of the proceeds of any Term Loan will be used for any purpose which would violate, or be inconsistent with, any of the margin regulations of the Board.

SECTION 3.06. Litigation and Compliance with Laws.

(a) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its properties (including any Pool Assets), before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, (i) that are likely to have a Material Adverse Effect or (ii) that purport to, or could reasonably be expected to, affect the legality, validity, binding effect or enforceability of the Loan Documents or, in any material respect, the rights and remedies of the Administrative Agent or the Lenders thereunder or in connection with the Transactions.

(b) Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, (i) the Borrower and each of its Material Subsidiaries are currently in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities in respect of the conduct of their business and ownership of their property (including compliance with all applicable Environmental Laws governing their business), and (ii) none of the Borrower or its Subsidiaries has (x) become subject to any Environmental Liability, or (y) received written notice of any pending or, to the knowledge of the Borrower, threatened claim with respect to any Environmental Liability.

SECTION 3.07. Investment Company Act. The Borrower is not, and is not required to be, registered as an “investment company” under the Investment Company Act of 1940, as amended.

SECTION 3.08. ERISA. No Termination Event has occurred or is reasonably expected to occur that would reasonably be expected to have a Material Adverse Effect.

SECTION 3.09. Title to Pool Assets. The Borrower and each of its Material Subsidiaries shall have good and marketable title to each of the Pool Assets, free of all Liens other than Liens permitted under Section 6.01.

SECTION 3.10. Payment of Taxes. Each of the Borrower and its Material Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid when due all Taxes required to have been paid by it, except and solely to the extent that, in each case (a) such Taxes are being contested in good faith by appropriate proceedings and the Borrower or such Material Subsidiary, as applicable, has set aside on its books adequate reserves therefor in accordance with GAAP or (b) the failure to do so would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11. Economic Sanctions.

(a) Neither the Borrower nor any of its Subsidiaries nor, to the knowledge of the Borrower, any director, officer or employee of the Borrower or such Subsidiary (each, a “Specified

Person”) is an individual or entity currently the subject of any sanctions administered or enforced by the United States (including but not limited to OFAC or the U.S. Department of State), the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority (collectively, “Sanctions”), nor is the Borrower or any of its Subsidiaries located, organized or resident in a country or territory that is the subject of Sanctions.

(b) No Specified Person will use any proceeds of the Term Loans or lend, contribute or otherwise make available such proceeds to any Person for the purpose of funding, financing or facilitating the activities of or with any Person or in any country or territory that, at the time of such financing, is the subject of Sanctions, except to the extent licensed by OFAC or otherwise authorized under U.S. law.

(c) The Borrower, its Subsidiaries, and to the knowledge of the Borrower, the respective officers and directors of the Borrower and such Subsidiary are in compliance in all material respects with applicable Sanctions and will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with such laws.

SECTION 3.12. Anti-Corruption Laws. The Borrower and its Subsidiaries and, to the knowledge of the Borrower, the directors, officers, agents, and employees of the Borrower and its Subsidiaries are in compliance in all material respects with all applicable anti-corruption laws. The Borrower and its Subsidiaries will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with such laws and with the representation and warranty contained herein.

SECTION 3.13. Perfected Security Interests. The Collateral Documents, taken as a whole, are effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in all of the Pool Assets, subject as to enforceability to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. At such time as (a) if applicable, financing statements in appropriate form are filed in the appropriate offices (and the appropriate fees are paid) and (b) the applicable Mortgage (including, without limitation, any Mortgage Supplements) is filed for recordation with the FAA (and the appropriate fees are paid) and registrations with respect to the International Interests in the Pool Assets constituted by the applicable Mortgage are duly made in the International Registry the Administrative Agent, for the benefit of the Secured Parties, shall have a first priority (subject only to the Liens permitted under Section 6.01(a)) perfected security interest and/or mortgage (or comparable Lien) in all of the Pool Assets to the extent that the Liens on such Pool Assets may be perfected upon the filings or recordations or upon the taking of the actions described in clauses (a) and (b) above, subject in each case only to the Liens permitted under Section 6.01(a), and such security interest is entitled to the benefits, rights and protections afforded under the applicable Collateral Documents (subject to the qualification set forth in the first sentence of this Section 3.13).

SECTION 4.

CONDITIONS OF LENDING

SECTION 4.01. Conditions Precedent to Effectiveness and Funding of the Closing Date Term Loans. The effectiveness of this Agreement and the obligation of the Lenders to make the Closing Date Term Loans are subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) Supporting Documents. The Administrative Agent shall have received with respect to the Borrower:

(i) a copy of the Borrower's certificate of incorporation, as amended, certified as of a recent date by the Secretary of State of the state of its incorporation or formation;

(ii) a certificate of the Secretary of State of the state of the Borrower's incorporation, dated as of a recent date, as to the good standing of the Borrower (to the extent available in the applicable jurisdiction) and as to the charter documents on file in the office of such Secretary of State;

(iii) a certificate of the Secretary or an Assistant Secretary of the Borrower dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the by-laws of the Borrower as in effect on the date of such certification, (B) that attached thereto is a true and complete copy of resolutions adopted by the board of directors of the Borrower or an authorized committee thereof authorizing the Borrowings hereunder and the execution, delivery and performance in accordance with their respective terms of this Agreement, the other Loan Documents and any other documents required or contemplated hereunder or thereunder, (C) that the certificate of incorporation of the Borrower has not been amended since the date of the last amendment thereto indicated on the certificate of the Secretary of State furnished pursuant to clause (i) above, and (D) as to the incumbency and specimen signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer of the Borrower as to the incumbency and signature of the officer signing the certificate referred to in this clause (iii)); and

(iv) an Officer's Certificate from the Borrower certifying (A) as to the accuracy in all material respects of the representations and warranties contained in the Loan Documents as though made on and as of the Closing Date, except to the extent that any such representation or warranty by its terms is made as of a different specified date, in which case such representation or warranty shall be or was true and correct in all material respects as of such date (provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects as of the applicable date), in each case before and after giving effect to the Transactions and (B) as to the absence of any Default or Event of Default occurring and continuing on the Closing Date before and after giving effect to the Transactions.

(b) Credit Agreement. The Borrower shall have duly executed and delivered to the Administrative Agent this Agreement.

(c) [Reserved].

(d) Opinions of Counsel. The Administrative Agent, and the Lenders shall have received:

(i) a written opinion of David S. Cartee, Associate General Counsel for the Borrower, in a form reasonably satisfactory to the Administrative Agent; and

(ii) a written opinion of Davis Polk & Wardwell LLP, special New York counsel to the Borrower, in a form reasonably satisfactory to the Administrative Agent.

(e) Payment of Fees and Expenses. The Borrower shall have paid to the Administrative Agent and the Lenders, as applicable, the Fees as referred to in Section 2.19(a) and (c),

and all reasonable and documented out-of-pocket expenses of the Administrative Agent (including reasonable attorneys' fees of Simpson Thacher & Bartlett LLP) for which invoices have been presented at least one (1) Business Day prior to the Closing Date, or the Borrower shall have authorized that such Fees and expenses be deducted from the proceeds of the initial funding under the Closing Date Term Loans.

(f) Representations and Warranties. All representations and warranties of the Borrower contained in this Agreement and the other Loan Documents executed and delivered on the Closing Date shall be true and correct in all material respects on and as of the Closing Date, before and after giving effect to the Transactions, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case such representation or warranty shall be true and correct in all material respects as of such specified date); provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to the Transactions.

(g) No Default. Before and after giving effect to the Transactions, no Default or Event of Default shall have occurred and be continuing on the Closing Date.

(h) Patriot Act. The Lenders shall have received at least three (3) days prior to the Closing Date all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, that such Lenders shall have requested at least ten (10) days prior to the Closing Date.

(i) Notice. The Administrative Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to the Borrowing of Closing Date Term Loans.

(j) Short-Form Aircraft Mortgage. The Borrower shall have duly executed and delivered to the Administrative Agent a short-form aircraft mortgage (the "Short Form Mortgage") granting first priority Liens and security interests in the Pool Assets (subject to Liens permitted under Section 6.01(a)) in favor of the Administrative Agent, for the benefit of the Lenders, and shall have caused such Short Form Mortgage to be filed with the FAA in order to perfect the Liens on the Pool Assets, and a stamped version thereof will be provided to the Administrative Agent. For the avoidance of doubt, no legal opinions with respect to collateral or FAA matters in connection with the Short Form Mortgage will be required on the Closing Date.

The execution by each Lender of this Agreement shall be deemed to be confirmation by such Lender that any condition relating to such Lender's satisfaction or reasonable satisfaction with any documentation set forth in this Section 4.01 has been satisfied as to such Lender.

SECTION 4.02. Conditions Precedent to the Funding of Each Delayed Draw Term Loan. The obligation of the Lenders to make each Delayed Draw Term Loan on the applicable Delayed Draw Funding Date is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent: (a) Notice. The Administrative Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to such Borrowing. (b) Representations and Warranties. All representations and warranties contained in this Agreement and the other Loan Documents (other than the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) shall be true and correct in all material respects on and as of each Delayed Draw Funding Date (both before and after giving effect thereto and, in the case of each Borrowing of Delayed Draw Term Loans, the application of proceeds therefrom) with the same effect as if made on and as of such date except to the extent such representations

and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, “Material Adverse Change” or “Material Adverse Effect” shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to such Borrowing of Delayed Draw Term Loans. (c) No Default. On each Delayed Draw Funding Date, no Default or Event of Default shall have occurred and be continuing nor result from the making of the requested Borrowing of Delayed Draw Term Loans and the application of proceeds thereof; provided, for the avoidance of doubt, that no Default or Event of Default in respect of Section 6.03 shall have occurred and be continuing nor result from the making of such Borrowing on and as of the date of such Borrowing, without giving effect to any Asset Coverage Ratio Cure Period. (d) Capacity. The amount of the requested Delayed Draw Term Loans shall not exceed the remaining amount of the Delayed Draw Term Loan Commitment then in effect. The request by the Borrower for, and the acceptance by the Borrower of, each of the Delayed Draw Term Loans hereunder shall be deemed to be a representation and warranty by the Borrower that the conditions specified in this Section 4.02 have been satisfied at that time.

SECTION 5.

AFFIRMATIVE COVENANTS

From the date hereof and for so long as the Delayed Draw Term Loan Commitments remain in effect and any principal of or interest on any Term Loan remain outstanding, the Borrower agrees to:

SECTION 5.01. Financial Statements, Reports, etc. Deliver to the Administrative Agent on behalf of the Lenders:

(a) Within ninety (90) days after the end of each fiscal year, the Borrower’s consolidated balance sheet and related statement of income and cash flows, showing the financial condition of the Borrower and its Subsidiaries on a consolidated basis as of the close of such fiscal year and the results of their respective operations during such year, the consolidated statement of the Borrower to be audited for the Borrower by Ernst & Young LLP or other independent public accountants of recognized national standing and accompanied by an opinion of such accountants (without a “going concern” or like qualification or exception and without any more qualification or exception as to the scope of such audit, except for any such qualification solely as a result of (x) an impending debt maturity within twelve (12) months of the Term Loan Facility under this Agreement or (y) a potential inability to satisfy any financial covenant) and to be certified by a Responsible Officer of the Borrower to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP. Documents required to be delivered pursuant to this clause (a) which are made publicly available via EDGAR, or any successor system of the SEC, in the Borrower’s Annual Report on Form 10-K, shall be deemed delivered to the Lenders on the date such documents are made so available;

(b) Within forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year, the Borrower’s consolidated balance sheets and related statements of income and cash flows, showing the financial condition of the Borrower and its Subsidiaries on a consolidated basis as of the close of such fiscal quarter and the results of their operations during such fiscal quarter and the then elapsed portion of the fiscal year, each certified by a Responsible Officer of the Borrower as fairly presenting in all material respects the financial condition and results of operations of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit

adjustments and the absence of footnotes. Documents required to be delivered pursuant to this clause (b) which are made publicly available via EDGAR, or any successor system of the SEC, in the Borrower's Quarterly Report on Form 10-Q, shall be deemed delivered to the Lenders on the date such documents are made so available;

(c) concurrently with any delivery of financial statements under (a) and (b) above, a certificate of a Responsible Officer of the Borrower (in substantially the form of Exhibit A) (i) certifying that, to the knowledge of such Responsible Officer, no Event of Default has occurred, or, if, to the knowledge of such Responsible Officer, such an Event of Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto, and (ii) setting forth computations in reasonable detail satisfactory to the Administrative Agent demonstrating compliance with the provisions of Sections 6.03 and 6.04;

(d) prompt written notice of any Termination Event that has occurred, or is reasonably expected to occur, to the extent such Termination Event would constitute an Event of Default under Section 7.01(l);

(e) promptly after a Responsible Officer of the Borrower obtains knowledge of the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Subsidiary that could reasonably be expected to result in a Material Adverse Effect, notification thereof;

(f) (i) on the date on which any Investment Property that is not listed on a national securities exchange is initially included as Additional Pool Assets, an Officer's Certificate from the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, setting forth the book value of such Investment Property as of the last day of the month most recently ended, together with all supporting documents with respect to such Investment Property as the Administrative Agent may reasonably request and (ii) at any time thereafter that any Investment Property that is not listed on a national securities exchange shall be included as Additional Pool Assets, concurrently with any delivery of financial statements under clause (a) or (b) above in respect of each fiscal quarter of the Borrower, an Officer's Certificate from the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, setting forth the book value of such Investment Property as of the last day of such fiscal quarter, together with all supporting documents with respect to such Investment Property as the Administrative Agent may reasonably request; and

(g) if an Event of Default has occurred and is continuing, any subsequent Appraisal Report reasonably requested by the Administrative Agent or the Required Lenders, in each case as soon as reasonably practicable after receipt by the Borrower of such request.

Subject to the next succeeding sentence, information delivered pursuant to this Section 5.01 to the Administrative Agent may be made available by the Administrative Agent to the Lenders by posting such information on the Intralinks website on the Internet at <http://www.intralinks.com>. Information delivered pursuant to this Section 5.01 may also be delivered by electronic communication pursuant to procedures approved by the Administrative Agent pursuant to Section 10.01 hereto. Information required to be delivered pursuant to this Section 5.01 (to the extent not made available as set forth above) shall be deemed to have been delivered to the Administrative Agent on the date on which the Borrower provides written notice to the Administrative Agent that such information has been posted on the Borrower's website on the Internet at <http://www.delta.com> (to the extent such information has been posted or is available as described in such notice). Information required to be delivered pursuant to this Section 5.01 shall be in a format which is suitable for transmission.

Any notice or other communication delivered pursuant to this Section 5.01, or otherwise pursuant to this Agreement, shall be deemed to contain material non-public information unless (i) expressly marked by the Borrower as “PUBLIC”, (ii) such notice or communication consists of copies of the Borrower’s public filings with the SEC or (iii) such notice or communication has been posted on the Borrower’s website on the Internet at <http://www.delta.com>.

SECTION 5.02. Existence. Preserve and maintain, and cause each of its Material Subsidiaries to 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 (a) if such failure to preserve the same could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (b) as otherwise permitted in connection with (i) sales of assets not restricted by Section 6.05 or (ii) mergers, liquidations and dissolutions permitted by Section 6.02.

SECTION 5.03. Insurance. Other than with respect to the Pool Assets, as to which only the insurance provisions of the applicable Mortgage shall be applicable, maintain with financially sound and reputable insurance companies, insurance of such types and in such amounts (after giving effect to any self-insurance) as is customary in the United States domestic airline industry for major United States air carriers having both substantial domestic and international operations or otherwise in the Borrower’s ordinary course of business and consistent with past practice, except to the extent that the failure to maintain such insurance could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.04. Maintenance of Properties. Except to the extent otherwise permitted hereunder, in its reasonable business judgment, keep and maintain, and cause each of its Material Subsidiaries to keep and maintain, all property material to the conduct of its business in good working order and condition (ordinary wear and tear and damage by casualty and condemnation excepted), except where the failure to keep such property in good working order and condition would not have a Material Adverse Effect.

SECTION 5.05. Obligations and Taxes. Pay, and cause each of its Material Subsidiaries to pay, all its and their material obligations promptly and in accordance with their terms, and pay and discharge promptly all taxes, assessments, governmental charges, levies or claims imposed upon it or upon its income or profits or in respect of its property, before the same shall become more than ninety (90) days delinquent, except in each case where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; provided, however, that the Borrower and each of its Material Subsidiaries shall not be required to pay and discharge or to cause to be paid and discharged any such obligation, tax, assessment, charge, levy or claim so long as (i) the validity or amount thereof shall be contested in good faith by appropriate proceedings and (ii) the Borrower and its Material Subsidiaries shall have set aside on their books adequate reserves therefor in accordance with GAAP.

SECTION 5.06. Notice of Event of Default, etc. Promptly upon knowledge thereof by a Responsible Officer of the Borrower, give to the Administrative Agent notice in writing of any Default or Event of Default.

SECTION 5.07. Access to Books and Records. Maintain or cause to be maintained at all times true and complete books and records in all material respects in a manner consistent with GAAP in all material respects of the financial operations of the Borrower and provide the Administrative Agent and its representatives and advisors reasonable access to all such books and records (subject to requirements under any confidentiality agreements, if applicable), as well as any appraisals of the Pool Assets, during regular business hours, in order that the Administrative Agent may upon reasonable prior notice and with reasonable frequency, but in any event, so long as no Event of Default has occurred and is

continuing, no more than one (1) time per year, examine and make abstracts from such books, accounts, records, appraisals and other papers, and permit the Administrative Agent and its respective representatives and advisors to confer with the officers of the Borrower and representatives (provided that the Borrower shall be given the right to participate in such discussions with such representatives) of the Borrower, all for the purpose of verifying the accuracy of the various reports delivered by the Borrower to the Administrative Agent or the Lenders pursuant to this Agreement or for otherwise ascertaining compliance with this Agreement; and at any reasonable time and from time to time during regular business hours, upon reasonable notice to the Borrower, permit the Administrative Agent and any agents or representatives (including, without limitation, appraisers) thereof to visit the properties of the Borrower and to conduct examinations of and to monitor the Pool Assets (other than with respect to all of the "Collateral" as defined in the Long Form Mortgage, as to which the provisions of Section 2.04 of the Long Form Mortgage shall apply), in each case at the expense of the Borrower (provided that the Borrower shall not be required to pay the expenses of more than one (1) such visit a year unless an Event of Default has occurred and is continuing).

SECTION 5.08. Compliance with Laws. Comply, and cause each of its Material Subsidiaries to comply, with all applicable laws, rules, regulations and orders of any Governmental Authority applicable to it or its property (including Environmental Laws), except where such noncompliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with anti-corruption laws and Sanctions.

SECTION 5.09. FAA and DOT Matters; Citizenship. (a) Maintain at all times its status as an "air carrier" within the meaning of Section 40102(a)(2) of Title 49, and hold a certificate under Section 41102(a)(1) of Title 49; (b) at all times hereunder be a United States Citizen; and (c) maintain at all times its status at the FAA as an air carrier and hold an air carrier operating certificate and other operating authorizations issued by the FAA pursuant to 14 C.F.R. Parts 119 and 121 as currently in effect or as may be amended or recodified from time to time. Except as specifically permitted herein, possess and maintain all necessary certificates, exemptions, franchises, licenses, permits, designations, rights, concessions, authorizations, frequencies and consents which are material to the operation, consistent with the conduct of its business and operations as currently conducted, of any Pool Assets, except where the failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.10. Post-Closing Items.

(a) By the Appraisal Delivery Date, submit to the Administrative Agent (for distribution to the Lenders) the Initial Appraisal Report and such Initial Appraisal Report shall demonstrate that, on the date of delivery of such Initial Appraisal Report, the Borrower shall be in compliance on a pro forma basis with Section 6.03. The Borrower may from time to time cause to be delivered subsequent Appraisal Reports if it believes that any affected Pool Asset has a higher Appraised Value than that reflected in the most recent Appraisal Report delivered.

(b) (i) No later than 14 days after the Closing Date (or such longer period that is reasonably acceptable to the Administrative Agent; provided that in the event of any disruptions to the ordinary course operations of the FAA, including as a result of any technical difficulties or other delays, this deadline will be extended in a manner to be mutually agreed by the Borrower and the Administrative Agent), the Borrower shall (A) execute and deliver the Mortgage Related Amendments and (B) cause to be provided to the Administrative Agent (x) a customary New York law legal opinion with respect to the enforceability of, and creation of the security interests under, the Short Form Mortgage as amended by the

Mortgage Related Amendments and (y) a customary FAA opinion covering the filing of the Short Form Mortgage as amended by the Mortgage Related Amendments with the FAA and the International Registry and the perfection of the first priority mortgage on the Pool Assets and

(ii) no later than 2 business days after the Closing Date (or such longer period that is reasonably acceptable to the Administrative Agent) the Borrower shall register the International Interest in connection with the Short Form Mortgage with the International Registry. The Borrower and the Administrative Agent shall be permitted, without the consent of any other Lender, to effect such amendments to this Agreement and the other Loan Documents as are mutually agreed between the Borrower and the Administrative Agent in order to incorporate customary mortgage provisions and operational covenants consistent with the Borrower's past practices (such amendments, the "Mortgage Related Amendments").

SECTION 5.11. Further Assurances. Execute any and all further documents and instruments, and take all further actions, that may be required or advisable under applicable law, the Cape Town Treaty or by the FAA, or that the Administrative Agent may reasonably request, in order to create, grant, establish, preserve and perfect the validity, perfection and priority of the Liens and security interests created or intended to be created by the Collateral Documents, to the extent required under this Agreement or the Collateral Documents, including, without limitation, amending, amending and restating, supplementing, assigning or otherwise modifying, renewing or replacing a Collateral Document or other agreements, instruments or documents relating thereto, in each case as may be reasonably requested by the Administrative Agent, in order to (i) create interests as contemplated and permitted hereunder or under the applicable Collateral Document (including, but not limited to, International Interests, Assignments, Prospective Assignments, Sales, Prospective Sales, Assignments of Associated Rights and Subordinations) that may be registered and/or assigned under the Cape Town Treaty, (ii) create, grant, establish, preserve and perfect the Liens in favor of the Administrative Agent for the benefit of the Secured Parties to the fullest extent possible under the Cape Town Treaty, including, where necessary, the subordination of other rights or interests and (iii) realize the benefit of the remedial provisions that are contemplated by the Cape Town Treaty, subject to the provisions of Section 4.02 of the Long Form Mortgage. Without limiting the generality of the foregoing or any other provisions of the Loan Documents, the Borrower hereby (A) agrees to exclude the application of Article XVI(1) (a) of the Aircraft Protocol (it being understood that such exclusion shall not derogate from any other rights of the Borrower under or pursuant to the Aircraft Mortgage) and (B) consents, pursuant to Article XV of the Aircraft Protocol, to any Assignment of Associated Rights within the scope of Article 33(1) of the Cape Town Convention which is permitted or required by the applicable Loan Documents and further agrees that the provisions of the preceding paragraph shall apply, in particular, with respect to Articles 31(4) and 36(1) of the Cape Town Convention to the extent applicable to any such Assignment of Associated Rights.

SECTION 5.12. Minimum Liquidity. The Borrower shall not, at the close of any Business Day, permit the sum of (i) the aggregate amount of Unrestricted Cash and (ii) the aggregate principal amount committed and available to be drawn by Borrower under all revolving credit facilities of the Borrower to be less than \$2,000,000,000.

SECTION 6.

NEGATIVE COVENANTS

From the date hereof and for so long as the Delayed Draw Term Loan Commitments and any principal of or interest on any Term Loan remain outstanding, the Borrower will not:

SECTION 6.01. Liens on the Pool Assets. As of the Appraisal Delivery Date,

(a) Incur, create, assume or suffer to exist (or permit any Subsidiary to incur, create, assume or suffer to exist) any Lien upon or with respect to the Pool Assets, or enter into any arrangement (or permit any Subsidiary to enter into any arrangement) with any Person that would materially negatively impact the value of any Pool Asset realizable by any third party or assign any right to receive the proceeds from the sale, transfer or disposition of any of the Pool Assets, or file or authorize the filing with respect to any of the Pool Assets of any financing statement naming the Borrower or any Subsidiary as debtor under the UCC or any similar notice of Lien naming the Borrower or any Subsidiary as debtor under any similar recording or notice statute (including, without limitation, any filing under Title 49, United States Code, Section 44107), other than:

(i) Liens for taxes, assessments or governmental charges or claims that (x) are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor or (y) are not yet delinquent;

(ii) Liens arising by operation of law in connection with judgments, attachments or awards which do not constitute an Event of Default hereunder;

(iii) Restrictions arising under this Agreement;

(iv) Liens constituting normal operational usage of the affected property, including leases, subleases, use agreements, swap agreements, charter, third party maintenance, storage, leasing, pooling or interchange ~~thereof~~; thereof; provided that, in the case of any lease or sublease (excluding any lease or sublease of any Collateral (as defined in the Long Form Mortgage) pursuant to the Long Form Mortgage), the rights of the lessee or sublessee shall be subordinated to the rights (including remedies) of the Administrative Agent under the applicable Collateral Document on terms reasonably satisfactory to the Administrative Agent;

(v) Liens imposed by law such as materialmen's, mechanics', carriers', workmen's and repairmen's Liens and other similar Liens arising in the ordinary course of business securing obligations that (x) are not overdue for a period of more than thirty (30) days, provided that no enforcement, collection, execution, levy or foreclosure proceeding shall have been commenced with respect thereto, or (y) are being contested in good faith and for which adequate reserves are established in accordance with GAAP; and

(vi) Liens on the Pool Assets permitted under the Long Form Mortgage.

(b) Enter into or suffer to exist (or permit any Subsidiary to enter into or suffer to exist) any agreement prohibiting or conditioning the creation or assumption of any first priority Lien upon any Pool Asset to secure Indebtedness or other obligations of the Borrower or of any Subsidiary of the Borrower that holds Pool Assets.

SECTION 6.02. Merger, etc.

(a) Merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its assets (in each case, whether now owned or hereafter acquired) unless:

(i) immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing;

(ii) the Borrower is the surviving corporation or, if otherwise, (x) such other Person or continuing corporation (the “Successor Company”) is a corporation or other entity organized under the laws of a state of the United States and (y) such Successor Company is a U.S. certificated air carrier; and

(iii) in the case of a Successor Company, the Successor Company shall (A) execute, prior to or contemporaneously with the consummation of such transaction, such agreements, if any, as are in the reasonable opinion of the Administrative Agent, necessary to evidence the assumption by the Successor Company of liability for all of the obligations of the Borrower hereunder and the other Loan Documents and (B) cause to be delivered to the Administrative Agent and the Lenders such legal opinions (which may be from in-house counsel) as any of them may reasonably request in connection with the matters specified in the preceding clause (A) and (C) provide such information as each Lender or the Administrative Agent reasonably requests in order to perform its “know your customer” due diligence with respect to the Successor Company. Upon any consolidation or merger in accordance with this Section 6.02(a) in any case in which the Borrower is not the surviving corporation, the Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, the Borrower under this Agreement with the same effect as if such Successor Company had been named as the Borrower herein. No such consolidation or merger shall have the effect of releasing the Borrower or any Successor Company which theretofore shall have become a successor to the Borrower in the manner prescribed in this Section 6.02(a) from its liability with respect to any Loan Document to which it is a party.

(b) Liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution).

SECTION 6.03. Asset Coverage Ratio. Permit at any time the ratio (the “Asset Coverage Ratio”) of (i) the Appraised Value of the Pool Assets to (ii) the aggregate principal amount of all Term Loans and Delayed Draw Term Loan Commitments then outstanding to be less than 1.25 to 1.00 (the “Asset Coverage Test”), provided that if, (A) upon delivery of an Appraisal Report pursuant to this Agreement and (B) solely with respect to determining compliance with this Section 6.03 and Section 6.05 as a result thereof, it is determined that the Borrower shall not be in compliance with this Section 6.03, the Borrower shall, within sixty (60) days of the date of such Appraisal Report (an “Asset Coverage Ratio Cure Period”), (1) designate Additional Pool Assets as additional Pool Assets in accordance with Section 6.05(a) (including the modification of Schedule 6.05 to reflect such designation) to the extent that, after giving effect to such designation, the Appraised Value of the Pool Assets, based on the most recently delivered Appraisal Report with respect to assets already constituting Pool Assets and based on an Appraisal Report performed at (or relatively contemporaneously with) the time of such addition with respect to assets being added to Pool Assets, shall satisfy the Asset Coverage Test or (2) prepay the Term Loans in accordance with Section 2.12(a) and/or terminate Delayed Draw Term Loan Commitments in accordance with Section 2.11 in an amount sufficient to enable the Borrower to comply with this Section 6.03.

SECTION 6.04. ~~Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio at the end of any quarterly financial reporting period to be less than 1.25 to 1.00.~~ [Reserved].

SECTION 6.05. Disposition of Pool Assets. Convey, sell, lease, transfer or otherwise dispose of (or permit any Subsidiary to convey, sell, lease, transfer or otherwise dispose of), whether voluntarily or involuntarily (it being understood that loss of property due to theft, destruction, confiscation, prohibition on use or similar event shall constitute a disposal for purposes of this covenant), or remove or substitute (or permit any Subsidiary to remove or substitute), any Pool Asset (or any engine

included in the Pool Assets unless such engine is replaced by another working engine or engines of comparable value, assuming half-time condition) or agree (or permit any Subsidiary to agree) to do any of the foregoing in respect of the Pool Assets at any future time, except that: so long as no Event of Default exists, the Borrower or any of its Subsidiaries may replace a Pool Asset with an Additional Pool Asset of the Borrower or any Subsidiary (and Schedule 6.05 shall be modified to reflect such replacement), provided that (x) such replacement shall be made on at least a dollar-for-dollar basis based upon (A) in the case of the asset being removed from the Pool Assets, the Appraised Value of such Pool Asset (as determined by the most recently delivered Appraisal Report with respect to such Pool Asset) and (B) in the case of the asset being added to the Pool Assets, the Appraised Value of such asset (as determined by an Appraisal Report performed at (or relatively contemporaneously with) the time of such replacement) and (y) prior to effecting the replacement, the Borrower shall have delivered an Officer's Certificate to the Administrative Agent certifying compliance with Section 6.01 and this Section 6.05 and attaching to such certificate an Appraisal Report; and

(b) so long as no Event of Default exists or would result therefrom, the Borrower or any of its Subsidiaries owning a Pool Asset may remove an asset from the Pool Assets (and Schedule 6.05 shall be modified to reflect such removal), provided that (x) after giving effect to such removal, the Appraised Value of the remaining Pool Assets (as determined by an Appraisal Report of all Pool Assets performed at (or relatively contemporaneously with) the time of such removal) shall satisfy the Asset Coverage Test, and (y) prior to effecting the removal, the Borrower shall have delivered an Officer's Certificate to the Administrative Agent certifying that, and providing calculations demonstrating that, after giving effect to such removal, the Appraised Value of the Pool Assets shall satisfy the Asset Coverage Test, and otherwise certifying compliance with this Section 6.05 and attaching to such certificate Appraisal Report of all Pool Assets obtained in connection with such removal.

(c) At the Borrower's request, the Lien on any asset or type or category of asset (including after-acquired assets of that type or category) will be promptly released, provided, in each case, that the following conditions are satisfied or waived: (A) no Event of Default shall have occurred and be continuing, (B) either (x) after giving effect to such release, the Appraised Value of the Pool Assets shall satisfy the Asset Coverage Test, (y) the Borrower shall prepay the Loans in an amount required to comply with Section 6.03, or (z) the Borrower shall deliver to the Administrative Agent additional Pool Assets in an amount required to comply with Section 6.03 (in each case without, for the avoidance of doubt, giving effect to any Asset Coverage Ratio Cure Period), and (C) the Borrower shall deliver to the Administrative Agent an Officer's Certificate demonstrating compliance with Section 6.03 after giving effect to such release. The Administrative Agent agrees to promptly provide any documents or releases reasonably requested by the Borrower to evidence any such release.

SECTION 6.06 Restricted Payments. From the Amendment No. 2 Effective Date, declare or pay, directly or indirectly, or otherwise make any Restricted Payment or set apart any sum for the aforesaid purposes, except:

(a) dividends in the form of capital stock or increases in the aggregate liquidation value of any preferred stock;

(b) repurchases of Equity Interests deemed to occur upon (i) the exercise of stock options if the Equity Interests represent a portion of the exercise price thereof or (ii) the withholding of a portion of Equity Interests issued to employees and other participants under any equity compensation, retirement or voluntary severance programs of the Borrower or its Subsidiaries, in each case to cover withholding tax obligations of such persons in respect of such issuance;

(c) Restricted Payments made pursuant to stock option plans, other benefit plans or other arrangements for management or employees of the Borrower and its Subsidiaries;

(d) Restricted Payments to allow the cash payment in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Equity Interests of any such Person; and

(e) Restricted Payments in an aggregate amount not to exceed \$25,000,000.

SECTION 7.

EVENTS OF DEFAULT

SECTION 7.01. Events of Default. In the case of the happening of any of the following events and the continuance thereof beyond the applicable grace period if any (each, an “Event of Default”):

(a) any representation or warranty made by the Borrower in this Agreement or in any other Loan Document shall prove to have been false or misleading in any material respect when made and such representation, to the extent capable of being corrected, is not corrected within thirty (30) days after the earlier of (A) a Responsible Officer of the Borrower obtaining knowledge of such default or (B) receipt by the Borrower of notice from the Administrative Agent of such default; or

(b) default shall be made in the payment of (i) any Fees or interest on the Term Loans and such default shall continue unremedied for more than five (5) Business Days, (ii) any other amounts payable hereunder when due (other than amounts set forth in clauses (i) and (iii) hereof), and such default shall continue unremedied for more than ten (10) Business Days, or (iii) any principal of the Term Loans, when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise; or

(c) default shall be made by the Borrower in the due observance or performance of any covenant, condition or agreement contained in Section 6 hereof (subject to the Borrower’s right to cure non-compliance with the covenant contained in Section 6.03 as described therein); or

(d) default shall be made by the Borrower in the due observance or performance of any other covenant, condition or agreement to be observed or performed pursuant to the terms of this Agreement or any of the other Loan Documents and, other than with respect to Section 5.10, such default shall continue unremedied for more than thirty (30) days from the earlier of (i) a Responsible Officer having knowledge of such default and (ii) written notice to the Borrower from the Administrative Agent of such default; or

(e) (i) failure by the Borrower or any Material Subsidiary to pay any principal of or interest on any Material Indebtedness when due (or, where permitted, within any applicable grace period), whether by scheduled maturity, required prepayment, acceleration, demand or otherwise and such default continues unremedied for five (5) Business Days after such due date or applicable grace period or (ii) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity; provided, however, that if any such failure, breach or default shall be waived or cured (as evidenced by a writing from such holder or trustee) then, to the extent of such waiver or cure, the Event of Default hereunder by reason of such failure, breach or default shall be deemed likewise to have been thereupon waived or cured; or

(f) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any 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 the Borrower or any Material Subsidiary for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(g) the Borrower or any 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 (f) of this Section 7.01, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any 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; or

(h) the Borrower or any Material Subsidiary admits in writing its inability to pay its debts; or

(i) [reserved]; or

(j) any material provision of any Loan Document shall, for any reason, cease to be valid and binding on the Borrower, or the Borrower shall so assert in any pleading filed in any court;

(k) any final judgment in excess of \$200,000,000 (exclusive of any judgment or order the amounts of which are fully covered by insurance less any applicable deductible and as to which the insurer has been notified of such judgment and has not denied coverage) shall be rendered against the Borrower or any of its Material Subsidiaries and the enforcement thereof shall not have been stayed, vacated, satisfied, discharged or bonded pending appeal within sixty (60) consecutive days; or

(l) any Termination Event that could reasonably be expected to result in a Material Adverse Effect shall have occurred;

then, and in every such event and at any time thereafter during the continuance of such event, the Administrative Agent may (with the consent of the Required Lenders), and at the request of the Required Lenders, the Administrative Agent shall, by written notice to the Borrower, take one or more of the following actions, at the same or different times: (i) terminate forthwith the Delayed Draw Term Loan Commitments; (ii) declare the Term Loans or any portion thereof then outstanding to be forthwith due and payable, whereupon the principal of the Term Loans and other Obligations together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower, anything contained herein or in any other Loan Document to the contrary notwithstanding; and (iii) exercise any and all remedies under the Loan Documents and under applicable law available to the Administrative Agent and the Lenders. In case of any event with respect to the Borrower described in clause (f) or (g) of this Section 7.01, the actions and events described in (i) and (ii) above shall be required or taken automatically, without presentment, demand, protest or other notice of any kind, all of

which are hereby waived by the Borrower. Any payment received as a result of the exercise of remedies hereunder shall be applied in accordance with Section 2.17(b).

SECTION 8.

THE AGENTS

SECTION 8.01. Administration by Agents.

(a) Each of the Lenders hereby irrevocably appoints JPMCB to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) Each of the Lenders hereby authorizes the Administrative Agent, in its sole discretion:

(i) in connection with (x) the sale or other disposition of any Pool Assets or (y) any release of a Lien, in each case, to the extent permitted by the express terms of this Agreement, to release a Lien granted to the Administrative Agent, for the benefit of the Secured Parties, on such asset;

(ii) to enter into the other Loan Documents on terms acceptable to the Administrative Agent and to perform its respective obligations thereunder;

(iii) to enter into any other agreements reasonably satisfactory to the Administrative Agent granting Liens to the Administrative Agent, for the benefit of the Secured Parties, on any assets of the Borrower to secure the Obligations; ~~and~~ and

(iv) to enter into intercreditor and/or subordination agreements in accordance with Section 6.01 on terms reasonably acceptable to the Administrative Agent and to perform its obligations thereunder and to take such action and to exercise the powers, rights and remedies granted to it thereunder and with respect thereto.

(c) Each of the parties hereto agrees that at such time as the Obligations (other than contingent indemnification obligations not due and payable) shall have been paid in full and any unused Delayed Draw Term Loan Commitments hereunder have been terminated, each of the Liens granted to the Administrative Agent, for the benefit of the Secured Parties, hereunder and under the Mortgages shall automatically be discharged and released without any further action by any Person.

(d) It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

SECTION 8.02. Rights of Administrative Agent. Any institution 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 institution serving as the Administrative Agent hereunder in its individual capacity. Such institution and its Affiliates may accept deposits from, lend money to, own securities of, act as the

financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such institution were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 8.03. Liability of the Administrative Agent.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder and thereunder shall be administrative in nature. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii) 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 hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08 or in the other Loan Documents) and (iii) except as expressly set forth herein and in the other Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries or Affiliates that is communicated to or obtained by the institution serving as the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent will believe in good faith shall be necessary, under the circumstances as provided in Section 10.08 and the final paragraph of Article 7) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for, or have any duty to ascertain or inquire into, (A) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (B) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (C) 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 Event of Default, (D) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (E) the satisfaction of any condition set forth in Section 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent, and (iv) the Administrative Agent will not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Federal, state or foreign bankruptcy, insolvency, or similar law now or hereafter in effect.

(b) 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. 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.

(c) The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 8.04. Reimbursement and Indemnification. Each Lender agrees (a) to reimburse on demand the Administrative Agent for such Lender's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Lenders under this Agreement and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Borrower and (b) to indemnify and hold harmless the Administrative Agent and any of its Related Parties, on demand, in the amount equal to such Lender's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement or any of the Loan Documents to the extent not reimbursed by the Borrower (except such as shall result from its gross negligence or willful misconduct).

SECTION 8.05. Successor Agents. 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 (provided no Event of Default has occurred and is continuing) of the Borrower (such consent not to be unreasonably withheld 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 (or such earlier day as shall be agreed by the Required Lenders with the consent of the Borrower (such consent not to be unreasonably withheld or delayed)) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), in consultation with the Borrower, on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. For the avoidance of doubt, whether or not a successor Administrative Agent has been appointed, the retiring Administrative Agent's resignation shall nonetheless become effective in accordance with such notice of resignation on the Resignation Effective Date. With effect from the Resignation Effective Date, (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (b) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights,

powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. 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 and Section 10.04 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 the Administrative Agent.

SECTION 8.06. Independent Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 8.07. Advances and Payments.

(a) On the date of each Term Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each of the Lenders, the amount of the Term Loan to be made by it in accordance with its Closing Date Term Loan Commitment or Delayed Draw Term Loan Commitment, as applicable, hereunder. Should the Administrative Agent do so, each of the Lenders agrees forthwith to reimburse the Administrative Agent in immediately available funds for the amount so advanced on its behalf by the Administrative Agent, together with interest at the NYFRB Rate if not so reimbursed on the date due from and including such date but not including the date of reimbursement.

(b) Any amounts received by the Administrative Agent in connection with this Agreement (other than amounts to which the Administrative Agent is entitled pursuant to Sections 2.18, 2.19, 8.04 and 10.04), the application of which is not otherwise provided for in this Agreement, shall be applied in accordance with Section 2.17(b). All amounts to be paid to a Lender by the Administrative Agent shall be credited to that Lender, after collection by the Administrative Agent, in immediately available funds either by wire transfer or deposit in that Lender's correspondent account with the Administrative Agent, as such Lender and the Administrative Agent shall from time to time agree.

SECTION 8.08. Sharing of Setoffs. Each Lender agrees that, except to the extent this Agreement expressly provides for payments to be allocated to a particular Lender or to the Lenders under the Term Loan Facility, if it shall, through the exercise either by it or any of its banking Affiliates of a right of banker's lien, setoff or counterclaim against the Borrower, including, but not limited to, a secured claim under Section 506 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim and received by such Lender (or any of its banking Affiliates) under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Term Loans as a result of which the unpaid portion of its Term Loans is proportionately less than the unpaid portion of the Term Loans of any other Lender (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lender a participation in the Term Loans of such other Lender, so that the aggregate unpaid principal amount of each Lender's Term Loans and its participation in Term Loans of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all

Term Loans then outstanding, as the principal amount of its Term Loans prior to the obtaining of such payment was to the principal amount of all Term Loans outstanding, prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders under the Term Loan Facility share such payment pro-rata, provided that if any such non-pro-rata payment is thereafter recovered or otherwise set aside, such purchase of participations shall be rescinded (without interest). The Borrower expressly consents to the foregoing arrangements and agrees, to the fullest extent permitted by law, that any Lender holding (or deemed to be holding) a participation in a Term Loan acquired pursuant to this Section or any of its banking Affiliates may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by the Borrower to such Lender as fully as if such Lender was the original obligee thereon, in the amount of such participation.

SECTION 8.09. Other Agents. No Agent (other than the Administrative Agent) shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, no such Agent shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any such Agent in deciding to enter into this Agreement or in taking or not taking action hereunder.

SECTION 8.10. Withholding Taxes. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any withholding tax applicable to such payment. 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 for any reason, or the Administrative Agent has paid over to the Internal Revenue Service applicable withholding tax relating to a payment to a Lender but no deduction has been made from such payment, without duplication of any indemnification obligations set forth in Section 8.04, 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 any expenses incurred.

SECTION 8.11. Appointment by Secured Parties. Each existing and future Secured Party shall be deemed to have appointed the Administrative Agent as its agent under the Loan Documents in accordance with the terms of this Section 8 and to have acknowledged that the provisions of this Section 8 apply to such Secured Party mutatis mutandis as though it were a party hereto (and any acceptance by such Secured Party of the benefits of this Agreement or any other Loan Document shall be deemed an acknowledgment of the foregoing).

SECTION 8.12. 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 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 Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans and this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset

managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans 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 Term Loans and this Agreement, (C) the entrance into, participation in, administration of and performance of the Term Loans 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 Term Loans and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Administrative Agent is not 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 Term Loans and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

SECTION 9.

[RESERVED]

SECTION 10.

MISCELLANEOUS

SECTION 10.01. Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile or electronic mail (other than to the Borrower, unless agreed by the Borrower in its sole discretion) pursuant to procedures approved by the Administrative Agent), and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or electronic mail (other than to the Borrower, unless agreed by the Borrower in its sole discretion), as follows:

(i) if to the Borrower, to it at Delta Air Lines, Inc., 1030 Delta Boulevard, Atlanta, GA 30354, Attention of: (x) Treasurer, Dept. 856, Telecopier No.: (404) 715-3110, Telephone

No.: (404) 715-5993 and (y) Chief Legal Officer, Dept. 971, Telecopier No.: (404) 715-2233, Telephone No.: (404) 715-2191;

(ii) if to JPMCB as Administrative Agent, to it at JPMorgan Chase Bank, N.A., 500 Stanton Christiana Rd., NCC5 / 1st Floor, Newark, DE 19713, Attention: Matthew Reed, Telephone No.: +1-302-634-4648, Email: matthew.p.reed@chase.com, with a copy to JPMorgan Chase Bank, N.A., 383 Madison Avenue, New York, New York 10179, Attention of: Cristina Caviness (Email Address: cristina.caviness@jpmorgan.com); and

(iii) if to any Lender, to it at its address (or telecopy number) set forth in its administrative questionnaire in a form as the Administrative Agent may require.

(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 Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its reasonable 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.

(c) Any party hereto may change its address or telecopy number 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.

SECTION 10.02. Successors and Assigns.

(a) 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 (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder (other than as permitted by Section 6.02(a)) without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower 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 10.02. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (d) of this Section 10.02) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent and the Lenders) 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 Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Term Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Administrative Agent; provided that no consent of the Administrative Agent shall be required if the assignee is a Lender or an Affiliate of a Lender; and

(B) the Borrower; provided that no consent of the Borrower shall be required for an assignment (i) if an Event of Default under Section 7.01(b), Section 7.01(f) or Section 7.01(g) has occurred and is continuing or (ii) if the assignee is a Lender or an Eligible Affiliate Assignee; provided further, that the Borrower will be deemed to have consented to any assignment of Term

Loans unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof;

(ii) Assignments shall be subject to the following additional conditions:

(A) any assignment of any portion of the Delayed Draw Term Loan Commitments or Term Loans shall be made to an Eligible Assignee;

(B) 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 Delayed Draw Term Loan Commitments or Term Loans, the amount of such Delayed Draw Term Loan Commitments or Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$1,000,000, and after giving effect to such assignment, the portion of the Delayed Draw Term Loan Commitments or Term Loans held by the assigning Lender shall not be less than \$1,000,000, in each case unless the Borrower and the Administrative Agent otherwise consent, provided that any such assignment shall be in increments of \$500,000 in excess of the minimum amount described above;

(C) 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;

(D) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of \$3,500 for the account of the Administrative Agent (unless otherwise agreed); and

(E) the assignee, if it was not a Lender immediately prior to such assignment, shall deliver to the Administrative Agent an administrative questionnaire in a form as the Administrative Agent may require.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 10.02, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance 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, 2.16 and 10.04). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.02 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 paragraph (d) of this Section.

(iv) The Administrative Agent shall maintain at its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the principal amount (and stated interest) of the Term 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 any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Notwithstanding anything to the contrary contained herein, no assignment may be made hereunder to any Defaulting Lender or any of its subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (v).

(vi) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment will be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Term Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Borrower and Administrative Agent (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all outstanding Term Loans and in accordance with its Aggregate Exposure Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder becomes effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest will be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(c) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed administrative questionnaire in a form as the Administrative Agent may require (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Acceptance 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(a), 8.04 or 10.04(c), the Administrative Agent shall have no obligation to accept such Assignment and Acceptance and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) (i) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Delayed Draw Term Loan Commitments and Term Loans); 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 Borrower, the Administrative Agent and the 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, modification or waiver described in the first proviso to Section 10.08(a) that affects such Participant. Subject to paragraph (d)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.14 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To

the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.08 as though it were a Lender, provided such Participant agrees to be subject to the requirements of Section 8.08 as though it were a Lender. 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 Term 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 Delayed Draw Term Loan Commitments, Term Loans or its other obligations under this Agreement or any Loan Document) except to the extent that such disclosure is necessary to establish that such Delayed Draw Term Loan Commitments, Term 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, the Borrower 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 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant. 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 such Participant agrees, for the benefit of the Borrower, to comply with Sections 2.16(f), 2.16(g), 2.16(h) and 2.18 as though it were a Lender.

(e) 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 any central bank having jurisdiction over such Lender, and this Section 10.02 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.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.02, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that prior to any such disclosure, each such assignee or participant or proposed assignee or participant are advised of and agree to be bound by either the provisions of Section 10.03 or other provisions at least as restrictive as Section 10.03.

SECTION 10.03. Confidentiality. Each Lender and each Agent agrees to keep any information delivered or made available by or on behalf of the Borrower to it confidential, in accordance with its customary procedures, from anyone other than persons employed or retained by such Lender or Agent who are or are expected to become engaged in evaluating, approving, structuring or administering the Term Loans, and who are advised by such Lender or Agent of the confidential nature of such information; provided that nothing herein shall prevent any Lender or Agent from disclosing such information (a) to any of its Related Parties and their respective agents, legal counsel, auditors and other advisors (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, and the applicable Lender or Agent shall be responsible for compliance by such Persons with such obligation) or to any other Lender, (b) upon the order of any court or administrative agency, (c) upon the request or demand of any regulatory agency or authority (including in connection with any audit or examination by a bank examiner exercising examination or regulatory authority over such Lender or Agent), (d) which has been publicly disclosed other than as a result of a disclosure by any Lender or Agent which is not

permitted by this Agreement, (e) in connection with any litigation to which any Lender or Agent, or their respective Affiliates may be a party to the extent reasonably required, (f) to the extent reasonably required in connection with the exercise of any remedy hereunder, (g) with the Borrower's consent, (h) to any nationally recognized rating agency that requires access to information about a Lender or Agent's investment portfolio in connection with ratings issued with respect to such Lender or Agent and (i) to any actual or proposed participant or assignee of all or part of its rights hereunder or to any direct or indirect contractual counterparty (or the professional advisors thereto) to any swap or derivative transaction relating to the Borrower and its obligations, in each case, subject to the proviso in Section 10.02(f) (with any reference to any assignee or participant set forth in such proviso being deemed to include a reference to such contractual counterparty for purposes of this Section 10.03(i)). If any Lender or Agent is in any manner requested or required to disclose any of the information delivered or made available to it by the Borrower under clauses (b) or (e) of this Section, such Lender or Agent will, to the extent permitted by law, provide the Borrower with prompt notice, to the extent reasonable, so that the Borrower may seek, at its sole expense, a protective order or other appropriate remedy or may waive compliance with this Section. In addition, any Lender or Agent may disclose information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry.

SECTION 10.04. Expenses; Indemnity; Damage Waiver.

(a)(i) The Borrower shall pay or reimburse: (A) all reasonable fees and reasonable out-of-pocket expenses of the Administrative Agent and the Arrangers (limited in the case of legal fees and expenses, to the reasonable fees, disbursements and other charges of Simpson Thacher & Bartlett LLP, as counsel to the Administrative Agent) associated with the syndication of the credit facility provided for herein, and the preparation, execution, delivery and administration of the Loan Documents and (in the case of the Administrative Agent) any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated); and (B) all fees and out-of-pocket expenses of the Administrative Agent and the Lenders (limited in the case of legal fees and expenses, to one (1) outside counsel to the Administrative Agent and the Lenders, taken as a whole (and, in the case of an actual or perceived conflict of interest, an additional counsel to all such similarly situated affected parties)) in connection with the enforcement of the Loan Documents.

(ii) The Borrower shall pay or reimburse all reasonable fees and reasonable expenses of the Administrative Agent and the Appraisers incurred in connection with the Administrative Agent's (x) periodic appraisals and (y) other monitoring of Pool Assets as allowed hereunder.

(iii) All payments or reimbursements pursuant to the foregoing clauses (a)(i) and (ii) shall be paid within thirty (30) days of written demand together with back-up documentation supporting such reimbursement request.

(b) The Borrower shall indemnify each Agent and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnatee") against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities and related expenses (limited in the case of legal fees and expenses, to one (1) outside counsel to all Indemnitees, taken as a whole (and, in the case of an actual or perceived conflict of interest, an additional counsel to all such similarly situated affected Indemnitees)) incurred by or asserted against any Indemnatee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Term Loan or the use of the proceeds therefrom, (iii) in connection with clauses (i) and (ii) above, any Release of Hazardous Materials on or from any property owned or operated by the Borrower or any

of its Subsidiaries, or any Environmental Liability related to or asserted against the Borrower 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 and regardless of whether any Indemnitee is a party thereto and whether or not the same are brought by the Borrower, its equity holders, affiliates or creditors or any other Person; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to (x) have resulted from the material breach of the obligations of such Indemnitee under the Loan Documents or the gross negligence or willful misconduct of such Indemnitee or (y) arise from disputes solely among the Indemnites (other than any dispute involving claims against any Person in its capacity as an Agent or similar role hereunder) that do not involve an act or omission by the Borrower or any of its Subsidiaries. For the avoidance of doubt, no Indemnitee shall be liable for any damages arising from the use by others of information or other materials obtained through electronic, telecommunications or other information transmission systems, except to the extent any such damages are found by a final non-appealable judgment of a court of competent jurisdiction to arise from the gross negligence or willful misconduct of such Indemnitee. This Section 10.04(b) shall not apply with respect to Taxes other than Taxes that represent losses or damages arising from any non-Tax claim.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent under paragraph (a) or (b) of this Section 10.04, each Lender severally agrees to pay to the Administrative Agent such portion of the unpaid amount equal to such Lender's Aggregate Exposure Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought); 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 in its capacity as such.

(d) To the extent permitted by applicable law, neither the Borrower 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 or any agreement or instrument contemplated hereby, the Transactions, any Term Loan or the use of the proceeds thereof (other than in respect of such damages incurred or paid by an Indemnitee to a third party).

SECTION 10.05. 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 party hereto hereby 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 of the Southern District of New York sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby 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 of the parties hereto agrees that a final judgment in any such action or proceeding shall, to the extent permitted by law, be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each party hereto hereby 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 this Agreement in any court referred to in paragraph (b) of this Section 10.05. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 10.06. No Waiver. No failure on the part of the Administrative Agent or any of the Lenders to exercise, and no delay in exercising, any right, power or remedy hereunder or any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

SECTION 10.07. Extension of Maturity. Should any payment of principal of or interest or any other amount due hereunder become due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of principal, interest shall be payable thereon at the rate herein specified during such extension.

SECTION 10.08. Amendments, etc.

(a) Except as set forth in Sections 2.09, Section 2.23 and 5.10 or as otherwise set forth in this Agreement, no modification, amendment or waiver of any provision of this Agreement or any Mortgage, and no consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders (or signed by the Administrative Agent with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given; provided, however, that no such modification or amendment shall without the prior written consent of:

(i) each Lender directly and adversely affected thereby (A) increase the Delayed Draw Term Loan Commitment of any Lender or extend the Delayed Draw Commitment Period (it being understood that a waiver of an Event of Default shall not constitute an increase in or extension of the termination date of the Delayed Draw Term Loan Commitment of a Lender), or (B) reduce the principal amount of any Term Loan or the rate of interest payable thereon (provided that only the consent of the Required Lenders shall be necessary for a waiver of default interest referred to in Section 2.08), or extend any date for the payment of principal, interest or Fees hereunder or reduce any Fees payable hereunder or extend the final maturity of the Borrower's obligations hereunder or (B) amend, modify or waive any provision of Sections 2.17(b) or (e); and

(ii) all of the Lenders (A) amend or modify any provision of this Agreement which provides for the unanimous consent or approval of the Lenders or (B) amend this Section 10.08 that has the effect of changing the number or percentage of Lenders that must approve any modification, amendment, waiver or consent or modify the percentage of the Lenders required in the definition of Required Lenders or (C) release all or substantially all of the Liens granted to the Administrative Agent for the benefit of the Secured Parties hereunder or under any other Loan Document (except to the extent contemplated by Section 5.10(b) on the date hereof).

provided further, that any Mortgage may be amended, supplemented or otherwise modified with the consent of the Borrower and the Administrative Agent (i) to add assets (or categories of assets) to the Pool Assets covered by such Loan Document, as contemplated by clause (c) of the definition of Additional Pool Assets set forth in Section 1.01 hereof or (ii) to remove any asset or type or category of asset (including after-acquired assets of that type or category) from the Pool Assets covered by such Loan Document to the extent the release thereof is permitted by Section 5.10(b).

(b) No such amendment or modification shall adversely affect the rights and obligations of the Administrative Agent hereunder without its prior written consent.

(c) No notice to or demand on the Borrower shall entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances. Each assignee under Section 10.02(b) shall be bound by any amendment, modification, waiver, or consent authorized as provided herein, and any consent by a Lender shall bind any Person subsequently acquiring an interest on the Term Loans held by such Lender. No amendment to this Agreement shall be effective against the Borrower unless signed by the Borrower.

(d) Notwithstanding anything to the contrary contained in Section 10.08(a), (i) in the event that the Borrower requests that this Agreement be modified or amended in a manner which would require the unanimous consent of all of the Lenders or the consent of all Lenders directly and adversely affected thereby and, in each case, such modification or amendment is agreed to by the Required Lenders, then the Borrower may replace any non-consenting Lender in accordance with Section 10.02; provided that such amendment or modification can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrower to be made pursuant to this clause (i)); (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Delayed Draw Term Loan Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that the Delayed Draw Term Loans and the outstanding Term Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders), (iii) notwithstanding anything to the contrary herein, any Extension Agreement effected in accordance with Section 2.22 may be made without the consent of the Required Lenders and (iv) if the Administrative Agent and the Borrower shall have jointly identified any ambiguity, mistake, typographical error or other obvious error or any error or omission of a technical or immaterial nature in any provision of the Loan Documents (including the exhibits and schedules thereto), then the Administrative Agent and the Borrower shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document.

(e) In addition, notwithstanding anything to the contrary contained in Section 10.08(a), this Agreement and, as appropriate, the other Loan Documents, may be amended with the written consent of the Administrative Agent (not to be unreasonably withheld or delayed), the Borrower and the lenders providing the relevant Replacement Term Loans (as defined below) as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower (x) to permit the refinancing, replacement or modification of all outstanding Term Loans ("Refinanced Term Loans") with a replacement term loan tranche ("Replacement Term Loans") hereunder (any such amendment, a "Refinancing Amendment") and (y) to include appropriately the Lenders holding such credit facilities in any determination of Required Lenders; provided that (i) the aggregate principal amount of such Replacement Term Loans shall not exceed the aggregate principal amount of such Refinanced Term Loans, (ii) the Applicable Margins for such Replacement Term Loans shall not be higher than the Applicable Margins for such Refinanced Term Loans, (iii) the Weighted Average Life to Maturity of such

Replacement Term Loans shall not be shorter than the Weighted Average Life to Maturity of such Refinanced Term Loans at the time of such refinancing (except to the extent of nominal amortization for periods where amortization has been eliminated as a result of prepayment of the applicable Term Loans) and (iv) all other terms applicable to such Replacement Term Loans shall be substantially identical to, or less favorable to the Lenders providing such Replacement Term Loans than those applicable to such Refinanced Term Loans, except to the extent necessary to provide for covenants and other terms applicable to any period after the latest Term Loan Maturity Date in effect immediately prior to such refinancing. The effectiveness of (and the borrowing under) any Refinancing Amendment shall be subject to the satisfaction on the date thereof of each of the conditions set forth in Section 4.01(f) (other than the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) and 4.01(g) (it being understood that all references to the making or borrowing of Term Loans or similar language in such Section 4.01 shall be deemed to refer to the effective date of such Refinancing Amendment) and such other conditions as the parties thereto shall agree.

(f) In addition, notwithstanding anything to the contrary contained in Section 10.08, the Borrower may from time to time deliver to the Administrative Agent an updated Schedule 6.05 to replace the then-existing Schedule 6.05 in connection with (x) any disposition, transfer or removal by the Borrower or any Subsidiary of the Borrower of any Pool Asset pursuant to Section 6.05 or (y) any designation of Additional Pool Assets as Pool Assets as contemplated by the definition of Additional Pool Assets set forth in Section 1.01 hereof.

SECTION 10.09. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 10.10. Headings. Section headings used herein are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Agreement.

SECTION 10.11. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Term Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Event of 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 the principal of or any accrued interest on any Term Loan or any other amount payable under this Agreement is outstanding. The provisions of Sections 2.14, 2.15, 2.16 and 10.04 and Section 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Term Loans or the termination of this Agreement or any provision hereof.

SECTION 10.12. Execution in 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. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. 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 .pdf copy shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 10.13. USA PATRIOT Act. Each Lender that is subject to the requirements of the Patriot Act hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

SECTION 10.14. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY 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 OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). 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 10.15. No Fiduciary Duty. Each 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 Borrower, its stockholders and/or its affiliates. The Borrower agrees that nothing in the Loan Documents or otherwise related to the Transactions 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 the Borrower, its stockholders or its affiliates, on the other hand. The parties hereto 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 Borrower and its Subsidiaries, on the other hand, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of the Borrower, 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 the Borrower, its stockholders or its affiliates on other matters) or any other obligation to the Borrower 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 the Borrower, its management, stockholders, affiliates, creditors or any other Person. The Borrower acknowledges and agrees that the Borrower 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. The Borrower 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 the Borrower, in connection with such transaction or the process leading thereto.

SECTION 10.16. Acknowledgement 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 10.17. Registrations with International Registry. Each of the parties hereto (i) consents to the registrations with the International Registry of the International Interest constituted by any Mortgage, and (ii) covenants and agrees that it will take all such action reasonably requested by Borrower or Administrative Agent in order to make any registrations with the International Registry, including without limitation establishing a valid and existing account with the International Registry and appointing an Administrator and/or a Professional User reasonably acceptable to the Administrative Agent to make registrations with respect to the Pool Assets and providing consents to any registration as may be contemplated by the Loan Documents.

[Remainder of Page Intentionally Left Blank]

~~IN WITNESS WHEREOF~~, the parties hereto have caused this Agreement to be duly executed as of the day and the year first written.

BORROWER:
~~DELTA AIR LINES, INC.~~, a Delaware corporation
By: _____
Name:
Title:

{Signature Page to Delta Credit Agreement — 364-Day Term Loan Facility}

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and as a Lender
By: _____
Name:
Title:

[Signature Page to Delta Credit Agreement—364 Day Term Loan Facility]

~~{●},
as a Lender~~

~~By: _____~~

~~Name:~~

~~Title:~~

~~*{for Lenders requiring two signature blocks}*~~

~~By: _____~~

~~Name:~~

~~Title:~~

~~{Signature Page to Delta Credit Agreement—364-Day Term Loan Facility}~~

AMENDMENT NO. 1

AMENDMENT NO. 1 dated as of June 29, 2020 (this “Agreement”) among Delta Air Lines, Inc., a Delaware corporation (the “Company”), JPMorgan Chase Bank, N.A. (“JPMCB”), as administrative agent (in such capacity, the “Administrative Agent”) and as collateral agent (in such capacity, the “Collateral Agent”) and the Lenders (as defined below) party hereto. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Amended Credit Agreement referred to below.

RECITALS:

1. The Company is party to that certain Credit Agreement dated as of April 19, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Credit Agreement”) by and among the Company, the lenders from time to time party thereto (the “Lenders”) and JPMCB, as administrative agent for the Lenders;

2. The Company has requested that the Credit Agreement be amended to, among other things, add a separate standby letter of credit tranche in an aggregate principal amount of \$216,078,361.60, extend the 3-Year Revolving Facility Maturity Date to April 19, 2022 and to provide security for the repayment of the Revolving Loans and the payment of the other Obligations of the Company under the Credit Agreement and under the other Loan Documents, the Company will, among other things, provide to the Collateral Agent, for the benefit of the Secured Parties, a security interest in the Collateral pursuant to the SGR Security Agreement; and

3. Now, therefore, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Amendments to Credit Agreement. Effective as of the Amendment No. 1 Effective Date (as defined below):

(a) the 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 Credit Agreement attached as Annex A hereto (as amended, the “Amended Credit Agreement”);

(b) the existing Schedule 2.01 to the Credit Agreement is hereby amended and restated in its entirety as set forth in the attached Annex B hereto (as amended, the “Commitment Amounts”);

(c) a new Schedule 1.01 to the Credit Agreement is hereby added in the form attached as Annex C hereto (the “Existing Letters of Credit”);

(d) a new Schedule 3.16 to the Credit Agreement is hereby added in the form attached as Annex D hereto (the “Pacific Routes”); and

(e) and a new Exhibit E to the Credit Agreement is hereby added in the form attached as Annex E hereto (the “Form of Aircraft Mortgage”).

SECTION 2. Representations and Warranties. To induce the Administrative Agent to enter into this Agreement, the Company hereby represents and warrants to the Lenders and the Administrative Agent as follows:

(a) (i) the Company has the corporate power and authority to execute, deliver and perform this Agreement, (ii) the execution, delivery and performance by the Company of this Agreement have been duly authorized by all necessary corporate action of the Company and (iii) this Agreement constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms (subject, as to enforceability, to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity));

(b) all representations and warranties contained in the Amended Credit Agreement and the other Loan Documents (other than the representations and warranties set forth in Sections 3.04(b) and 3.06(a) of the Amended Credit Agreement) are true and correct in all material respects on and as of the date hereof with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date; and

(c) as of the date hereof, no Default or Event of Default has occurred and is continuing or would result from this Agreement.

SECTION 3. Conditions Precedent to Effectiveness of the Amendment. This Agreement shall become effective as of the first date (the "Amendment No. 1 Effective Date") that the following conditions precedent are satisfied:

(a) Agreement. The Administrative Agent (or counsel thereto) shall have received an executed counterpart (which may include a facsimile or other electronic transmission) of this Agreement from (A) the Company, (B) each LC Tranche Lender listed in Annex B as of the Amendment No. 1 Effective Date, (C) the 3-Year Lenders constituting the Required 3-Year Lenders as of the Amendment No. 1 Effective Date (any such 3-Year Lender party to this Agreement, a "3-Year Consenting Lender" and collectively, the "3-Year Consenting Lenders") and (D) the Required Lenders as of the Amendment No. 1 Effective Date;

(b) Supporting Documents. The Administrative Agent and Collateral Agent (or counsel thereto) shall have received:

(i) the Amendment No. 1 Appraisal Report;

(ii) a written opinion of Davis Polk & Wardwell LLP, special New York counsel to the Company, in a form reasonably satisfactory to the Administrative Agent;

(iii) a written opinion of David S. Cartee, Associate General Counsel for the Company, in a form reasonably satisfactory to the Administrative Agent;

(iv) a written opinion of Dorsey & Whitney LLP, special Delaware counsel to the Company, in a form reasonably satisfactory to the Administrative Agent;

(v) a certificate of the Secretary of State of the state of the Company's incorporation, dated as of a recent date, as to the good standing of the Company and as to the charter documents on file in the office of such Secretary of State;

(vi) a certificate of the Secretary or an Assistant Secretary of the Company dated the Amendment No. 1 Effective Date and certifying (a) that attached thereto is a true and complete copy of the by-laws of the Company as in effect on the date of such certification, (b) that attached thereto is a true and complete copy of resolutions adopted by the board of directors of the Company or an authorized committee thereof authorizing the Borrowings and Letter of Credit issuances hereunder and the execution, delivery and performance in accordance with their respective terms of this Agreement, the other Loan Documents and any other documents required or contemplated hereunder or thereunder, (c) that the certificate of incorporation of the Company has not been amended since the date of the last amendment thereto indicated on the certificate of the Secretary of State furnished pursuant to clause (iv) above, and (d) as to the incumbency and specimen signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer of the Company as to the incumbency and signature of the officer signing the certificate referred to in this clause (v));

(vii) an Officer's Certificate from the Company certifying (a) as to the accuracy of the representations and warranties set forth in Section 2 hereof and (b) that the Company is in compliance, giving pro forma effect to the Revolving Extensions of Credit on the Amendment No. 1 Effective Date (if any), with the Collateral Coverage Test;

(c) SGR Security Agreement. The Company shall have duly executed and delivered to the Collateral Agent a New York State law governed slot, gate and route security and pledge agreement in a form reasonably acceptable to the Collateral Agent (as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time, the "SGR Security Agreement"), together with financing statements, as may be required to grant, continue and maintain an enforceable security interest in the Collateral (subject to the terms hereof and of the other Loan Documents) in accordance with the UCC as enacted in all relevant jurisdictions.

SECTION 4. Reference to and Effect on the Credit Agreement and the other Loan Documents.

(a) On and after the Amendment No. 1 Effective Date, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof" or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement, as amended by this Agreement. The Credit Agreement and each of the other Loan Documents, as specifically amended by this Agreement, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(b) The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents except as expressly set forth herein. This Agreement shall for all purposes constitute a Loan Document.

SECTION 5. Acknowledgments. The Company hereby acknowledges that it has read this Agreement and consents to its terms, and further hereby affirms, confirms, represents, warrants and agrees that notwithstanding the effectiveness of this Agreement, the obligations of the Company under each of the Loan Documents shall not be impaired and each of the Loan Documents is, and shall continue to be, in full force and effect and is hereby confirmed and ratified in all respects.

SECTION 6. Costs and Expenses. The Company hereby agrees to reimburse the Administrative Agent for its reasonable and documented out-of-pocket expenses in connection with this Agreement, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, all in accordance with the terms and conditions of Section 10.04(a) of the Credit Agreement.

SECTION 7. Execution in Counterparts. This Agreement may be executed in one or more 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 an executed counterpart of a signature page of this Agreement by telecopy, emailed pdf. or electronic mail 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 any 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, 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 8. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 9. Headings. Section headings used herein are included for convenience of reference only and shall not affect the interpretation of this Agreement.

SECTION 10. Miscellaneous Provisions. The provisions of Sections 10.01, 10.03, 10.04, 10.05, 10.06, 10.09, 10.11, 10.12 and 10.14 of the Credit Agreement shall apply with like effect as to this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

DELTA AIR LINES, INC., a Delaware corporation

By:	<u>/s/ Kenneth W. Morge II</u>
Name:	Kenneth W. Morge II
Title:	Vice President and Treasurer

JPMORGAN CHASE BANK, N.A., as Administrative Agent, as Collateral Agent, as a 3-Year Lender, as a 5-Year Lender and as Issuing Lender

By: /s/ Cristina Caviness
Name: Cristina Caviness
Title: Vice President

BARCLAYS BANK PLC, as a 3-Year Lender, as a 5-Year Lender and as Issuing Lender

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

BBVA USA, as a 3-Year Lender and as a 5-Year Lender

By: /s/ Steve Ray
Name: Steve Ray
Title: Executive Director

BNP Paribas, as a 3-Year Lender and as a 5-Year Lender

By: /s/ Thomas C. Iacono
Name: Thomas C. Iacono
Title: Vice President

By: /s/ Stefano Locatelli
Name: Stefano Locatelli
Title: Vice President

BANK OF AMERICA, N.A., as a 3-Year Lender and as a 5-Year Lender

By: /s/ Prathamesh Kshirsagar
Name: Prathamesh Kshirsagar
Title: Director

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a 3-Year
Lender, as a 5-Year Lender and as Issuing Lender

By: /s/ Brian Bolotin
Name: Brian Bolotin
Title: Managing Director

By: /s/ Alexander Averbukh
Name: Alexander Averbukh
Title: Managing Director

Citibank N.A., as a 3-Year Lender, as a 5-Year Lender and as Issuing Lender

By: /s/ Meghan O'Connor
Name: Meghan O'Connor
Title: Vice President

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as a 3-Year Lender and as a 5-Year Lender

By: /s/ Vipul Dhadha
Name: Vipul Dhadha
Title: Authorized Signatory

By: /s/ Nicolas Thierry
Name: Nicolas Thierry
Title: Authorized Signatory

DEUTSCHE BANK AG NEW YORK BRANCH, as Lender for the 3-Year Revolving Facility and 5-Year Revolving Facility

By:	/s/ Ming K. Chu	
Name:	Ming K. Chu	ming.k.chu@db.com
Title:	Director	+1-212-250-5451
By:	/s/ Annie Chung	
Name:	Annie Chung	annie.chung@db.com
Title:	Director	+1-212-250-6375

DEUTSCHE BANK AG NEW YORK BRANCH, as Lender and Issuing Lender
under the LC Tranche Facility

By: /s/ Prashant Mehra

Name: Prashant Mehra

Title: Director

By: /s/ Patrick Werner

Name: Patrick Werner

Title: Vice President

FIFTH THIRD BANK, NATIONAL ASSOCIATION, as a 3-Year Lender and as a 5-Year Lender

By: /s/ J. David Izard
Name: J. David Izard
Title: Senior Vice President

GOLDMAN SACHS BANK USA, as a 3-Year Lender and as a 5-Year Lender

By: /s/ Ryan Durkin
Name: Ryan Durkin
Title: Authorized Signatory

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED, NEW YORK
BRANCH, as a 5-Year Lender.

By:	/s/ Christopher McKay
Name:	Christopher McKay
Title:	Director
By:	/s/ Haiyao Su
Name:	Haiyao Su
Title:	Executive Director

MORGAN STANLEY BANK, N.A., as a 3-Year Lender, and as a 5-Year Lender

By: /s/ Alysha Salinger
Name: Alysha Salinger
Title: Authorized Signatory

NATIXIS New York Branch as a 3-Year Lender and as a 5-Year Lender

By: /s/ Yevgeniya Levitin
Name: Yevgeniya Levitin
Title: Managing Director

By: /s/ Christopher Kiley
Name: Christopher Kiley
Title: Director

PNC BANK, NATIONAL ASSOCIATION, as a 3-Year Lender and as a 5-Year Lender

By: /s/ Brandon K. Fiddler
Name: Brandon K. Fiddler
Title: Senior Vice President

Sumitomo Mitsui Banking Corporation, as a 3-Year Lender and a 5-Year Lender

By: /s/ Akira Eyama
Name: Akira Eyama
Title: Managing Director

STANDARD CHARTERED BANK as a 3-Year Lender, as a 5-Year Lender and as Issuing Lender

By: /s/ James Beck
Name: James Beck
Title: Associate Director

U.S. BANK NATIONAL ASSOCIATION, as a 3-Year Lender and as a 5-Year Lender

By: /s/ Sean P. Walters
Name: Sean P. Walters
Title: Vice President

WELLS FARGO BANK, N.A., as a 3-Year Lender, and as a 5-Year Lender

By: /s/ Adam Spreyer
Name: Adam Spreyer
Title: Director

Amended Credit Agreement

[See attached.]

CREDIT AGREEMENT

**THE LENDERS PARTY HERETO,
and
JPMORGAN CHASE BANK, N.A.,
as Administrative Agent
BARCLAYS BANK PLC,
BNP PARIBAS,
CITIGROUP GLOBAL MARKETS INC.,
COMPASS BANK,
CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
DEUTSCHE BANK SECURITIES INC.,
FIFTH THIRD BANK,
GOLDMAN SACHS BANK USA,
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED, NEW YORK BRANCH,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
MORGAN STANLEY SENIOR FUNDING, INC.,
PNC BANK, NATIONAL ASSOCIATION,
STANDARD CHARTERED BANK,
SUMITOMO MITSUI BANKING CORPORATION,
U.S. BANK NATIONAL ASSOCIATION
and
WELLS FARGO BANK, N.A.,
as Co-Syndication Agents,

and

JPMORGAN CHASE BANK, N.A.,
BARCLAYS BANK PLC,
BNP PARIBAS,
CITIGROUP GLOBAL MARKETS INC.,
COMPASS BANK,
CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
DEUTSCHE BANK SECURITIES INC.,
FIFTH THIRD BANK,
GOLDMAN SACHS BANK USA,
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED, NEW YORK BRANCH,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
MORGAN STANLEY SENIOR FUNDING, INC.,
PNC CAPITAL MARKETS LLC,
STANDARD CHARTERED BANK,
SUMITOMO MITSUI BANKING CORPORATION,
U.S. BANK NATIONAL ASSOCIATION,
WELLS FARGO BANK, N.A.,
Credit Agricole Corporate and Investment Bank
and
Natixis, New York Branch,
as Joint Lead Arrangers and Joint Bookrunners**

Dated as of April 19, 2018

Table of Contents

Page

Section 1. DEFINITIONS 1

Section 1.01. Defined Terms 1

Section 1.02. Terms Generally [2634](#)

Section 1.03. Accounting Terms; GAAP [2735](#)

Section 1.04. Interest Rates [2735](#)

[Section 1.05. Acknowledgement Regarding Any Supported QFCs 35](#)

Section 2. AMOUNT AND TERMS OF CREDIT [2736](#)

Section 2.01. Revolving Commitments of the Lenders [2736](#)

Section 2.02. Letters of Credit [2837](#)

Section 2.03. Requests for Borrowings [3443](#)

Section 2.04. Funding of Borrowings [3544](#)

Section 2.05. Interest Elections [3545](#)

Section 2.06. Limitation on Eurodollar Tranches [3646](#)

Section 2.07. Interest on Revolving Loans [3746](#)

Section 2.08. Default Interest [3746](#)

Section 2.09. Alternate Rate of Interest [3746](#)

Section 2.10. Repayment of Revolving Loans; Evidence of Debt [3847](#)

Section 2.11. Optional Termination or Reduction of Revolving Commitments [3948](#)

Section 2.12. Mandatory Prepayment of Revolving Loans and Mandatory Commitment Reductions; Commitment Termination [3948](#)

Section 2.13. Optional Prepayment of Revolving Loans [4049](#)

Section 2.14. Increased Costs [4049](#)

Section 2.15. Break Funding Payments [4251](#)

Section 2.16. Taxes [4251](#)

Section 2.17. Payments Generally; Pro Rata Treatment [4555](#)

Section 2.18. Mitigation Obligations; Replacement of Lenders [4656](#)

Section 2.19. Certain Fees [4756](#)

Section 2.20. Commitment Fee and Upfront Fees [4757](#)

Section 2.21. Letter of Credit Fees [4857](#)

Section 2.22. Nature of Fees [4858](#)

Section 2.23. Right of Set-Off [4858](#)

Section 2.24. [Reserved] [4958](#)

Section 2.25. Payment of Obligations [4958](#)

Section 2.26. Defaulting Lenders [4958](#)

Section 2.27. Currency Equivalents	51 61
Section 2.28. Increase in Commitments	52 61
Section 2.29. Extension of Revolving Commitments	53 62
Section 3. REPRESENTATIONS AND WARRANTIES	55 65
Section 3.01. Organization and Authority	55 65
Section 3.02. Air Carrier Status	55 65
Section 3.03. Due Execution	55 65
Section 3.04. Financial Statements; Material Adverse Change	56 65
Section 3.05. Use of Proceeds	56 66
Section 3.06. Litigation and Compliance with Laws	56 66
Section 3.07. Investment Company Act	57 66
Section 3.08. ERISA	57 66
Section 3.09. Title to Pool Assets	57 Aircraft Collateral 67
Section 3.10. Payment of Taxes	57 67
Section 3.11. Economic Sanctions	57 67
Section 3.12. Anti-Corruption Laws	57 67
Section 3.13. Perfected Security Interests; Priority Lien Obligations	67
Section 3.14. Pacific Route FAA Slot Utilization	68
Section 3.15. Pacific Route Foreign Slot Utilization	68
Section 3.16. Pacific Routes	68
Section 3.17. Government Sponsored Relief Programs	69
Section 4. CONDITIONS OF LENDING	58 69
Section 4.01. Conditions Precedent to Effectiveness	58 69
Section 4.02. Conditions Precedent to Each Revolving Loan and Each Letter of Credit	59 71
Section 5. AFFIRMATIVE COVENANTS	60 71
Section 5.01. Financial Statements, Reports, etc.	60 72
Section 5.02. Existence	62 74
Section 5.03. Insurance	62 74
Section 5.04. Maintenance of Properties	62 74
Section 5.05. Obligations and Taxes	62 74
Section 5.06. Notice of Event of Default, etc.	63 74
Section 5.07. Access to Books and Records	63 74
Section 5.08. Compliance with Laws	63 75
Section 5.09. Appraisal Reports	63 75
Section 5.10. FAA and DOT Matters; Citizenship	63 75
Section 5.11. Further Assurances	76

[Section 5.12. Pacific Route FAA Slot Utilization 76](#)

[Section 5.13. Pacific Route Foreign Slot Utilization 77](#)

[Section 5.14. Pacific Route Utilization 77](#)

[Section 5.15. Minimum Liquidity 77](#)

[Section 5.16. \[Reserved\] 77](#)

[Section 5.17. Government Sponsored Relief Programs 77](#)

Section 6. ~~NEGATIVE~~[NEGATIVE COVENANTS 6478](#)

Section 6.01. Liens on the ~~Pool Assets 64~~[Collateral 78](#)

Section 6.02. Merger, etc. ~~65~~[79](#)

Section 6.03. ~~Asset~~[Collateral](#) Coverage Ratio ~~65~~[79](#)

Section 6.04. ~~Fixed Charge Coverage Ratio 66~~[\[Reserved\] 80](#)

Section 6.05. Disposition of ~~Pool Assets 66~~[Collateral 80](#)

[Section 6.06. Restricted Payments 81](#)

Section 7. EVENTS OF DEFAULT ~~66~~[81](#)

Section 7.01. Events of Default ~~66~~[81](#)

Section 8. THE AGENTS ~~68~~[83](#)

Section 8.01. Administration by Agents ~~68~~[83](#)

Section 8.02. Rights of Administrative Agent ~~68~~ [and Collateral Agent 84](#)

Section 8.03. Liability of Agents ~~69~~[84](#)

Section 8.04. Reimbursement and Indemnification ~~70~~[85](#)

Section 8.05. Successor Agents ~~70~~[86](#)

Section 8.06. Independent Lenders ~~70~~[86](#)

Section 8.07. Advances and Payments ~~70~~[86](#)

Section 8.08. Sharing of Setoffs ~~71~~[87](#)

Section 8.09. Other Agents ~~71~~[87](#)

Section 8.10. Withholding Taxes ~~72~~[87](#)

[Section 8.11. Appointment by Secured Parties 87](#)

[Section 8.12. Certain ERISA Matters 88](#)

Section 9. [RESERVED] ~~74~~[89](#)

Section 10. MISCELLANEOUS ~~74~~[89](#)

Section 10.01. Notices ~~74~~[89](#)

Section 10.02. Successors and Assigns ~~74~~[90](#)

Section 10.03. Confidentiality ~~78~~[94](#)

Section 10.04. Expenses; Indemnity; Damage Waiver ~~79~~[94](#)

Section 10.05. Governing Law; Jurisdiction; Consent to Service of Process ~~80~~[96](#)

Section 10.06. No Waiver ~~80~~[96](#)

Section 10.07. Extension of Maturity ~~81~~[96](#)

Section 10.08. Amendments, etc. ~~81~~[97](#)

Section 10.09. Severability ~~82~~[98](#)

Section 10.10. Headings ~~83~~[99](#)

Section 10.11. Survival ~~83~~[99](#)

Section 10.12. Execution in Counterparts; Integration; Effectiveness ~~83~~[99](#)

Section 10.13. USA Patriot Act ~~83~~[99](#)

Section 10.14. WAIVER OF JURY TRIAL ~~83~~[99](#)

Section 10.15. No Fiduciary Duty ~~84~~[100](#)

Section 10.16. Acknowledgement and Consent to Bail-In of ~~EEA~~[Affected](#) Financial Institutions ~~84~~[100](#)

[Section 10.17. Registrations with International Registry](#) [100](#)

INDEX OF APPENDICES

[Schedule 1.01 Existing Letters of Credit](#)

Schedule 2.01 ~~Revolving~~ Commitment Amounts

Schedule ~~6-05 Pool Assets~~[3.16 Pacific Routes](#)

EXHIBIT A Form of Compliance Certificate

EXHIBIT B Form of Assignment and Acceptance

EXHIBIT C-1 Form of U.S. Tax Compliance Certificate – Foreign Lenders That Are Not
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT C-2 Form of U.S. Tax Compliance Certificate – Foreign Participants That Are
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT C-3 Form of U.S. Tax Compliance Certificate – Foreign Participants That Are [Not](#) Partnerships for U.S. Federal Income Tax
Purposes

EXHIBIT C-4 Form of U.S. Tax Compliance Certificate – Foreign Lenders That Are
Partnerships for U.S. Federal Income Tax Purposes

EXHIBIT D Form of Extension Agreement

[EXHIBIT E Form of Aircraft Mortgage](#)

CREDIT AGREEMENT
Dated as of April 19, 2018

CREDIT AGREEMENT, dated as of April 19, 2018, among DELTA AIR LINES, INC., a Delaware corporation (the “Borrower”), each of the several banks and other financial institutions or entities from time to time party hereto (the “Lenders”) and JPMORGAN CHASE BANK, N.A. (“JPMCB”), as administrative agent for the Lenders (together with its permitted successors in such capacity, the “Administrative Agent”) and as collateral agent for the Secured Parties (together with its permitted successors in such capacity, the “Collateral Agent”).

INTRODUCTORY STATEMENT

~~The~~As of the Closing Date, the Borrower has applied to the Lenders for a revolving loan facility in an aggregate principal amount (or Dollar Amount, in the case of LC Exposure) of \$2,650,000,000 as set forth herein consisting of (a) a three-year tranche in an aggregate principal amount of \$1,325,000,000 and (b) a five-year tranche in an aggregate principal amount of \$1,325,000,000.

As of the Amendment No. 1 Effective Date, the Borrower has applied to the Lenders for a separate standby letter of credit tranche in an aggregate principal amount of \$216,078,361.60 and to provide security for the repayment of the Revolving Loans and the payment of the other Obligations of the Borrower hereunder and under the other Loan Documents, the Borrower will, among other things, provide to the Collateral Agent, for the benefit of the Secured Parties, a security interest in the Collateral pursuant to the SGR Security Agreement.

The proceeds of the Revolving Loans will be used for working capital and other general corporate purposes of the Borrower and its Subsidiaries.

Accordingly, the parties hereto hereby agree as follows:

Section 1.

DEFINITIONS

Section 1.01. Defined Terms.

“3-Year Consenting Revolving Commitments” shall mean the 3-Year Revolving Commitments of the 3-Year Consenting Lenders, as defined in the Amendment No. 1.

“3-Year LC Sublimit” shall mean \$250,000,000.

“3-Year Non-Consenting Revolving Commitments” shall mean the 3-Year Revolving Commitments of the 3-Year Lenders that are not 3-Year Consenting Lenders.

“3-Year Revolving Commitment” shall mean the commitment of each Lender to make Revolving Loans under the 3-Year Revolving Facility and participate in Letters of Credit in respect of the 3-Year Revolving Facility hereunder in an aggregate principal and/or face amount not to exceed the amount set forth under the heading “3-Year Revolving Commitment” opposite its name on Schedule 2.01 hereto or in the Assignment and Acceptance pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof. As the context may require and to the extent contemplated by the relevant amendment establishing any other Class of revolving

commitments hereunder, 3-Year Revolving Commitment shall include such other Class of revolving commitments.

“3-Year Revolving Commitment Percentage” shall mean, at any time, with respect to each Lender, the percentage obtained by dividing its 3-Year Revolving Commitment at such time by the Total 3-Year Revolving Commitment or, if the 3-Year Revolving Commitments have been terminated, the 3-Year Revolving Commitment Percentage of such Lender that existed immediately prior to such termination.

“3-Year Revolving Extensions of Credit” shall mean, as to any Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all 3-Year Revolving Loans held by such Lender then outstanding and (b) such Lender’s 3-Year Revolving Commitment Percentage of the LC Exposure with respect to the 3-Year Revolving Facility then outstanding.

“3-Year Revolving Facility” shall have the meaning set forth in clause (a) of the definition of “Revolving Facility” in this Section 1.01.

“3-Year Revolving Facility Maturity Date” shall mean (a) as of the Amendment No. 1 Effective Date, with respect to (i) 3-Year Non-Consenting Revolving Commitments that have not been extended pursuant to Section 2.29(a), April 19, 2021 and (ii) 3-Year Consenting Revolving Commitments that have not been extended pursuant to Section 2.29(a), April 19, ~~2021~~2022, (b) with respect to Extended Revolving Credit Commitments under the 3-Year Revolving Facility, the final maturity date therefor as specified in the applicable Extension Agreement and (c) with respect to any commitments under a Refinancing Revolving Facility with respect to the 3-Year Revolving Facility, the final maturity date therefor specified in the applicable Refinancing Amendment.

“3-Year Revolving Facility Termination Date” shall mean the earlier to occur of (a) the 3-Year Revolving Facility Maturity Date with respect to the applicable Revolving Commitments and (b) the date of any acceleration of the 3-Year Revolving Loans and termination of the 3-Year Revolving Commitments in accordance with the terms hereof.

“3-Year Revolving Loan” has the meaning set forth in Section 2.01(a). As the context may require and to the extent contemplated by the relevant amendment establishing any other Class of revolving commitments hereunder, 3-Year Revolving Loans shall include loans issued pursuant to such other Class of revolving commitments.

“3-Year Upfront Fee” shall have the meaning set forth in Section 2.20(b).

“5-Year LC Sublimit” shall mean \$250,000,000.

“5-Year Revolving Commitment” shall mean the commitment of each Lender to make Revolving Loans under the 5-Year Revolving Facility and participate in Letters of Credit in respect of the 5-Year Revolving Facility hereunder in an aggregate principal and/or face amount not to exceed the amount set forth under the heading “5-Year Revolving Commitment” opposite its name on Schedule 2.01 hereto or in the Assignment and Acceptance pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof. As the context may require and to the extent contemplated by the relevant amendment establishing any other Class of revolving commitments hereunder, 5-Year Revolving Commitment shall include such other Class of revolving commitments.

“5-Year Revolving Commitment Percentage” shall mean, at any time, with respect to each Lender, the percentage obtained by dividing its 5-Year Revolving Commitment at such time by the Total 5-Year Revolving Commitment or, if the 5-Year Revolving Commitments have been terminated, the 5-Year Revolving Commitment Percentage of such Lender that existed immediately prior to such termination.

“5-Year Revolving Extensions of Credit” shall mean, as to any Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all 5-Year Revolving Loans held by such Lender then outstanding and (b) such Lender’s 5-Year Revolving Commitment Percentage of the LC Exposure with respect to the 5-Year Revolving Facility then outstanding.

“5-Year Revolving Facility” shall have the meaning set forth in clause (b) the definition of “Revolving Facility” in this Section 1.01.

“5-Year Revolving Facility Maturity Date” shall mean (a) with respect to 5-Year Revolving Commitments that have not been extended pursuant to Section 2.29(a), April 19, 2023, (b) with respect to Extended Revolving Credit Commitments under the 5-Year Revolving Facility, the final maturity date therefor as specified in the applicable Extension Agreement, and (c) with respect to any commitments under a Refinancing Revolving Facility with respect to the 5-Year Revolving Facility, the final maturity date therefor specified in the applicable Refinancing Amendment.

“5-Year Revolving Facility Termination Date” shall mean the earlier to occur of (a) the 5-Year Revolving Facility Maturity Date with respect to the applicable Revolving Commitments and (b) the date of any acceleration of the 5-Year Revolving Loans and termination of the 5-Year Revolving Commitments in accordance with the terms hereof.

“5-Year Revolving Loan” has the meaning set forth in Section 2.01(a). As the context may require and to the extent contemplated by the relevant amendment establishing any other Class of revolving commitments hereunder, 5-Year Revolving Loans shall include loans issued pursuant to such other Class of revolving commitments.

“5-Year Upfront Fee” shall have the meaning set forth in Section 2.20(b).

“ABR”, when used in reference to any Revolving Loan or Borrowing, refers to whether such Revolving Loan, or the Revolving Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“Additional ~~Pool Assets~~ Collateral” shall mean (a) Routes, Gate Interests and/or Slots of the Borrower or any Subsidiary, (b) Aircraft, airframes, engines, spare engines and Spare Parts of the Borrower or any Subsidiary and (c) other assets of the Borrower or any Subsidiary which shall be reasonably satisfactory to the Administrative Agent, in each case designated by the Borrower as “Additional ~~Pool Assets~~ Collateral”, and all of which assets shall be valued by a new Appraisal Report at the time the Borrower designates such assets as Additional ~~Pool Assets~~ Collateral.

“Administrative Agent” shall have the meaning set forth in the first paragraph of this Agreement.

“Administrator” shall have the meaning given to such term in the Regulations and Procedures for the International Registry.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” shall mean, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, a Person (a “Controlled Person”) shall be deemed to be “controlled by” another Person (a “Controlling Person”) if the Controlling Person possesses, directly or indirectly, power to direct or cause the direction of the management and policies of the Controlled Person whether by contract or otherwise; provided that the PBGC shall not be an Affiliate of the Borrower.

“Agents” shall mean the Administrative Agent, the Collateral Agent, the Co-Syndication Agents and the Arrangers.

~~“Agreement” shall mean this Credit Agreement, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.~~

“Aggregate Exposure” shall mean, with respect to any Lender at any time, an amount equal to the amount of such Lender’s Revolving Commitment then in effect or, if the Revolving Commitments have been terminated, the amount of such Lender’s Revolving Extensions of Credit then outstanding.

“Aggregate Exposure Percentage” shall mean, with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender’s Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

~~“Aircraft” shall mean, collectively, airframes and aircraft engines now owned or hereafter acquired by the Borrower or a Subsidiary, together with all appliances, equipment, instruments, and accessories (including radio and radar, but excluding passenger convenience equipment) from time to time belonging to, installed in, or appurtenant to such airframes and aircraft engines; provided, however, the term “Aircraft” shall not include airframes and engines leased by the Borrower.~~

~~“Agreement” shall mean this Credit Agreement, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time.~~

“Aircraft” shall have the meaning set forth in the Aircraft Mortgage.

“Aircraft Collateral” shall mean all of the “Collateral” as defined in the Aircraft Mortgage (including any Mortgage Supplement).

“Aircraft Mortgage” shall mean an Aircraft Mortgage made by the Borrower in favor of the Collateral Agent for the benefit of the Secured Parties (including each mortgage supplement thereto), substantially in the form attached as Exhibit E.

“Aircraft Protocol” shall mean the official English language text of the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment adopted on November 16, 2001, at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto (and from and after the effective date of the Cape Town Treaty in the relevant country, means when referring to the Aircraft Protocol with respect to that country, the Aircraft Protocol as in effect in such country, unless otherwise indicated).

“Airport Authority” shall mean any city or any public or private board or other body or organization chartered or otherwise established for the purpose of administering, operating or managing airports or related facilities, which in each case is an owner, administrator, operator or manager of one or more airports or related facilities.

“Alternate Base Rate” shall mean, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the sum of the one-month LIBO Rate in effect on such day (or, if such day is not a Business Day, the immediately preceding Business Day) plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the one-month LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the one-month LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.09 hereof, 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. For the avoidance of doubt, if the Alternate Base Rate as so determined would be less than ~~zero~~2.00%, such rate shall be deemed to be ~~zero~~2.00% for purposes of this Agreement.

“Alternative Currency” shall mean (a) Euros and (b) any currency other than Dollars or Euros in which the applicable Issuing Lender is willing to issue a Letter of Credit.

“Amendment No. 1” shall mean Amendment No. 1, dated as of June 29, 2020, among the Borrower, JPMorgan Chase Bank, N.A., as Administrative Agent and as Collateral Agent and the Lenders and Issuing Lenders party thereto.

“Amendment No. 1 Appraisal Report” shall mean the Appraisal Report, dated April 1, 2020, by mba Aviation.

“Amendment No. 1 Effective Date” shall mean June 29, 2020.

“Appliance” shall mean an instrument, equipment, apparatus, a part, an appurtenance, or an accessory used, capable of being used, or intended to be used, in operating or controlling aircraft in flight, including a parachute, communication equipment, and another mechanism installed in or attached to aircraft during flight, and not a part of an aircraft, engine, or propeller (and shall include without limitation “appliances” as defined in 49 U.S.C. § 40102(a)(11)).

“Applicable Appraisal Discount Rate” shall mean, on the date of any valuation of Routes done in connection with an Appraisal Report, 9.0%.

“Applicable Margin” shall mean the rate per annum determined pursuant to the Applicable Pricing Grid.

“Applicable Pricing Grid” shall mean the table set forth below:

<u>Level</u>	<u>Moody's/S&P/Fitch Ratings</u>	<u>Commitment Fee Rate</u>	<u>Applicable Margin for Eurodollar Revolving Loans</u>	<u>Applicable Margin for ABR Revolving Loans</u>
I	Baa1/BBB+/BBB+ or better	0.125% <u>25.00 bps</u>	+1.125% <u>1.75%</u>	0.125% <u>0.75%</u>
II	Baa2/BBB/BBB	0.15% <u>30.00 bps</u>	+1.25% <u>2.00%</u>	0.25% <u>1.00%</u>
III	Baa3/BBB-/BBB-	0.20% <u>35.00 bps</u>	+1.50% <u>2.50%</u>	0.50% <u>1.50%</u>
IV	Ba1/BB+/BB+	0.25% <u>40.00 bps</u>	+1.75% <u>2.75%</u>	0.75% <u>1.75%</u>
V	Ba2/BB/BB or worse	0.30% <u>50.00 bps</u>	2.00% <u>3.00%</u>	1.00% <u>2.00%</u>
<u>VI</u>	<u>Ba3/BB-/BB- or worse</u>	<u>62.50 bps</u>	<u>3.25%</u>	<u>2.25%</u>

For the purposes of the foregoing, (a) if the Borrower shall not maintain a public Rating from at least two (2) Rating Agencies, the Rating shall be deemed to be (i) Level ~~V~~VI, if the Borrower has no public Rating and (ii) one (1) level lower than the Borrower's public Rating, if the Borrower has one (1) public Rating, (b) if the Borrower shall maintain a public Rating from only two (2) Rating Agencies, then the higher of such Ratings shall apply, unless there is a split in Ratings of more than one (1) ratings level, in which case the Rating that is one (1) level lower than the higher of the Borrower's two (2) Ratings shall apply, (c) if the Borrower shall maintain a public Rating from all three (3) Rating Agencies, (i) if two (2) Ratings are equivalent and the third Rating is lower, the higher Rating shall apply, (ii) if two (2) Ratings are equivalent and the third Rating is higher, the lower Rating shall apply and (iii) if no Ratings are equivalent, the Rating that is neither the highest nor the lowest Rating shall apply; provided that if the Ratings established by any Rating Agency shall be changed (other than as a result of a change in the rating system of such Rating Agency), such change shall be effective as of the date on which it is first announced by the applicable Rating Agency. Each change in the Applicable Margin and/or Commitment Fee shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

~~"Appraisal Delivery Date" shall mean (a) the Closing Date and (b) each anniversary of the Closing Date (other than such date falling in the year of the latest Termination Date).~~

"Applicable Terminal Value Growth Rate" shall mean, with respect to Pacific Routes, 2.5%.

"Appraisal Report" shall mean (a) the Initial Appraisal Report and, (b) the Amendment No. 1 Appraisal Report and (c) any other appraisal prepared by an Appraiser, in form and substance reasonably satisfactory to the Administrative Agent, which certifies, at the time of determination, the Appraised Value of the Appraised ~~Pool Assets~~Collateral described therein.

"Appraised ~~Pool Assets~~Collateral" shall mean ~~Pool Assets~~Collateral included in an Appraisal Report.

“Appraised Value” shall mean, as of any date of determination, (a) in the case of Appraised ~~Pool Assets Collateral~~, the fair market value thereof as reflected in the most recent Appraisal Report obtained in respect of such ~~Pool Assets Collateral~~ in accordance with this Agreement (in the case of any Routes, utilizing the Applicable Appraisal Discount Rate and the Applicable Terminal Value Growth Rate) and (b) 160% of the amount of cash and Cash Equivalents pledged at such time as Collateral, and (c) in the case of Investment Property (if any), (i) to the extent listed on a national security exchange, the market value thereof and (ii) otherwise, the book value thereof as reflected in the most recent Officer’s Certificate delivered pursuant to Section 5.01(f).

“Appraisers” shall mean, (a) ~~Morten Beyer & Agnew~~ mba Aviation, (b) ~~ICF International~~ BK Associates, Inc. ~~and~~, (c) ICF International and (d) such other appraisal firm or firms as may be retained by the Administrative Agent and the Borrower from time to time.

“ARB Indebtedness” shall mean, with respect to the Borrower or any of its Subsidiaries, without duplication, all Indebtedness or obligations of the Borrower or such Subsidiary created or arising with respect to any limited recourse revenue bonds issued for the purpose of financing or refinancing improvements to, or the construction or acquisition of, airport and other related facilities and equipment, the use or construction of which qualifies and renders interest on such bonds exempt from certain federal or state taxes.

“Arrangers” shall mean JPMorgan Chase Bank, N.A., Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Inc., Compass Bank, Credit Suisse AG, Cayman Islands Branch, Deutsche Bank Securities Inc., Fifth Third Bank, Goldman Sachs Bank USA, Industrial and Commercial Bank Of China Limited, New York Branch, Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation’s or any of its subsidiaries’ investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), Morgan Stanley Senior Funding, Inc., PNC Capital Markets LLC, Standard Chartered Bank, Sumitomo Mitsui Banking Corporation, U.S. Bank National Association, Wells Fargo Bank, N.A., Credit Agricole Corporate and Investment Bank and Natixis, New York Branch, in their capacity as joint lead arrangers and joint bookrunners with respect to the Revolving Facility.

~~“Asset Coverage Ratio” shall have the meaning set forth in Section 6.03.~~

~~“Asset Coverage Test Assignment” shall have the meaning set forth in Section 6.03~~ given in the Cape Town Convention.

“Assignment and Acceptance” shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.02), and accepted by the Administrative Agent, substantially in the form of Exhibit B.

“Associated Rights” shall have the meaning given in the Cape Town Convention.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable ~~EEA~~ Resolution Authority in respect of any liability of an ~~EEA~~ 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” shall mean The Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq.

“Bankruptcy Event” shall mean, 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.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations 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”.

“Board” shall mean the Board of Governors of the Federal Reserve System of the United States.

“Borrower” shall have the meaning set forth in the first paragraph of this Agreement.

“Borrowing” shall mean the incurrence, conversion or continuation of Revolving Loans of a single Type made from all the Lenders of any Class on a single date and having, in the case of Eurodollar Revolving Loans, a single Interest Period.

“Borrowing Request” shall mean a request by the Borrower, executed by a Responsible Officer of the Borrower, for a Borrowing in accordance with Section 2.03.

“Business Day” shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City are required or authorized to remain closed (and, for a Letter of Credit, other than a day on which the Issuing Lender issuing such Letter of Credit is closed); provided, however, that when used in connection with a Eurodollar Revolving Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in Dollar deposits on the London interbank market.

“Cape Town Convention” shall mean the official English language text of the Convention on International Interests in Mobile Equipment, adopted on November 16, 2001 at a diplomatic conference in Cape Town, South Africa, and all amendments, supplements and revisions thereto (and from and after the effective date of the Cape Town Treaty in the relevant country, means when referring to the Cape Town Convention with respect to that country, the Cape Town Convention as in effect in such country, unless otherwise indicated).

“Cape Town Treaty” shall mean, collectively, (a) the Cape Town Convention, (b) the Aircraft Protocol, and from and after the effective date of the Cape Town Treaty in the relevant country, shall mean when referring to the Cape Town Treaty with respect to that country, the Cape Town Treaty as in effect in such country, unless otherwise indicated, and (c) all rules and regulations (including but not limited to the Regulations and Procedures for the International Registry) adopted pursuant thereto and, in the case of each of the foregoing described in clauses (a) through (c), all amendments, supplements and revisions thereto.

“Capital Asset Sale” shall have the meaning given [to](#) such term in the definition of “EBITDAR” in this Section 1.01.

“Capitalized Lease” shall mean, as applied to any Person, any lease of property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with GAAP (as in effect on the Closing Date). The amount of obligations of such Person under a Capitalized Lease shall be the capitalized amount thereof determined in accordance with GAAP (as in effect on the Closing Date).

“Cash Collateralization” shall have the meaning given such term in Section 2.02(j).

“Cash Equivalents” means:

[\(1\) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the federal government of the United States \(or by any agency or instrumentality thereof to the extent such obligations are backed by the full faith and credit of the United States\), in each case maturing within one year from the date of acquisition thereof;](#)

[\(2\) direct obligations of state, provincial and local government entities, in each case maturing within one year from the date of acquisition thereof, which have, at the date of such acquisition, a rating of at least A- \(or the equivalent thereof\) from S&P or A-3 \(or the equivalent thereof\) from Moody's;](#)

[\(3\) obligations of domestic or foreign companies and their subsidiaries, including, without limitation, bills, notes, bonds, debentures, and mortgage-backed securities, in each case maturing within one year from the date of acquisition thereof and which have, at the date of such acquisition, a rating of at least A- \(or the equivalent thereof\) from S&P or A-3 \(or the equivalent thereof\) from Moody's;](#)

[\(4\) commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 \(or the equivalent thereof\) from S&P or P-2 \(or the equivalent thereof\) from Moody's;](#)

[\(5\) certificates of deposit, banker's acceptances, banker's discount notes, time deposits, US Dollar time deposits or overnight bank deposits maturing within one year 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 other commercial bank of recognized standing organized under the laws of the United States or any state thereof or the District of Columbia that has a combined capital and surplus and undivided profits of not less than \\$100,000,000;](#)

[\(6\) fully collateralized repurchase agreements with a term of not more than six months for underlying securities that would otherwise be eligible for investment;](#)

(7) Investments in money in an investment company organized under the 40 Act, or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest 95% of their assets in obligations of the type described in clauses (1) through (6) above, including money market funds or short-term and intermediate bonds funds;

(8) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the 40 Act or with the criteria set forth in National Instrument 81-102—Mutual Funds, as amended, (ii) are rated AAA (or the equivalent thereof) by S&P or Aaa (or the equivalent thereof) by Moody's and (iii) have portfolio assets of at least \$500,000,000;

(9) deposits available for withdrawal on demand with commercial banks organized in the United States having capital and surplus in excess of \$100,000,000;

(10) 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 or A3 by Moody's; and

(11) any other securities or pools of securities that are classified under GAAP as cash equivalents or short-term investments on a balance sheet.

“Change in Law” shall mean, after the date hereof, (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law (including pursuant to any treaty or, for purposes of Section 5.09, any other agreement governing the right to fly international routes), rule or regulation or in the interpretation or application thereof by any Governmental Authority, Airport Authority or Foreign Aviation Authority after the date of this Agreement applicable to the Borrower or (c) compliance by any Lender or Issuing Lender (or, for purposes of Section 2.14(b), by any lending office of such Lender or Issuing Lender or by such Lender's or Issuing Lender'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 date of this Agreement; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, requirements, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, regulations, requirements, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law” regardless of the date enacted, adopted, implemented or issued.

“Class”, when used in reference to any Revolving Loan or Borrowing, shall refer to whether such Revolving Loan, or the Revolving Loans comprising such Borrowing, are 3-Year Revolving Loans or 5-Year Revolving Loans and, when used in reference to any Revolving Commitment, refers to whether such Revolving Commitment is an LC Tranche Commitment, a 3-Year Revolving Commitment or a 5-Year Revolving Commitment. In addition, as the context requires, any extended tranche of Revolving Commitments shall constitute a Class of Revolving Loans (or LC Tranche Commitments, as applicable) separate from the Class of Revolving Loans (or LC Tranche Commitments, as applicable) from which they were converted.

“Closing Date” shall mean the date on which this Agreement has been executed and the conditions precedent to the effectiveness of this Agreement set forth in Section 4.01 have been satisfied or waived.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Commitment Fee” shall have the meaning set forth in Section 2.20(a).

“Commitment Fee Rate” shall mean the rate per annum set forth under the heading “Commitment Fee Rate” on the Applicable Pricing Grid.

“Collateral” shall mean, collectively, all assets and properties of the Borrower now owned or hereafter acquired upon which Liens have been granted to the Collateral Agent to secure the Obligations, including without limitation all of the “Collateral” as defined in the SGR Security Agreement and the Aircraft Mortgage.

“Collateral Agent” shall have the meaning set forth in the first paragraph of this Agreement.

“Collateral Coverage Ratio” shall have the meaning given to such term in Section 6.03.

“Collateral Coverage Ratio Cure Period” shall have the meaning given to such term in Section 6.03.

“Collateral Coverage Test” shall have the meaning given to such term in Section 6.03.

“Collateral Documents” shall mean, collectively, the SGR Security Agreement, the Aircraft Mortgage and other agreements, instruments or documents that create or purport to create a Lien in favor of the Collateral Agent for the benefit of the Secured Parties.

“Collateral Material Adverse Effect” shall mean a material adverse effect on the Appraised Value of the Collateral, taken as a whole, or the Eligible Collateral, taken as a whole.

“Consolidated Net Income” shall mean, with respect to any specified Person for any period, the aggregate of the net income (or net loss) of such Person and its Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; provided that: (a) all extraordinary gains (but not losses) and all gains (but not losses) realized in connection with any Capital Asset Sale or the disposition of securities or the early extinguishment of Indebtedness, together with any related provision for taxes on any such gain, will be excluded therefrom; (b) the net income (but not net loss) of any Person that is not the specified Person or a Subsidiary or that is accounted for by the equity method of accounting will be included therein only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or Subsidiary of the Person; (c) the net income (but not net loss) of any Subsidiary will be excluded therefrom to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary or its stockholders; (d) the cumulative effect of a change in accounting principles will be excluded therefrom; and (e) the effect of non-cash gains and losses attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to FASB ASC No. 815 will be excluded therefrom.

“Co-Syndication Agents” shall mean Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Inc., Compass Bank, Credit Suisse AG, Cayman Islands Branch, Deutsche Bank Securities Inc., Fifth Third Bank, Goldman Sachs Bank USA, Industrial and Commercial Bank Of China Limited, New York Branch, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley Senior Funding, Inc.,

PNC Bank, National Association, Standard Chartered Bank, Sumitomo Mitsui Banking Corporation, U.S. Bank National Association and Wells Fargo Bank, N.A., in their capacity as co-syndication agents with respect to this Agreement.

“Default” shall mean any event that, unless cured or waived, with the passage of time or the giving of notice or both, would be an Event of Default.

“Defaulting Lender” shall mean, at any time, any Lender that (a) has failed, within one (1) Business Day of the date required to be funded or paid by it hereunder, to fund or pay (x) any portion of the Revolving Loans, (y) any portion of the participations in any Letter of Credit required to be funded hereunder or (z) any other amount required to be paid by it hereunder to the Administrative Agent, any Issuing Lender or any other Lender (or its banking Affiliates), unless, in the case of clause (x) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower, the Administrative Agent, any Issuing Lender or any other Lender in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations (i) under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or (ii) generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by the Administrative Agent, any Issuing Lender, any other Lender or the Borrower, acting in good faith, to provide a confirmation in writing from an authorized officer or other authorized representative of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Revolving Loans and participations in then outstanding Letters of Credit under this Agreement, which request shall only have been made after the conditions precedent to borrowings have been met, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent’s, such Issuing Lender’s, such other Lender’s or the Borrower’s, as applicable, receipt of such confirmation in form and substance satisfactory to it and the Administrative Agent, (d) has become, or has had its Parent Company become, the subject of a Bankruptcy Event or a Bail-In Action. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any of clauses (a) through (d) above will be conclusive and binding absent manifest error, and such Lender will be deemed to be a Defaulting Lender upon notification of such determination by the Administrative Agent to the Borrower, the Issuing Lender and the Lenders.

“Designated Banking Product Agreement” shall mean any agreement evidencing Designated Banking Product Obligations entered into by the Borrower or any Subsidiary and any Person that, at the time such Person entered into such agreement, was a Lender or a banking Affiliate of a Lender, in each case designated by the relevant Lender (or its banking Affiliate) and the Borrower, by written notice to the Administrative Agent, as a “Designated Banking Product Agreement”, which notice shall include (i) a copy of an agreement providing for an agreed-upon maximum amount of Designated Banking Product Obligations under such Designated Banking Product Agreement that can be included as Obligations and (ii) the acknowledgment of such Lender (or its banking Affiliate) that its security interest in the Collateral securing such Designated Banking Product Obligations shall be subject to the Loan Documents; provided that, after giving effect to such designation, the aggregate agreed-upon maximum amount of all “Designated Banking Product Obligations” included as Obligations, together with the aggregate agreed-upon maximum amount of all “Designated Hedging Obligations” included as Obligations, shall not exceed \$500,000,000 in the aggregate.

“Designated Banking Product Obligations” shall mean, as applied to any Person, any direct or indirect liability, contingent or otherwise, of such Person in respect of any treasury, depository

and cash management services and automated clearing house transfers of funds services provided by a Lender or any of its banking Affiliates under any Designated Banking Product Agreement, including obligations for the payment of fees, interest, charges, expenses, attorneys' fees and disbursements in connection therewith.

"Designated Hedging Agreement" shall mean any Hedging Agreement entered into by the Borrower or any Subsidiary and any Person that, at the time such Person entered into such Hedging Agreement, was a Lender or an Affiliate of a Lender, in each case, as designated by the relevant Lender (or Affiliate of a Lender) and the Borrower, by written notice to the Administrative Agent, as a "Designated Hedging Agreement," which notice shall include a copy of an agreement providing for (i) a methodology agreed to by the Borrower, such Lender or Affiliate of a Lender, and the Administrative Agent for reporting the outstanding amount of Designated Hedging Obligations under such Designated Hedging Agreement from time to time, (ii) an agreed-upon maximum amount of Designated Hedging Obligations under such Designated Hedging Agreement that can be included as Obligations, and (iii) the acknowledgment of such Lender or Affiliate of a Lender that its security interest in the Collateral securing such Designated Hedging Obligations shall be subject to the Loan Documents; provided that, after giving effect to such designation, the aggregate agreed-upon maximum amount of all "Designated Hedging Obligations" included as Obligations, together with the aggregate agreed-upon maximum amount of all "Designated Banking Product Obligations" included as Obligations, shall not exceed \$500,000,000 in the aggregate.

"Designated Hedging Obligations" shall mean, as applied to any Person, all Hedging Obligations of such Person under Designated Hedging Agreements after taking into account the effect of any legally enforceable netting arrangements included in such Designated Hedging Agreements; it being understood and agreed that, on any date of determination, the amount of such Hedging Obligations under any Designated Hedging Agreement shall be determined based upon the "settlement amount" (or similar term) as defined under such Designated Hedging Agreement or, with respect to a Designated Hedging Agreement that has been terminated in accordance with its terms, the amount then due and payable (exclusive of expenses and similar payments but including any termination payments then due and payable) by such Person under such Designated Hedging Agreement.

"Discharge of Secured Obligations" shall have the meaning given such term in the SGR Security Agreement.

"Disposition" shall mean, with respect to any property, any sale, lease, sale and leaseback, conveyance, transfer or other disposition thereof. The terms "Dispose" and "Disposed of" shall have correlative meanings.

"Disqualified Institution" shall mean any Person (a) identified in writing to the Administrative Agent from time to time that is or becomes (i) a competitor of the Borrower or any of its Subsidiaries or (ii) a manufacturer of aircraft, engines or other equipment purchased or used by the Borrower; and (b) that is otherwise designated by the Borrower as such in a writing provided to the Administrative Agent prior to March 30, 2018, including, in each case, Affiliates thereof that are reasonably identifiable as such solely by their names.

"Dollar Amount" shall mean, at any time, for any amount, (i) if denominated in Dollars, the amount thereof and (ii) if denominated in an Alternative Currency, the amount thereof converted to Dollars in accordance with Section 2.27.

"Dollars" and "\$" shall mean lawful money of the United States of America.

“DOT” shall mean the United States Department of Transportation and any successor thereto.

“EBITDAR” shall mean, for any period, all as determined in accordance with GAAP, without duplication, an amount equal to (a) the Consolidated Net Income of the Borrower and its Subsidiaries for such period, plus (b) the sum of (i) any provision for income taxes for such period, (ii) Interest Expense for such period, (iii) extraordinary, non-recurring or unusual losses for such period, (iv) depreciation and amortization for such period, (v) amortized debt discount for such period, (vi) the amount of any deduction to consolidated net income as the result of any grant to any employee of the Borrower or its Subsidiaries of any Equity Interests during such period, (vii) aircraft rent expense for such period, (viii) any aggregate net loss during such period arising from a Capital Asset Sale (as defined below), (ix) all other non-cash charges for such period, (x) any losses arising under fuel hedging arrangements during such period, (xi) costs and expenses, including fees, incurred directly during such period in connection with the consummation of the transactions contemplated under the Loan Documents, and (xii) expenses or losses with respect to business interruption covered by insurance, in each case to the extent actually reimbursed, in the case of each of subclauses (i) through (xii) of this clause (b), to the extent deducted in the calculation of consolidated net income of the Borrower and its Subsidiaries for such period in accordance with GAAP, minus (c) the sum of (i) income tax credits for such period, (ii) interest income for such period, (iii) extraordinary, non-recurring or unusual gains for such period, (iv) any aggregate net gain during such period arising from the sale, exchange or other disposition of capital assets by the Borrower or its Subsidiaries (including any fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets and all securities) (a “Capital Asset Sale”), (v) any gains arising under fuel hedging arrangements during such period, and (vi) any other non-cash gains that have been added in determining consolidated net income during such period, in the case of each of subclauses (i) through (vi) of this clause (c), to the extent included in the calculation of consolidated net income of the Borrower and its Subsidiaries for such period in accordance with GAAP. For purposes of this definition, the following items shall be excluded in determining consolidated net income of the Borrower and its Subsidiaries for any period: (1) the income (or deficit) of any other Person accrued prior to the date it became a Subsidiary of, or was merged or consolidated into, the Borrower or any of its Subsidiaries; (2) the income (or deficit) of any other Person (other than a Subsidiary) in which the Borrower or any of its Subsidiaries has an ownership interest, except to the extent any such income has actually been received by the Borrower or such Subsidiary, as applicable, in the form of cash dividends or distributions; (3) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of income accrued during such period; (4) any write-up of any asset; (5) any net gain from the collection of the proceeds of life insurance policies; (6) any net gain arising from the acquisition of any securities, or the extinguishment, under GAAP, of any Indebtedness, of the Borrower or any of its Subsidiaries; (7) in the case of a successor to the Borrower by consolidation or merger or as a transferee of its assets, any earnings of such successor prior to such consolidation, merger or transfer of assets; (8) any deferred credit representing the excess of equity in any Subsidiary at the date of acquisition of such Subsidiary over the cost to the Borrower or any of its Subsidiaries of the investment in such Subsidiary; and (9) any foreign currency translation gains or losses (including gains or losses related to currency remeasurements of Indebtedness).

“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~~person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Affiliate Assignee” shall mean (a) with respect to any Lender, an Affiliate thereof that is: (i) a commercial bank or financial institution organized under the laws of the United States, or any state thereof, and having total assets in excess of \$1,000,000,000; (ii) a commercial bank or financial institution organized under the laws of France, Germany, the Netherlands, Spain or the United Kingdom, or under the Laws of a political subdivision of any such country, and having total assets in excess of \$1,000,000,000; provided that such bank or institution is acting through a branch or agency located in such country or the United States; or (iii) a commercial bank or financial institution organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development, or under the laws of a political subdivision of any such country, and having total assets in excess of \$1,000,000,000; provided that such bank or institution is acting through a branch or agency located in the United States, and (b) with respect to Goldman Sachs Bank USA, Goldman Sachs Lending Partners LLC.

“Eligible Assignee” shall mean (a) a commercial bank having total assets in excess of \$1,000,000,000, (b) a finance company, insurance company or other financial institution or fund, in each case reasonably acceptable to the Administrative Agent, which in the ordinary course of business extends credit of the type contemplated herein or invests therein and has total assets in excess of \$200,000,000 and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or Section 406 of ERISA, (c) any Lender or any Affiliate of any Lender and (d) any other financial institution reasonably satisfactory to the Administrative Agent; provided that “Eligible Assignee” shall not include any Disqualified Institution, any natural person, the Borrower or any Affiliate of the Borrower.

“Eligible Collateral” shall mean the Collateral; provided that if an Aircraft is Parked for more than thirty (30) days, such Aircraft shall be excluded from Eligible Collateral in its entirety unless an Appraisal Report establishing the current Appraised Value of such Aircraft in its Parked condition is (or has been) delivered to the Administrative Agent.

“Environmental Laws” shall mean all applicable laws (including common law), statutes, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions or legally binding requirements or agreements issued, promulgated or entered into by or with any Governmental Authority, relating to the protection of environment, preservation or reclamation of natural resources, the handling, treatment, storage, disposal, Release into the environment or threatened Release into the environment of, or human exposure to, any pollutants, contaminants or any toxic, radioactive or otherwise hazardous materials.

“Environmental Liability” shall mean any liability, contingent or otherwise, (including any liability for damages, natural resource damage, costs of environmental investigation, remediation or monitoring or costs, fines or penalties) resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment, disposal or the arrangement for disposal of any Hazardous Materials, (c) human exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement, lease or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” shall mean shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person (whether direct or indirect), and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated thereunder.

“ERISA Affiliate” shall mean any trade or business (whether or not incorporated) that, together with the Borrower, is treated as (i) a single employer under Section 414(b) or (c) of the Code, or (ii) 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, or that is under common control with the Borrower within the meaning of Section 4001 of ERISA.

“Escrow Accounts” shall mean (1) accounts of the Borrower or any Subsidiary, solely to the extent any such accounts hold funds set aside by the Borrower or any Subsidiary (plus accrued interest thereon) to manage the collection and payment of amounts collected, withheld or incurred by the Borrower or such Subsidiary for the benefit of third parties relating to: (a) federal income tax withholding and backup withholding tax, employment taxes, transportation excise taxes and security related charges, (b) any and all state and local income tax withholding, employment taxes and related charges and fees and similar taxes, charges and fees, including, but not limited to, state and local payroll withholding taxes, unemployment and supplemental unemployment taxes, disability taxes, workman’s or workers’ compensation charges and related charges and fees, (c) state and local taxes imposed on overall gross receipts, sales and use taxes, fuel excise taxes and hotel occupancy taxes, (d) passenger facility fees and charges collected on behalf of and owed to various administrators, institutions, authorities, agencies and entities, (e) other similar federal, state or local taxes, charges and fees (including without limitation any amount required to be withheld or collected under applicable law) and (f) other funds held in trust for, or otherwise segregated for the benefit of, an identified beneficiary; in each case, held in escrow accounts, agent accounts, trust funds or other segregated accounts; or (2) accounts, capitalized interest accounts, debt service reserve accounts, escrow accounts and other similar accounts or funds established in connection with the ARB Indebtedness.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Euro” or “€” shall mean the official currency of the European Economic and Monetary Union.

“Eurodollar”, when used in reference to any Revolving Loan or Borrowing, refers to whether such Revolving Loan, or the Revolving Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the LIBO Rate.

“Eurodollar Tranche” shall mean the collective reference to Eurodollar Revolving Loans under a particular Revolving Facility the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Revolving Loans shall originally have been made on the same day).

“Event of Default” shall have the meaning given [to](#) such term in Section 7.

[“Event of Loss” shall have the meaning given such term in the Aircraft Mortgage.](#)

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

“Exchange Rate” shall mean on any day with respect to any currency other than Dollars, the rate at which such currency may be exchanged into Dollars, as set forth at approximately 11:00 a.m. (London time) on such day on the Reuters World Currency Page for such currency; in the event that such rate does not appear on any Reuters World Currency Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrower, or, in the absence of such agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 10:00 a.m. (New York City time) on such date for the purchase of Dollars for delivery two (2) Business Days later; provided, however, that if at any time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

“Excluded Taxes” shall mean, with respect to the Administrative Agent, any Lender, any Issuing Lender or any other recipient of any payment to be made by or on account of any Obligation of the Borrower hereunder or under any Loan Document, (a) income or franchise Taxes imposed on (or measured by) its net income however denominated by the United States of America or any political subdivision thereof or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or any political subdivision thereof, (b) any Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such taxes (other than a connection arising solely from such recipient’s having executed, delivered, enforced, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to, or enforced, this Agreement or any Loan Document), (c) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which such recipient is located, (d) in the case of a Foreign Lender, any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, immediately before designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 2.16(a), (e) in the case of a Lender, any withholding tax that is attributable to such Lender’s failure to comply with Section 2.16(f) or 2.16(g) and (f) any withholding tax that is imposed by reason of FATCA.

“Existing Barclays Credit Agreement” shall mean that certain Credit and Guaranty Agreement dated as of October 18, 2012 among the Borrower, the subsidiary guarantors from time to time party thereto, the lenders from time to time party thereto and Barclays Bank PLC, as administrative agent, as amended prior to the date hereof.

“Existing JPM Credit Agreement” shall mean that certain Credit and Guaranty Agreement dated as of August 24, 2015 among the Borrower, the subsidiary guarantors from time to time party thereto, the lenders and issuing banks from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent, as amended prior to the date hereof.

“Existing Letters of Credit” shall mean [each letter of credit issued prior to the Amendment No. 1 Effective Date and described in Schedule 1.01.](#)

“Extended Revolving Credit Commitments” shall have the meaning given to such term in Section 2.29(a).

“Extending Lender” shall have the meaning given to such term in Section 2.29(a).

“Extension Agreement” shall have the meaning given to such term in Section 2.29(b).

“Extension Request” shall have the meaning given to such term in Section 2.29(a).

“FAA” shall mean the Federal Aviation Administration of the United States of America and any successor thereto.

“FAA Slot” shall mean ~~all “slots” as defined in 14 CFR § 93.213(a)(2), as that section may be amended or re-codified from time to time, or, in the case of slots at New York LaGuardia Airport, as defined in the Final Order, Operating Limitations at New York LaGuardia Airport, 71 Fed. Reg. 77,854 (December 27, 2006), as such order may be amended or re-codified from time to time, and in any subsequent order issued by the FAA related to New York LaGuardia Airport, as such order may be amended or re-codified from time to time, or, in the case of slots at John F. Kennedy International Airport, as defined in the Operating Limitations at John F. Kennedy International Airport, Order Limiting Scheduled Operations at John F. Kennedy International Airport, 73 Fed. Reg. 3510 (January 18, 2008), as such order may be amended or re-codified from time to time, and in any subsequent order issued by the FAA related to John F. Kennedy International Airport, as such order may be amended or re-codified from time to time, in each case of the Borrower and, if applicable, any Subsidiary of the Borrower, now held or hereafter acquired (other than “slots” which have been permanently allocated to another air carrier and in which the Borrower and, if applicable, any Subsidiary of the Borrower holds temporary use rights).~~ in the case of airports in the United States, at any time, the right and operational authority to conduct one Instrument Flight Rule (as defined in Title 14) scheduled landing or take-off operation at a specific time or during a specific time period at any airport at which landings or take-offs are restricted, including, without limitation, slots and operating authorizations, whether pursuant to FAA or DOT regulations or orders pursuant to Title 14, Title 49 or other federal statutes now or hereinafter in effect.

“FATCA” shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement, any amended or successor provisions that are substantively similar thereto, any regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code, and any intergovernmental agreements with the United States with respect thereto and any laws or regulations implementing such intergovernmental agreement.

“Federal Funds Effective Rate” shall mean, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate, provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Fees” shall collectively mean the Commitment Fees, Letter of Credit Fees, the Upfront Fees and other fees referred to in Section 2.19.

“Fifth-Freedom Rights” shall mean the operational right to enplane passenger traffic and cargo in a foreign country and deplane it in another foreign country, including any such right pursuant to a bilateral treaty between the United States and a foreign country.

“Fitch” ~~shall mean~~ means Fitch, Inc., also known as Fitch Ratings ~~Inc. (or any successor thereto), and its successors.~~

~~“Fixed Charge Coverage Ratio”~~Finance Lease Obligation” shall mean, ~~at any date for which such ratio is to be determined, the ratio of EBITDAR for the Rolling Twelve Month period ended on such date to the sum of the following for such period: (a) Interest Expense, plus (b) the aggregate cash aircraft rental expense of the Borrower and its Subsidiaries on a consolidated basis for such period payable in cash in respect of any aircraft leases (other than Capitalized Leases), all as determined in accordance with GAAP, 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.~~

“Foreign Aviation Authorities” shall mean any foreign governmental, quasi-governmental, regulatory or other agency, public corporation or private entity that exercises jurisdiction over the authorization (a) to serve any foreign point on each of the Routes and/or to conduct operations related to the Routes and Supporting Route Facilities and/or (b) to hold and operate any Foreign Slots.

“Foreign Lender” shall mean any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is located. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Slot” shall mean all of the rights and operational authority, now held or hereafter acquired, of the Borrower to conduct one (1) landing or takeoff operation during a specific hour or other period at each non-United States airport served in conjunction with the Borrower’s operations over a Route, other than “slots” which have been permanently allocated to another air carrier and in which the Borrower holds temporary use rights.

“GAAP” shall mean generally accepted accounting principles set forth in the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time, in each case applied in accordance with Section 1.03.

“Gate Interests” shall mean all of the right, title, privilege, interest, and authority now or hereafter acquired or held by the Borrower in connection with the right to use or occupy holdroom and passenger boarding and deplaning space in any airport terminal at which the Borrower conducts scheduled operations.

“Governmental Authority” shall mean 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 organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

“Guarantee” of or by any Person (the “guarantor”) shall mean any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation 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 other obligation 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 or other obligation 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 other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided that the term Guarantee shall not include (i) endorsements for collection or deposits or (ii) customary contractual indemnities in commercial agreements, in each case in the ordinary course of business and consistent with past practice. The amount of any obligation relating to a Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made (or, if less, the maximum reasonably anticipated liability for which such Person may be liable pursuant to the terms of the instrument evidencing such Guarantee) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform) as determined by the guarantor in good faith.

“Hazardous Materials” shall mean 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, and radon gas, and all other substances that are regulated as hazardous pursuant to, or, due to their hazardous qualities, could reasonably be expected to give rise to liability under any Environmental Law.

“Hedging Agreement” shall mean any agreement evidencing Hedging Obligations.

“Hedging Obligations” shall mean, with respect to any Person, all obligations and liabilities of such Person under (1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements; (2) other swap or derivative agreements or arrangements designed to manage interest rates or interest rate risk; and (3) other swap or derivative agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, fuel prices or other commodity prices.

“Impacted Interest Period” shall have the meaning assigned to it in the definition of “LIBO Rate”.

“Increase Effective Date” shall have the meaning given to such term in Section 2.28(a).

“Increase Joinder” shall have the meaning given to such term in Section 2.28(c).

~~“Incremental Amount” shall mean, at any time, the excess, if any, of (i) the sum of \$1,000,000,000 plus the aggregate amount of reductions of 3-Year Revolving Commitments and 5-Year Revolving Commitments prior to such time in accordance with Section 2.11 over (ii) the aggregate amount of all Incremental Commitments established under the 3-Year Revolving Facility and the 5-Year Revolving Facility prior to such time in accordance with Section 2.28 (it being understood that the aggregate Revolving Commitments (including all Incremental Commitments) in effect at any time shall not exceed \$3,650,000,000).~~

“Incremental Commitments” shall have the meaning given to such term in Section 2.28(a).

“Incremental Lender” shall have the meaning given to such term in Section 2.28(a).

“Indebtedness” of any Person shall mean, without duplication, (a) all obligations of such Person for borrowed money (including in connection with deposits or advances), (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 current accrued expenses incurred and current accounts payable, in each case 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 Guarantees by such Person of Indebtedness of others, (g) ~~all obligations of such Person in respect of Capitalized Leases~~ 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 ~~and~~, (i) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances and (j) all obligations in respect of Hedging Agreements valued at the amount equal to what would be payable by such Person to its counterparty to such Hedging Agreements if such Hedging Agreements were terminated early on such date of determination. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Taxes" shall mean Taxes (other than Excluded Taxes) imposed on or with respect to any payments made by the Borrower under this Agreement or any other Loan Document.

"Indemnitee" shall have the meaning given to such term in Section 10.04(b).

"Initial Appraisal Report" shall mean the Valuation Report, dated March 16, 2018, by Morten Beyer & Agnew.

"Interest Election Request" shall mean a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.05.

"Interest Expense" shall mean, for any period, the gross cash interest expense (including the interest component of ~~Capitalized Leases~~ Finance Lease Obligations), of the Borrower and its Subsidiaries on a consolidated basis for such period, all as determined in accordance with GAAP.

"Interest Payment Date" shall mean (a) as to any Eurodollar Revolving Loan having an Interest Period of one (1), two (2) or three (3) months, the last day of such Interest Period, (b) as to any Eurodollar Revolving Loan having an Interest Period of more than three (3) months, each day that is three (3) months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period and (c) with respect to ABR Revolving Loans, the last Business Day of each March, June, September and December.

"Interest Period" shall mean, as to any Borrowing of Eurodollar Revolving Loans, the period commencing on the date of such Borrowing (including as a result of a conversion from ABR Revolving Loans) or on the last day of the preceding Interest Period applicable to such Borrowing and ending on the numerically corresponding day (or if there is no corresponding day, the last day) in the calendar month that is one (1), two (2), three (3) or six (6) months (or, if available to all applicable Lenders, twelve (12) months) thereafter, as the Borrower may elect in the related notice delivered pursuant to Section 2.03 or 2.05; provided that (i) if any Interest Period would end on a day which shall not be 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) no Interest Period shall end later than the applicable Termination Date.

“International Interest” shall mean an “international interest” as defined in the Cape Town Convention.

“International Registry” shall mean the “International Registry” as defined in the Cape Town Convention.

“Interpolated Rate” shall mean, at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) 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 LIBO Screen Rate for the longest period for which the LIBO Screen Rate is available that is shorter than the Impacted Interest Period; and (b) the LIBO Screen Rate for the shortest period for which that LIBO Screen Rate is available) that exceeds the Impacted Interest Period, in each case, at such time.

“Investment Property” shall have the meaning given to such term in the UCC.

“Issuing Lender” shall mean (i) in respect of the LC Tranche Facility, each of JPMorgan Chase Bank, N.A., Barclays Bank PLC, Citibank, N.A., Deutsche Bank AG New York Branch, Standard Chartered Bank, Credit Agricole Corporate and Investment Bank and any other Lender agreeing to be an issuer of Letters of Credit thereunder, in such capacity (which Lender shall be reasonably satisfactory to the Borrower and the Administrative Agent), and its successors in such capacity as provided in Section 2.02(i) and (ii) in respect of the 3-Year Revolving Facility and 5-Year Revolving Facility, each Lender agreeing to be an issuer of Letters of Credit ~~hereunder~~thereunder, in such capacity (which Lender shall be reasonably satisfactory to the Borrower and the Administrative Agent), and its successors in such capacity as provided in Section 2.02(i). Each Issuing Lender may, in its reasonable discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Lender reasonably acceptable to the Borrower, in which case the term “Issuing Lender” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

“JFK” shall mean New York’s John F. Kennedy (JFK) International Airport.

“JPMCB” shall have the meaning set forth in the first paragraph of this Agreement.

“LC Disbursement” shall mean a payment made by an Issuing Lender pursuant to a Letter of Credit issued by it.

“LC Exposure” shall mean, at any time, the sum of (a) the aggregate maximum undrawn Dollar Amount of all outstanding Letters of Credit at such time plus (b) the aggregate Dollar Amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be (i) with respect to the LC Tranche Facility, its LC Tranche Commitment Percentage of the total LC Exposure under the LC Tranche Facility at such time, (ii) with respect to the 3-Year Revolving Facility, its 3-Year Revolving Commitment Percentage of the total LC Exposure under the 3-Year Revolving Facility at such time and (iii) with respect to the 5-Year Revolving Facility, its 5-Year Revolving Commitment Percentage of the total LC Exposure under the 5-Year Revolving Facility at such time.

“LC Tranche Commitment” shall mean the commitment of each Lender to participate in Letters of Credit in respect of the LC Tranche Facility hereunder in an aggregate principal and/or face amount not to exceed the amount set forth under the heading “LC Tranche Commitment” opposite its name on Schedule 2.01 hereto or in the Assignment and Acceptance pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof. As the

context may require and to the extent contemplated by the relevant amendment establishing any other Class of revolving commitments hereunder, LC Tranche Commitment shall include such other Class of revolving commitments.

“LC Tranche Commitment Percentage” shall mean, at any time, with respect to each Lender, the percentage obtained by dividing its LC Tranche Commitment at such time by the Total LC Tranche Commitment or, if the LC Tranche Commitments have been terminated, the LC Tranche Commitment Percentage of such Lender that existed immediately prior to such termination.

“LC Tranche Extensions of Credit” shall mean, as to any Lender at any time, an amount equal to such Lender’s LC Tranche Commitment Percentage of the LC Exposure with respect to the LC Tranche Facility then outstanding.

“LC Tranche Facility” shall have the meaning set forth in clause (c) of the definition of “Revolving Facility” in this Section 1.01.

“LC Tranche Facility Maturity Date” shall mean (a) as of the Amendment No. Effective Date, with respect to LC Tranche Commitments that have not been extended pursuant to Section 2.29(a), April 19, 2022, (b) with respect to Extended Revolving Credit Commitments under the LC Tranche Facility, the final maturity date therefor as specified in the applicable Extension Agreement and (c) with respect to any commitments under a Refinancing Revolving Facility with respect to the LC Tranche Facility, the final maturity date therefor specified in the applicable Refinancing Amendment.

“LC Tranche Facility Termination Date” shall mean the earlier to occur of (a) the LC Tranche Facility Maturity Date with respect to the applicable Revolving Commitments and (b) the date of any acceleration of the Letters of Credit under the LC Tranche Facility and termination of the LC Tranche Commitments in accordance with the terms hereof.

“Lenders” shall have the meaning set forth in the first paragraph of this Agreement.

“Letter of Credit” shall mean any irrevocable letter of credit issued pursuant to Section 2.02, which letter of credit shall be (i) a standby letter of credit, (ii) issued for general corporate purposes of the Borrower or any Subsidiary, (iii) denominated in Dollars or any Alternative Currency and (iv) otherwise in such form as may be reasonably approved from time to time by the Administrative Agent and the applicable Issuing Lender. The Letters of Credit under the LC Tranche Facility shall be deemed to include all Existing Letters of Credit.

“Letter of Credit Fees” shall mean the fees payable in respect of Letters of Credit pursuant to Section 2.21.

“LIBO Rate” shall mean, with respect to any Eurodollar Borrowing for any Interest Period, the LIBO Screen Rate at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period; provided that if the LIBO Screen Rate shall not be available at such time for such Interest Period (an “Impacted Interest Period”) then the LIBO Rate shall be the Interpolated Rate.

“LIBO Screen Rate” shall mean, for any day and time, with respect to any Eurodollar Borrowing 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 U.S. Dollars 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~~ 1.00%, such rate shall be deemed to ~~zero~~ be 1.00% for the purposes of this Agreement.

“Lien” shall mean (a) any mortgage, deed of trust, pledge, deed to secure debt, hypothecation, security interest, International Interest, Prospective International Interest, easement (including, without limitation, reciprocal easement agreements and utility agreements), rights-of-ways, reservations, encroachments, zoning and other land use restrictions, claim or any other title defect, lease, encumbrance, restriction, lien or charge of any kind whatsoever and (b) the interest of a vendor or a lessor under any conditional sale, capital lease or other title retention agreement (or any ~~financing lease~~ 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).

“Loan Documents” shall mean this Agreement, the Letters of Credit (including applications for Letters of Credit and related reimbursement agreements), each Collateral Document and any other instrument or agreement (which is designated as a Loan Document therein) executed and delivered by the Borrower to the Administrative Agent, the Collateral Agent, any Issuing Lender or any Lender, in each case, as the same may be amended, restated, modified, supplemented, extended or amended and restated from time to time in accordance with the terms hereof.

“Material Adverse Change” shall mean any event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect.

“Material Adverse Effect” shall mean a material adverse effect on (a) the business, operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Administrative Agent, the Collateral Agent and the Lenders thereunder, or (c) the ability of the Borrower to pay the obligations under the Loan Documents.

“Material Indebtedness” shall mean Indebtedness (other than the Revolving Loans and Letters of Credit) of the Borrower in an aggregate principal amount exceeding \$200,000,000.

“Material Subsidiary” means, at any time, any Subsidiary of the Borrower having at such time (i) total assets, as of the last day of the most recently ended fiscal quarter for which the Borrower’s annual or quarterly financial statements have been most recently required to have been delivered pursuant to Section 5.01, having a net book value greater than or equal to 10% of the total assets of the Borrower and all of its Subsidiaries on a consolidated basis (as shown on the most recent balance sheet of the Borrower delivered pursuant to Section 5.01 or, if available earlier and delivered to the Administrative Agent, the balance sheet that is internally available for the then most recently ended fiscal quarter or fiscal year, as applicable), (ii) total revenue, as of the last day of the most recently ended fiscal quarter for which the Borrower’s annual or quarterly financial statements have been most recently required to have been delivered pursuant to Section 5.01, greater than or equal to 10% of the total revenue of the Borrower and all of its Subsidiaries on a consolidated basis (as shown on the most recent income statement of the Borrower delivered pursuant to Section 5.01 or, if available earlier and delivered to the Administrative Agent, the income statement that is internally available for the then most recently ended fiscal quarter or fiscal year, as applicable) or (iii) any ~~Pool Assets~~ Collateral.

“Moody’s” shall mean Moody’s Investors Service, Inc. (or any successor thereto).

“Mortgage Supplements” shall have the meaning set forth in the Aircraft Mortgage.

“Multiemployer Plan” shall mean a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA, which is maintained or contributed to by (or to which there is an obligation to contribute of) the Borrower or a Subsidiary of the Borrower or an ERISA Affiliate, and each such plan for the five-year period immediately following the latest date on which the Borrower, or a Subsidiary of the Borrower or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

“Multiple Employer Plan” shall mean a Single Employer Plan, which is maintained for employees of the Borrower or an ERISA Affiliate and at least one (1) person (as defined in Section 3(9) of ERISA) other than the Borrower and its ERISA Affiliates and in respect of which the Borrower or an ERISA Affiliate could have liability, contingent or otherwise, under ERISA.

“Non-Defaulting Lender” shall mean, at any time, a Lender that is not a Defaulting Lender.

“Non-Extending Lender” shall have the meaning given to such term in Section 2.29(c).

“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.

“NYFRB” shall mean the Federal Reserve Bank of New York.

“NYFRB Rate” shall mean, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Obligations” shall mean the unpaid principal of and interest on (including interest, reasonable fees and reasonable out-of-pocket costs accruing after the maturity of the Revolving Loans and interest, reasonable fees and reasonable out-of-pocket costs accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest, fees or costs is allowed in such proceeding) the Revolving Loans and all other obligations and liabilities of the Borrower to any Agent, any Issuing Lender or any Lender (or, in the case of Designated Hedging Obligations and Designated Banking Product Obligations, any Person who was a Lender or an Affiliate of a Lender when the related Designated Hedging Agreement or Designated Banking Product Agreement was entered into), whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which arise under, out of, or in connection with, this Agreement, any other Loan Document, any Letters of Credit, any Designated Hedging Agreement, any Designated Banking Product Agreement, or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, reasonable fees, indemnities, reasonable out-of-pocket costs, reasonable and documented out-of-pocket expenses (including all reasonable fees, charges and disbursements of counsel to any Agent, any Issuing Lender or any Lender that are required to be paid by

the Borrower pursuant hereto) or otherwise: provided, however, that the aggregate amount of all Designated Hedging Obligations and Designated Banking Product Obligations (in each case, valued in accordance with the definitions thereof) at any time outstanding that shall be included as “Obligations” shall not exceed \$500,000,000.

“Officer’s Certificate” shall mean a certificate executed by a Responsible Officer of the Borrower in his/her capacity as such.

“Other Taxes” shall mean any and all present or future stamp, mortgage, intangible, documentary, recording or filing taxes or any other similar taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are imposed with respect to an assignment.

“Outstanding Letters of Credit” shall have the meaning given such term in Section 2.02(j).

“Overnight Bank Funding Rate” shall mean, for any day, the rate comprised of both overnight federal funds and overnight Eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

~~“Pacific Countries” shall mean (i) countries bordering the Pacific Ocean in Asia, North America, Australia and New Zealand; (ii) islands surrounded by the Pacific Ocean and (iii) Thailand, Myanmar (Burma), Laos and Cambodia.~~

“Pacific Route FAA Slots” shall have the meaning given to such term in the SGR Security Agreement.

“Pacific Route Foreign Slots” shall have the meaning given to such term in the SGR Security Agreement.

~~“Pacific Routes” shall mean the Routes to or from Pacific Countries (other than Routes between countries in North America)~~have the meaning given to such term in the SGR Security Agreement.

“Parent Company” shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

“Parked” shall mean, as to any Aircraft, that such Aircraft has been removed from service, other than Aircraft temporarily grounded for maintenance being actively conducted.

“Participant” shall have the meaning given to such term in Section 10.02(d).

“Participant Register” shall have the meaning given to such term in Section 10.02(d).

“Patriot Act” shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA ~~Patriot~~PATRIOT Act) of

2001, Title III of Pub. L. 107-56, signed into law on October 26, 2001 or any subsequent legislation that amends, supplements or supersedes such Act.

“Payroll Accounts” shall mean depository accounts used only for payroll.

“PBGC” shall mean the Pension Benefit Guaranty Corporation, or any successor agency or entity performing substantially the same functions.

“Permitted Disposition” shall mean:

(a) (i) the sale or lease of Spare Parts in the ordinary course of business (and, in the case of any such lease, consistent with past practices) and (ii) swaps, exchanges, interchange or pooling of assets or, in the case of Aircraft Collateral, other transfers of possession (subject to the limitations set forth in the Aircraft Mortgage) in the ordinary course of business.

(b) the Disposition of cash or Cash Equivalents constituting Collateral in exchange for other cash or Cash Equivalents constituting Collateral and having reasonably equivalent value therefor;

(c) sales or dispositions of surplus, obsolete, negligible or uneconomical assets (other than Aircraft Collateral that is not Parts (as defined in the Aircraft Mortgage)) no longer used in the business of the Borrower.

(d) abandonment of Slots, Gate Interests or Routes; provided that such abandonment is (A) in connection with the downsizing of any hub or facility which does not materially and adversely affect the business of the Borrower and its Subsidiaries, taken as a whole, (B) in the ordinary course of business consistent with past practices and does not materially and adversely affect the business of the Borrower and its Subsidiaries, taken as a whole, or (C) reasonably determined by the Borrower to be of de minimis value; provided, further, that (x) after giving effect to such abandonment, the Appraised Value of the remaining Collateral shall satisfy the Collateral Coverage Test and (y) if the Collateral being removed constitutes at least 10% of the Appraised Value of all Slots, Gate Interests and Routes constituting Collateral, then prior to effecting the removal, the Borrower shall have delivered an Officer’s Certificate to the Collateral Agent certifying that, after giving effect to such removal, the Appraised Value of the Eligible Collateral shall satisfy the Collateral Coverage Test (it being understood that such Appraised Value shall be based on the most recent Appraisal Report delivered under Section 5.09(a) or, solely in the case of an abandonment pursuant to clause (B), based on an Appraisal Report of all such category of Eligible Collateral performed at (or within 60 days before) the time of such abandonment);

(e) exchange of FAA Slots in the ordinary course of business (including seasonal adjustments to FAA Slots consistent with past practice) that in the Borrower’s reasonable judgment are of reasonably equivalent value (so long as the FAA Slots received in such exchange constitute Pacific Route FAA Slots and are pledged as “Collateral” for the Obligations);

(f) the termination of leases or airport use agreements in the ordinary course of business to the extent such terminations do not have a Material Adverse Effect or a Collateral Material Adverse Effect;

(g) any other lease or sublease of, or use agreements with respect to, assets and properties that constitute Slots, Gate Interests or Routes in the ordinary course of business and swap agreements with respect to Slots in the ordinary course of business and which lease, sublease, use agreement or swap agreement (A) has a term of less than one year or (B) has a term of one year or longer;

provided that if the aggregate Appraised Value of all Slots, Gate Interests and Routes constituting Collateral leased or subleased pursuant to this subclause (B) is equal to or greater than 10% of the Appraised Value of all Slots, Gate Interests and Routes constituting Collateral in the most recent Appraisal Report delivered by the Borrower pursuant to Section 5.09, the Appraised Value of all Slots, Gate Interests and Routes constituting Collateral, after giving pro forma effect to all outstanding leases, subleases, use agreements and swap agreements pursuant to this subclause (B), would be not materially less than the Appraised Value of all Slots, Gate Interests and Routes constituting Collateral in the most recent Appraisal Report delivered by the Borrower pursuant to Section 5.09, all as determined in good faith by the Borrower and reflected in an Officers' Certificate that is delivered to the Collateral Agent prior to entering into any such lease or sublease, demonstrating, with reasonably detailed calculations, compliance with the provisions of this subclause (B) and detailing the arrangements pursuant to which the Collateral Agent's Liens on all Slots, Gate Interests and Routes constituting Eligible Collateral subject to such lease or sublease are not materially adversely affected in the good faith determination of the Borrower; provided that the aggregate Appraised Value of the Slots, Gate Interests or Routes so leased is less than 10% of the Appraised Value of the Eligible Collateral;

(h) any single transaction or series of related transactions that involves assets having a fair market value of less than \$50,000,000; provided that the Appraised Value of the remaining Eligible Collateral shall satisfy the Collateral Coverage Test based on the most recently available Appraisal Reports;

(i) any loss of or damage to property of the Borrower, (ii) any taking of property of the Borrower or (iii) an Event of Loss;

(j) any Permitted Lien;

(k) assignments of leases or granting of leases or subleases of Aircraft or engines to the extent permitted pursuant to the Aircraft Mortgage (including any applicable Mortgage Supplement); and

(l) substitutions of engines or spare engines in accordance with the Aircraft Mortgage; provided that (i) such Replacement Engine (as defined in the Aircraft Mortgage) is of at least equal fair market value and utility (without regard to hours and cycles) as the engine or spare engine it replaces assuming such engine or spare engine had been maintained in the condition required by the Aircraft Mortgage, (ii) such Replacement Engine shall be subject to a perfected Lien, having the same priority (subject only to Permitted Liens) as the Lien on such engine or spare engine being replaced immediately prior to such substitution (and otherwise subject only to Permitted Liens), in favor of the Collateral Agent for the benefit of the Secured Parties upon consummation of such substitution,

"Permitted Liens" shall have the meaning given to such term in Section 6.01.

"Person" shall mean any natural person, corporation, division of a corporation, partnership, limited liability company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

"Plan" shall mean a Single Employer Plan or a Multiple Employer Plan that is a pension plan subject to the provisions of Title IV of ERISA, Sections 412 or 430 of the Code or Section 302 of ERISA.

"Plan Asset Regulations" means of 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA, as amended from time to time.

~~“Pool Assets” shall mean, on any date of determination (a) all Pacific Routes and (b) any Additional Pool Assets designated by the Borrower at its discretion pursuant to the terms of this Agreement. The Pool Assets on the Closing Date are set forth on Schedule 6.05 hereto. Schedule 6.05 may be updated from time to time in the Borrower’s sole discretion to add Additional Pool Assets as contemplated by Section 10.08(f).~~

“Prime Rate” shall mean the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Professional User” shall have the meaning given it in the Regulations and Procedures for the International Registry.

“Prospective Assignment” shall have the meaning given in the Cape Town Convention.

“Prospective International Interest” shall have the meaning given in the Cape Town Convention.

“Prospective Sale” shall have the meaning given in the Cape Town Convention.

“Protocol” shall mean the Protocol referred to in the defined term “Cape Town Convention.”

~~“Quotation Day” shall mean, with respect to any Eurodollar Revolving Loan for any Interest Period, two (2) Business Days prior to the commencement of such Interest Period.~~

“Rating Agency” shall mean any of S&P, Moody’s and Fitch.

“Ratings” shall mean as of any date of determination, the corporate credit rating as determined by S&P, the corporate family rating as determined by Moody’s or the corporate credit rating as determined by Fitch, as applicable, of the Borrower.

“Recipient” means (a) the Administrative Agent, (b) any Lender, (c) any Issuing Bank or (d) any other recipient of any payment to be made by or on account of any Obligation of the Borrower hereunder or under any Loan Document, as applicable.

“Refinancing Amendment” shall have the meaning given to such term in Section 10.08(e).

“Refinancing Debt” shall mean Indebtedness (or commitments in respect thereof) incurred to refinance (whether concurrently or after any repayment or prepayment of any such Indebtedness being refinanced) (a) commitments under the Revolving Facility or (b) Indebtedness (or commitments in respect thereof) incurred pursuant to the preceding clause (a), in each case, from time to time, in whole or part, in the form of (i) one or more new revolving credit facilities (each, a “Refinancing Revolving Facility”) made available under this Agreement with the consent (which consent shall not be unreasonably withheld or delayed) of the Borrower and the Administrative Agent (to the extent such consent would be required under Section 10.02(b) for an assignment of Revolving Loans to the applicable

lender) and the lenders providing such financing (and no other lenders) or (ii) one or more series of revolving credit facilities outside of this Agreement; provided that (A) any Refinancing Debt shall not mature, and there shall be no scheduled commitment reductions or scheduled amortization payments under any such Refinancing Debt, prior to the maturity date of the revolving commitments being refinanced, (B) the other terms and conditions of such Refinancing Debt (excluding pricing, premium, maturity, scheduled amortization and optional prepayment or redemption provisions) shall be customary market terms for indebtedness of such type, (C) after giving pro forma effect to the incurrence of Refinancing Debt (to the extent of any drawings to be made thereunder on the date of effectiveness of the related commitments) and the application of the net proceeds therefrom, the Borrower shall be in pro forma compliance with ~~Section 6.03 and Section 6.04~~the Collateral Coverage Test, (D) there shall be no additional direct or contingent obligors with respect to such Refinancing Debt, (E) the aggregate principal amount of such Refinancing Debt shall not exceed the aggregate principal amount of the Indebtedness being refinanced plus accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the refinancing, (F) no Lender shall be obligated to provide any such Refinancing Debt and (G) such Indebtedness ~~shall~~may (i) rank pari passu in right of payment with the Obligations and ~~shall be unsecured; be secured by the Collateral on a pari passu basis with the Obligations, (ii) rank junior in right of payment with the Obligations and be secured by the Collateral on a junior basis to the Obligations or (iii) be unsecured or secured by assets other than Collateral so long as, in the case of clauses (G)(i) and (G)(ii), the holders of such Indebtedness have entered into an intercreditor agreement reasonably acceptable to the Administrative Agent and the Borrower.~~

“Register” shall have the meaning set forth in Section 10.02(b)(iv).

“Regulations and Procedures for the International Registry” shall mean the official English language text of the International Registry Procedures and Regulations issued by the Supervisory Authority (as defined in the Cape Town Convention) pursuant to the Aircraft Protocol.

“Related Parties” shall mean, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, partners, members, employees, agents, advisors, trustees, managers and representatives of such Person and such Person’s Affiliates.

“Release” shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.

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

“Required 3-Year Lenders” shall mean, at any time, Lenders holding more than 50% of the Total 3-Year Revolving Commitments then in effect or, if the 3-Year Revolving Commitments have been terminated, the Total 3-Year Revolving Extensions of Credit then outstanding.

“Required 5-Year Lenders” shall mean, at any time, Lenders holding more than 50% of the Total 5-Year Revolving Commitments then in effect or, if the 5-Year Revolving Commitments have been terminated, the Total 5-Year Revolving Extensions of Credit then outstanding.

“Required LC Tranche Lenders” shall mean, at any time, Lenders holding more than 50% of the Total LC Tranche Commitments then in effect or, if the LC Tranche Commitments have been terminated, the Total LC Tranche Extensions of Credit then outstanding.

“Required Lenders” shall mean, at any time, Lenders holding more than 50% of the Total Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the Total Revolving Extensions of Credit then outstanding.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” shall mean the chief executive officer, president, chief financial officer, treasurer, assistant treasurer, vice president, controller, chief accounting officer, secretary or assistant secretary of the Borrower, but in any event, with respect to financial matters, the chief financial officer, treasurer, assistant treasurer, controller or chief accounting officer of the Borrower.

“Restricted Payment” shall mean any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in the Borrower.

“Revolving Availability Period” shall mean, (a) with respect to the LC Tranche Facility, the period from and including the Amendment No. 1 Effective Date to but excluding the LC Tranche Facility Termination Date, (b) with respect to the 3-Year Revolving Facility, the period from and including the Closing Date to but excluding the 3-Year Revolving Facility Termination Date and (bc) with respect to the 5-Year Revolving Facility, the period from and including the Closing Date to but excluding the 5-Year Revolving Facility Termination Date.

“Revolving Commitment” shall mean the LC Tranche Commitment, the 3-Year Revolving Commitment and/or the 5-Year Revolving Commitment, as applicable.

“Revolving Commitment Increase” shall have the meaning given to such term in Section 2.28(a).

“Revolving Commitment Percentage” shall mean, at any time, with respect to each Lender, its LC Tranche Commitment Percentage, its 3-Year Revolving Commitment Percentage or its 5-Year Revolving Commitment Percentage, as applicable.

“Revolving Extensions of Credit” shall mean, as to any Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all Revolving Loans held by such Lender then outstanding, (b) such Lender’s LC Tranche Commitment Percentage of the LC Exposure with respect to the LC Tranche Facility then outstanding, (c) such Lender’s 3-Year Revolving Commitment Percentage of the LC Exposure with respect to the 3-Year Revolving Facility then outstanding and (ed) such Lender’s 5-Year Revolving Commitment Percentage of the LC Exposure with respect to the 5-Year Revolving Facility then outstanding.

“Revolving Facility” shall mean each of (a) the LC Tranche Commitments and the Letters of Credit issued thereunder (the “LC Tranche Facility”), (b) the 3-Year Revolving Commitments and the 3-Year Revolving Loans made thereunder (the “3-Year Revolving Facility”) and (bc) the 5-Year Revolving Commitments and the 5-Year Revolving Loans made thereunder (the “5-Year Revolving Facility”).

“Revolving Facility Maturity Date” shall mean the LC Tranche Facility Maturity Date, the 3-Year Revolving Facility Maturity Date or the 5-Year Revolving Facility Maturity Date, as applicable.

“Revolving Loan” shall mean a 3-Year Revolving Loan or 5-Year Revolving Loan, as applicable.

~~“Rolling Twelve Months” shall mean, with respect to any date of determination, the month most recently ended and the eleven (11) immediately preceding months for which, in each case, financial statements are available considered as a single period.~~

“Routes” shall mean the routes for which the Borrower holds or hereafter acquires the requisite authority to operate foreign air transportation pursuant to Title 49 including, without limitation, applicable frequencies, exemption and certificate authorities, Fifth-Freedom Rights and “behind/beyond rights”, whether or not utilized by the Borrower.

“S&P” shall mean Standard & Poor’s Financial Ratings Services ~~LLC, a subsidiary of S&P Global Inc. (or any successor thereto).~~

“Sanctions” shall have the meaning given to such term in Section 3.11(a).

“SEC” shall mean the United States Securities and Exchange Commission.

“Secured Parties” shall mean, collectively, (i) Administrative Agent, (ii) each Lender (iii) each Issuing Lender, (iv) each other holder of Obligations and (v) each other Indemnitee.

“SGR Security Agreement” shall mean that certain Slot, Gate And Route Security and Pledge Agreement, dated as of the Amendment No. 1 Effective Date, from the Borrower to the Collateral Agent.

“Single Employer Plan” shall mean a single employer plan, as defined in Section 4001(a)(15) of ERISA, that is maintained for current or former employees of the Borrower or an ERISA Affiliate and in respect of which the Borrower or any ERISA Affiliate could reasonably be expected to have liability under Title IV of ERISA.

“Slot” shall mean each FAA Slot and each Foreign Slot.

“Spare Part” shall mean (a) an accessory, appurtenance, or part of (i) an Aircraft (except an engine or propeller), (ii) an engine (except a propeller), (iii) a propeller or (iv) an Appliance, in each case that is to be installed at a later time in an aircraft, engine, propeller or Appliance and shall include, without limitation, “spare parts” as defined in 49 U.S.C. § 40102(a)(43), (b) an Appliance or (c) a propeller.

“Specified Person” shall have the meaning given to such term in Section 3.11(a).

~~“Specified Time” shall mean 11:00 a.m., London time.~~

“Specified Pacific Route FAA Slot” shall have the meaning given such term in the SGR Security Agreement.

“Statutory Reserve Rate” shall mean a fraction (expressed as a decimal), the numerator of which is the number one (1) and the denominator of which is the number one (1) minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Revolving Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“Subsidiary” shall mean, with respect to any Person (in this definition referred to as the “parent”), any corporation, association or other business entity (whether now existing or hereafter organized) of which at least a majority of the securities or other ownership or membership interests having ordinary voting power for the election of directors (or equivalent governing body) is, at the time as of which any determination is being made, owned or controlled by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Successor Company” shall have the meaning set forth in Section 6.02(a)(ii).

“Supporting Route Facilities” shall mean ~~gates~~ Gate Interests, ticket counters and other facilities assigned, allocated, leased, or made available to the Borrower at ~~non-U.S.~~ airports used in the operation of scheduled service over a Route.

“Taxes” shall mean any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Termination Date” shall mean (a) the LC Tranche Facility Termination Date, (b) the 3-Year Revolving Facility Termination Date applicable to the related Revolving Commitments or (b) the 5-Year Revolving Facility Termination Date applicable to the related Revolving Commitments, as applicable.

“Termination Event” shall mean (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 thirty (30) day notice period is waived) as in effect on the Closing Date (no matter how such notice requirement may be changed in the future), (b) an event described in Section 4068 of ERISA, (c) the withdrawal of the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year in which it was a “substantial employer,” as such term is defined in Section 4001(a)(2) of ERISA, (d) the incurrence of liability by the Borrower or any ERISA Affiliate under Section 4064 of ERISA upon the termination of a Multiple Employer Plan, (e) the imposition of Withdrawal Liability or receipt of notice from a Multiemployer Plan that such liability may be imposed, (f) a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA, (g) providing notice of intent to terminate a Plan pursuant to Section 4041(c) of ERISA or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, if such amendment requires the provision of security, (h) the institution of proceedings to terminate a Plan by the PBGC under Section 4042 of ERISA, (i) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Sections 302 or 303 of ERISA) applicable to such Plan, whether or not waived, (j) any failure by

any Plan to satisfy the special funding rules for plans maintained by commercial airlines contained in Section 402 of the Pension Protection Act of 2006, (k) 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, or (l) any other event or condition which 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 Plan, or the imposition of any liability under Title IV of ERISA (other than for the payment of premiums to the PBGC in the ordinary course).

“Title 14” means Title 14 of the U.S. Code of Federal Regulations, including Part 93, Subparts K and S thereof, as amended from time to time or any successor or recodified regulation.

“Title 49” shall mean Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto or any subsequent legislation that amends, supplements or supersedes such provisions.

“Total 3-Year Revolving Commitment” shall mean, at any time, the sum of the 3-Year Revolving Commitments at such time. The original amount of the Total 3-Year Revolving Commitment is \$1,325,000,000.

“Total 3-Year Revolving Extensions of Credit” shall mean, at any time, the aggregate amount of the 3-Year Revolving Extensions of Credit of the Lenders outstanding at such time.

“Total 5-Year Revolving Commitment” shall mean, at any time, the sum of the 5-Year Revolving Commitments at such time. The original amount of the Total 5-Year Revolving Commitment is \$1,325,000,000.

“Total 5-Year Revolving Extensions of Credit” shall mean, at any time, the aggregate amount of the 5-Year Revolving Extensions of Credit of the Lenders outstanding at such time.

“Total LC Tranche Commitment” shall mean, at any time, the sum of the LC Tranche Commitments at such time. The original amount of the Total LC Tranche Commitment is \$216,078,361.60.

“Total LC Tranche Extensions of Credit” shall mean, at any time, the aggregate amount of the LC Tranche Extensions of Credit of the Lenders outstanding at such time.

“Total Revolving Commitment” shall mean, at any time, the sum of the LC Tranche Commitments, 3-Year Revolving Commitments and the 5-Year Revolving Commitments at such time.

“Total Revolving Extensions of Credit” shall mean, at any time, the aggregate amount of the Revolving Extensions of Credit of the Lenders outstanding at such time.

“Transactions” shall mean the execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents ~~and~~ the termination of the Existing Barclays Credit Agreement and the Existing JPM Credit Agreement and the creation of the Liens over the Collateral in favor of the Collateral Agent for the benefit of the Secured Parties.

“Type”, when used in reference to any Revolving Loan or Borrowing, refers to whether the rate of interest on such Revolving Loan, or on the Revolving Loans comprising such Borrowing, is determined by reference to the LIBO Rate or the Alternate Base Rate.

“UCC” shall mean the Uniform Commercial Code as in effect in the State of New York from time to time.

“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.

“United States Citizen” shall have the meaning set forth in Section 3.02.

“Unused Total 3-Year Revolving Commitment” shall mean, at any time, (a) the Total 3-Year Revolving Commitment less (b) the Total 3-Year Revolving Extensions of Credit.

“Unused Total 5-Year Revolving Commitment” shall mean, at any time, (a) the Total 5-Year Revolving Commitment less (b) the Total 5-Year Revolving Extensions of Credit.

“Unused Total LC Tranche Commitment” shall mean, at any time, (a) the Total LC Tranche Commitment less (b) the Total LC Tranche Extensions of Credit.

“Unused Total Revolving Commitment” shall mean the Unused Total LC Tranche Commitment, the Unused Total 3-Year Revolving Commitment or the Unused Total 5-Year Revolving Commitment, as applicable.

“Upfront Fees” shall have the meaning set forth in Section 2.20(b).

“Unrestricted Cash” means cash and Cash Equivalents of the Borrower that (i) may be classified, in accordance with GAAP, as “unrestricted” on the consolidated balance sheets of the Borrower or (ii) may be classified, in accordance with GAAP, as “restricted” on the consolidated balance sheets of the Borrower solely in favor of the Collateral Agent and the Secured Parties.

“U.S. Tax Compliance Certificate” shall have the meaning set forth in Section 2.16(g)(1)(ii)(3).

“Withdrawal Liability” shall have the meaning given to such term under Part I of Subtitle E of Title IV of ERISA and shall include liability that results from either a complete or partial withdrawal.

“Withholding Agent” shall mean the Borrower and the Administrative Agent.

“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. 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, restated, supplemented, extended, amended and restated 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 permitted 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, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time, (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 and (g) “knowledge” or “aware” or words of similar import shall mean, when used in reference to the Borrower, the actual knowledge of any Responsible Officer.

Section 1.03. 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; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests 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 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. Upon any such request for an amendment, the Borrower, the Required Lenders and the Administrative Agent agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating the Borrower’s financial condition shall be the same after such accounting changes as if such accounting changes had not occurred.

Section 1.04. Interest Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of “LIBO Rate” or with respect to any comparable or successor rate thereto, or replacement rate therefor, provided that the foregoing shall not apply to any liability arising out of the bad faith, willful misconduct or negligence of the Administrative Agent.

Section 1.05. Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedging Agreements 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.

(b) As used in this Section 1.05, 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).

Section 2.

AMOUNT AND TERMS OF CREDIT

Section 2.01. Revolving Commitments of the Lenders.

(a) Revolving Commitments.

(i) Each Lender under the 3-Year Revolving Facility severally, and not jointly with the other Lenders under the 3-Year Revolving Facility, agrees, upon the terms and subject to the conditions herein set forth, to make revolving credit loans denominated in Dollars (each a “3-Year Revolving Loan” and collectively, the “3-Year Revolving Loans”) to the Borrower at any time and from time to time during the Revolving Availability Period with respect to the 3-Year Revolving Facility in an aggregate principal amount not to exceed, when added to such Lender’s LC Exposure under the 3-Year Revolving Facility, the 3-Year Revolving Commitment of such Lender, which 3-Year Revolving Loans

may be repaid and reborrowed in accordance with the provisions of this Agreement. At no time shall the Total 3-Year Revolving Extensions of Credit exceed the Total 3-Year Revolving Commitment.

(ii) Each Lender under the 5-Year Revolving Facility severally, and not jointly with the other Lenders under the 5-Year Revolving Facility, agrees, upon the terms and subject to the conditions herein set forth, to make revolving credit loans denominated in Dollars (each a “5-Year Revolving Loan” and collectively, the “5-Year Revolving Loans”) to the Borrower at any time and from time to time during the Revolving Availability Period with respect to the 5-Year Revolving Facility in an aggregate principal amount not to exceed, when added to such Lender’s LC Exposure under the 5-Year Revolving Facility, the 5-Year Revolving Commitment of such Lender, which 5-Year Revolving Loans may be repaid and reborrowed in accordance with the provisions of this Agreement. At no time shall the Total 5-Year Revolving Extensions of Credit exceed the Total 5-Year Revolving Commitment.

(iii) Each Borrowing of a Revolving Loan under the applicable Revolving Facility shall be made from the applicable Lenders pro rata in accordance with their respective Revolving Commitments; provided, however, that the failure of any Lender to make any Revolving Loan under the applicable Revolving Facility shall not in itself relieve the other Lenders under such Revolving Facility of their obligations to lend.

(b) Type of Borrowing. Each Borrowing shall be comprised entirely of ABR Revolving Loans or Eurodollar Revolving Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Eurodollar Revolving Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Revolving Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Revolving Loan in accordance with the terms of this Agreement.

(c) Amount of Borrowing. At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is in an integral multiple of \$1,000,000 and not less than \$5,000,000. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$1,000,000; provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire Unused Total 3-Year Revolving Commitment or the Unused Total 5-Year Revolving Commitment, as applicable, or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.02(e). Borrowings of more than one (1) Type may be outstanding at the same time.

(d) Limitation on Interest Period. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing of a Revolving Loan if the Interest Period requested with respect thereto would end after the Revolving Facility Maturity Date with respect to the applicable Revolving Commitments.

Section 2.02. Letters of Credit.

(a) General.

(i) Subject to the terms and conditions set forth herein, the Borrower may request from any Issuing Lender under the ~~3-Year Revolving~~ LC Tranche Facility the issuance of Letters of Credit in Dollars or any Alternative Currency, at any time and from time to time during the Revolving Availability Period with respect to the ~~3-Year Revolving~~ LC Tranche Facility, in each case, for the Borrower’s own account or the account of the Borrower or any Subsidiary, in a form reasonably acceptable to the Administrative Agent, such Issuing Lender and the Borrower. 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, an Issuing Lender relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the applicable Issuing Lender hereunder for any and all drawings under such Letter of Credit.

(ii) Subject to the terms and conditions set forth herein, the Borrower may request from any Issuing Lender under the 3-Year Revolving Facility the issuance of Letters of Credit in Dollars or any Alternative Currency, at any time and from time to time during the Revolving Availability Period with respect to the 3-Year Revolving Facility, in each case, for the Borrower's own account or the account of the Borrower or any Subsidiary, in a form reasonably acceptable to the Administrative Agent, such Issuing Lender and the Borrower. 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, an Issuing Lender relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the applicable Issuing Lender hereunder for any and all drawings under such Letter of Credit.

(iii) Subject to the terms and conditions set forth herein, the Borrower may request from any Issuing Lender under the 5-Year Revolving Facility the issuance of Letters of Credit in Dollars or any Alternative Currency, at any time and from time to time during the Revolving Availability Period with respect to the 5-Year Revolving Facility, in each case, for the Borrower's own account or the account of the Borrower or any Subsidiary, in a form reasonably acceptable to the Administrative Agent, such Issuing Lender and the Borrower. 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, an Issuing Lender relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the applicable Issuing Lender hereunder for any and all drawings under such Letter of Credit.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit by any Issuing Lender (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall either hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable Issuing Lender (which approval shall not be unreasonably withheld, delayed or conditioned)) to the applicable Issuing Lender and the Administrative Agent (at least three (3) Business Days (or such shorter period as may be agreed by the applicable Issuing Lender) in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying (1) the date of issuance, amendment, renewal or extension (which shall be a Business Day), (2) the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), (3) the amount of such Letter of Credit, (4) the currency of such Letter of Credit, (5) the name and address of the beneficiary thereof, (6) whether such Letter of Credit is to be issued under the LC Tranche Facility, 3-Year Revolving Facility or the 5-Year Revolving Facility and (7) such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the applicable Issuing Lender, the Borrower also shall

submit a letter of credit application on such Issuing Lender's standard form in connection with any request for a Letter of Credit; provided that, to the extent such standard form (and/or any related reimbursement agreement) is inconsistent with the Loan Documents, the Loan Documents shall control. 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 shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, (i) with respect to the LC Tranche Facility, (x) the aggregate LC Exposure thereunder shall not exceed the Total LC Tranche Commitment, (y) the aggregate amount of the Unused Total LC Tranche Commitment shall not be less than zero and (z) the aggregate face amount of issued and outstanding Letters of Credit issued by the applicable Issuing Lender under the LC Tranche Facility shall not exceed such Issuing Lender's LC Tranche Commitment unless consented to by such Issuing Lender in its sole discretion, (ii) with respect to the 3-Year Revolving Facility, (x) the aggregate LC Exposure thereunder shall not exceed the 3-Year LC Sublimit and (y) the aggregate amount of the Unused Total 3-Year Revolving Commitment shall not be less than zero and (iii) with respect to the 5-Year Revolving Facility, (x) the aggregate LC Exposure thereunder shall not exceed the 5-Year LC Sublimit and (y) the aggregate amount of the Unused Total 5-Year Revolving Commitment shall not be less than zero. No Issuing Lender (other than an Affiliate of the Administrative Agent) shall permit any such issuance, renewal, extension or amendment resulting in an increase in the amount of any Letter of Credit to occur without first obtaining written confirmation from the Administrative Agent that it is then permitted under this Agreement.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date that is one (1) year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one (1) year after such renewal or extension) and (ii) the date that is five (5) Business Days prior to the earliest Revolving Facility Maturity Date with respect to the applicable Revolving Commitments (provided that, to the extent that all of the participations in such Letter of Credit held by the holders of such Revolving Commitments have been re-allocated or Cash Collateralized pursuant to the terms of any Extension Agreement or Refinancing Amendment, such Revolving Commitments shall be disregarded for purposes of this clause (ii)); provided that a Letter of Credit may expire after such earlier date if requested by the Borrower and agreed in the sole discretion of the applicable Issuing Lender so long as, on or prior to the applicable Revolving Facility Maturity Date, such Letter of Credit has been cash collateralized pursuant to arrangements reasonably acceptable to the applicable Issuing Lender and with the consent of the Administrative Agent (not to be unreasonably withheld or delayed).

(d) Participations. By the issuance of a Letter of Credit under the applicable Revolving Facility (or an amendment, renewal or extension of a Letter of Credit thereunder, including any amendment increasing the amount thereof), and without any further action on the part of the applicable Issuing Lender or the Lenders, such Issuing Lender hereby grants to each Lender under such Revolving Facility, and each Lender under such Revolving Facility hereby acquires from such Issuing Lender, a participation in such Letter of Credit equal to such Lender's applicable Revolving Commitment Percentage of the Dollar Amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender under the applicable Revolving Facility hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of such Issuing Lender, such Lender's applicable Revolving Commitment Percentage of the Dollar Amount of each LC Disbursement made by such Issuing Lender and not reimbursed by the Borrower on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Lender under the applicable Revolving Facility acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit thereunder is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit thereunder or the occurrence of an

Event of Default or reduction or termination of the Revolving Commitments thereunder, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) **Reimbursement.** If an Issuing Lender under the applicable Revolving Facility shall make any LC Disbursement in respect of a Letter of Credit thereunder, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to the Dollar Amount of such LC Disbursement or (subject to the two immediately succeeding sentences), with respect to any Letter of Credit denominated in an Alternative Currency, an amount equal to the amount of such LC Disbursement in the applicable Alternative Currency not later than the first Business Day following the date the Borrower receives notice of such LC Disbursement; provided that, in the case of any LC Disbursement made in Dollars, to the extent not reimbursed and, subject to the satisfaction (or waiver) of the conditions to borrowing set forth herein, including, without limitation, making a request in accordance with Section 2.03(a) that such payment shall be financed with an ABR Borrowing under the applicable Revolving Facility, as the case may be, in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing. If the Borrower's reimbursement of, or obligation to reimburse, any amounts in any Alternative Currency would subject the Administrative Agent, the applicable Issuing Lender or any applicable Lender to any stamp, duty, ad valorem charge or similar tax that would not be payable if such reimbursement were made or required to be made in Dollars, the Borrower shall pay the amount of any such tax requested by the Administrative Agent, the relevant Issuing Lender or Lender. If the Borrower fails to make such payment when due, then (i) if such payment relates to an Alternative Currency Letter of Credit, automatically and with no further action required, the Borrower's obligation to reimburse the applicable LC Disbursement shall be permanently converted into an obligation to reimburse the Dollar Amount of such LC Disbursement and (ii) the Administrative Agent shall promptly notify the applicable Issuing Lender of the applicable LC Disbursement and the Dollar Amount thereof.

If the Borrower fails to make any payment due under the preceding paragraph with respect to a Letter of Credit when due (including by a Borrowing), the Administrative Agent shall notify each Lender under the applicable Revolving Facility of the applicable LC Disbursement (as converted to Dollars, if applicable), the payment then due from the Borrower in respect thereof and such Lender's applicable Revolving Commitment Percentage thereof. Promptly following receipt of such notice, each Lender under the applicable Revolving Facility shall pay to the Administrative Agent its applicable Revolving Commitment Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.04 with respect to Revolving Loans thereunder (or with respect to the LC Tranche Facility, as if Revolving Loans were available thereunder in the same manner as provided for in Section 2.04 with respect to the 3-Year Revolving Facility) made by such Lender (and Section 2.04 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Issuing Lender the amounts so received by it from the applicable Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this Section 2.02(e) with respect to any LC Disbursement, the Administrative Agent shall distribute such payment to the applicable Issuing Lender or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse such Issuing Lender, then to such Lenders and such Issuing Lender as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the applicable Issuing Lender for any LC Disbursement (other than the funding of ABR Revolving Loans as contemplated above) shall not constitute a Revolving Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

(f) **Obligations Absolute.** The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section 2.02 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 or herein, (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 the applicable Issuing Lender 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 2.02, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders, nor the applicable Issuing Lender, nor any of their 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 any of the circumstances referred to in the preceding sentence), 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 the applicable Issuing Lender; provided that the foregoing shall not be construed to excuse an Issuing Lender from liability to the Borrower to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by such Issuing Lender'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, bad faith or willful misconduct on the part of the applicable Issuing Lender (as finally determined by a court of competent jurisdiction), the applicable Issuing Lender 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, the applicable Issuing Lender 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 are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The applicable Issuing Lender shall, promptly following its receipt thereof or within the time period stipulated by the terms and conditions of the applicable Letter of Credit (if any), examine all documents purporting to represent a demand for payment under a Letter of Credit. After such examination of such drawing documents, the applicable Issuing Lender shall promptly notify the Administrative Agent and the Borrower by telephone (confirmed by telecopy) of such demand for payment and whether the applicable Issuing Lender has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the applicable Issuing Lender and the Lenders under the applicable Revolving Facility with respect to any such LC Disbursement in accordance with the terms herein.

(h) Interim Interest. If the applicable Issuing Lender shall make any LC Disbursement, then, unless the Borrower shall reimburse (including by a Borrowing) such LC Disbursement in full not later than the first Business Day following the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Revolving Loans under the applicable Revolving Facility [\(or with respect to the LC Tranche Facility, as if Revolving Loans were available thereunder in the same manner as provided for in Section 2.04 with respect to the 3-Year Revolving Facility\)](#); provided that, if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.08 shall apply; provided further that, in the case of an LC Disbursement made

under a Letter of Credit in an Alternative Currency, the amount of interest due with respect thereto shall (i) in the case of any LC Disbursement that is reimbursed on the Business Day immediately succeeding such LC Disbursement, (A) be payable in the applicable Alternative Currency and (B) if not reimbursed on the date of such LC Disbursement, bear interest at a rate equal to the rate reasonably determined by the applicable Issuing Lender to be the cost to such Issuing Lender of funding such LC Disbursement plus the Applicable Margin applicable to Eurodollar Revolving Loans under the applicable Revolving Facility at such time (or with respect to the LC Tranche Facility, as if Revolving Loans were available thereunder in the same manner as provided for in Section 2.04 with respect to the 3-Year Revolving Facility) and (ii) in the case of any LC Disbursement that is reimbursed after the Business Day immediately succeeding such LC Disbursement (A) be payable in Dollars, (B) accrue on the Dollar Amount of such LC Disbursement and (C) bear interest as provided above. Interest accrued pursuant to this paragraph shall be for the account of the applicable Issuing Lender, except that interest accrued on and after the date of payment by any Lender pursuant to clause (e) of this Section 2.02 to reimburse the applicable Issuing Lender shall be for the account of such Lender to the extent of such payment.

(i) Replacement of the Issuing Lender. Any Issuing Lender may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Lender and the successor Issuing Lender. The Administrative Agent shall notify the Lenders under the applicable Revolving Facility of any such replacement of the Issuing Lender. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Lender pursuant to Section 2.21. From and after the effective date of any such replacement, (i) the successor Issuing Lender shall have all the rights and obligations of the Issuing Lender under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term “Issuing Lender” shall be deemed to refer to such successor or to any previous Issuing Lender, or to such successor and all previous Issuing Lenders, as the context shall require. After the replacement of an Issuing Lender hereunder, the replaced Issuing Lender shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Lender under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Replacement of Letters of Credit; Cash Collateralization. With respect to Letters of Credit issued under any Revolving Facility, the Borrower shall (i) upon or prior to the occurrence of the earlier of (A) the latest Revolving Facility Maturity Date with respect to all Revolving Commitments under such Revolving Facility and (B) the acceleration of the Revolving Loans (if any) under such Revolving Facility and the termination of the Revolving Commitments under such Revolving Facility in accordance with the terms hereof, (x) cause all Letters of Credit under such Revolving Facility which expire after the earlier to occur of (1) the latest Revolving Facility Maturity Date with respect to all Revolving Commitments under such Revolving Facility and (2) the acceleration of the Revolving Loans (if any) under such Revolving Facility and the termination of the Revolving Commitments under such Revolving Facility, in accordance with the terms hereof (the “Outstanding Letters of Credit”) to be returned to the applicable Issuing Lender undrawn and marked “cancelled” or (y) if the Borrower does not do so in whole or in part either (1) provide one or more “back-to-back” letters of credit to each applicable Issuing Lender with respect to any such Outstanding Letters of Credit in a form reasonably satisfactory to each such Issuing Lender and the Administrative Agent, issued by a bank reasonably satisfactory to each such Issuing Lender and the Administrative Agent, and/or (2) deposit cash in an account maintained with the Administrative Agent, as collateral security for the Borrower’s reimbursement obligations in connection with any such Outstanding Letters of Credit, such cash (or any applicable portion thereof) to be promptly remitted to the Borrower (provided no Event of Default or event which upon notice or lapse of time or both would constitute an Event of Default has occurred or is continuing) upon the expiration, cancellation or other termination or satisfaction of the Borrower’s reimbursement obligations with respect

to such Outstanding Letters of Credit, in whole or in part; in an aggregate principal amount for all such “back-to-back” letters of credit and any such Cash Collateralization equal to the then outstanding amount of all LC Exposure (less the amount, if any, on deposit in such account prior to taking any action pursuant to clauses (1) or (2) above), and (ii) if required pursuant to Section 2.02(m), 2.12(b), 2.26(b)(ii), 2.26(c)(ii), 2.26(d), 2.27(b) or 7.01 or pursuant to any Extension Agreement or Refinancing Amendment, deposit in such account an amount required pursuant to Section 2.02(m), 2.12(b), 2.26(b)(ii), 2.26(c)(ii), 2.26(d), 2.27(b) or 7.01, or pursuant to any such Extension Agreement or Refinancing Amendment, as applicable; provided that the portions of such amount attributable to undrawn Alternative Currency Letters of Credit or LC Disbursements in an Alternative Currency that the Borrower is not late in reimbursing shall be deposited in the applicable Alternative Currencies in the actual amounts of such undrawn Letters of Credit and LC Disbursements (any such deposit described in the preceding clause (i) or clause (ii), “Cash Collateralization”). 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 (in accordance with its usual and customary practices for investments of this type) and at the Borrower’s risk and reasonable 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 applicable Issuing Lender 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 Borrower for the LC Exposure at such time. If the Borrower is required to provide Cash Collateralization hereunder pursuant to Section 2.02(m), 2.12(b), 2.26(b)(ii), 2.26(c)(ii), 2.26(d) or 2.27(b), or the terms of any Extension Agreement or Refinancing Amendment, such Cash Collateralization (to the extent not applied as contemplated by the applicable section) shall be returned to the Borrower within three (3) Business Days after the applicable section (or Extension Agreement or Refinancing Amendment, as applicable) no longer requires the provision of such Cash Collateralization.

(k) Issuing Lender Agreements. Unless otherwise requested by the Administrative Agent, each Issuing Lender under any Revolving Facility shall report in writing to the Administrative Agent (i) on the first Business Day of each week, the daily activity (set forth by day) in respect of Letters of Credit thereunder during the immediately preceding week, including all issuances, extensions, amendments and renewals, all expirations and cancellations and all disbursements and reimbursements, (ii) on or prior to each Business Day on which such Issuing Lender expects to issue, amend, renew or extend any Letter of Credit, the date of such issuance, amendment, renewal or extension, the aggregate face amount of the Letters of Credit to be issued, amended, renewed, or extended by it (and whether, subject to Section 2.02(b), the face amount of any such Letter of Credit was changed thereby) and the aggregate face amount of such Letters of Credit outstanding under any Revolving Facility after giving effect to such issuance, amendment, renewal or extension, (iii) on each Business Day on which such Issuing Lender makes any LC Disbursement, the date of such LC Disbursement and the amount of such LC Disbursement, (iv) on any Business Day on which a Borrower fails to reimburse an LC Disbursement required to be reimbursed to such Issuing Lender on such day, the date of such failure, and the amount of such LC Disbursement and (v) on any other Business Day, such other information as the Administrative Agent shall reasonably request.

(l) Conversion. In the event that the Revolving Loans under any Revolving Facility become immediately due and payable on any date pursuant to Section 7.01, all amounts (i) that the Borrower is at the time or thereafter becomes required to reimburse or otherwise pay to the Administrative Agent in respect of LC Disbursements made under any Alternative Currency Letter of Credit thereunder (other than amounts in respect of which such Borrower has deposited cash collateral pursuant to Section 2.02(j), if such cash collateral is deposited in the applicable Alternative Currency to the extent so deposited or applied), (ii) that the Lenders thereunder are at the time or thereafter become

required to pay to the Administrative Agent and the Administrative Agent is at the time or thereafter becomes required to distribute to the applicable Issuing Lender pursuant to Section 2.02(e) in respect of unreimbursed LC Disbursements made under any Alternative Currency Letter of Credit thereunder and (iii) of each Lender's participation in any Alternative Currency Letter of Credit under which an LC Disbursement thereunder has been made shall, automatically and with no further action required, be converted into the Dollar Amount of such amounts. On and after such conversion, all amounts accruing and owed to the Administrative Agent, the applicable Issuing Lender or any Lender under the applicable Revolving Facility in respect of the Obligations described in this paragraph shall accrue and be payable in Dollars at the rates otherwise applicable hereunder.

(m) Provisions Related to Extended Revolving Commitments and Commitments in Respect of Refinancing Revolving Facilities. If the maturity date in respect of any tranche of Revolving Commitments occurs prior to the expiration of any Letter of Credit under the applicable Revolving Facility with respect to which Lenders holding such Revolving Commitments hold participation interests, then (i) if one or more other tranches of Revolving Commitments in respect of which the maturity date shall not have occurred are then in effect, such Letters of Credit shall automatically be deemed to have been issued (including for purposes of the obligations of the Lenders under such Revolving Facility to purchase participations therein and to make payments in respect thereof pursuant to Section 2.02(d) or (e) and for any reallocations required pursuant to Section 2.26(b)(i)) under (and ratably participated in by Lenders thereunder pursuant to) the Revolving Commitments in respect of such non-terminating tranches up to an aggregate amount not to exceed the aggregate principal amount of the unutilized Revolving Commitments thereunder at such time (it being understood that no partial face amount of any Letter of Credit may be so reallocated) and (ii) to the extent not reallocated pursuant to the immediately preceding clause (i), the Borrower shall cash collateralize any such Letter of Credit in accordance with Section 2.02(j). For the avoidance of doubt, commencing with the maturity date of any tranche of Revolving Commitments under the applicable Revolving Facility, the sublimit for Letters of Credit under any tranche of Revolving Commitments under such Revolving Facility that has not so then matured shall be as agreed in the relevant Extension Agreement or Refinancing Amendment, as applicable, with such Lenders (to the extent such Extension Agreement or Refinancing Amendment so provides).

(n) Existing Letters of Credit. On the Amendment No. 1 Effective Date, the Existing Letters of Credit shall be deemed Letters of Credit under the LC Tranche Facility issued under this Section 2.02 and subject to the provisions hereof, without the need for any further action by the Borrower or any other Person (and without the payment of any fees otherwise due upon the issuance of a Letter of Credit).

Section 2.03. Requests for Borrowings.

(a) Unless otherwise agreed to by the Administrative Agent in connection with making the initial Revolving Loans on the Closing Date, if any, to request a Borrowing of Revolving Loans under the applicable Revolving Facility, the Borrower shall notify the Administrative Agent of such request by telephone (i) in the case of a Eurodollar Borrowing, not later than 2:00 p.m., New York City time, three (3) Business Days before the date of the proposed Borrowing and (ii) in the case of an ABR Borrowing, not later than 10:00 a.m., New York City time, on the date of the proposed Borrowing; provided that any such notice of an ABR Borrowing to finance the reimbursement of an LC Disbursement as contemplated by Section 2.02(e) may be given not later than 12:00 noon, New York City time, on the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Borrowing Request in a form approved by the Administrative Agent and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.01(a):

- (i) the aggregate amount of the requested Borrowing (which shall comply with Section 2.01(c));
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing;
- (iv) whether such Borrowing is under the 3-Year Revolving Facility or the 5-Year Revolving Facility; and
- (v) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term “Interest Period”.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month’s duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03(a), the Administrative Agent shall advise each Lender under the applicable Revolving Facility of the details thereof and of the amount of such Lender’s Revolving Loan under such Revolving Facility to be made as part of the requested Borrowing.

Section 2.04. Funding of Borrowings.

(a) Each Lender under the applicable Revolving Facility shall make each Revolving Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 2:00 p.m., New York City time, or such earlier time as may be reasonably practicable, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. Upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent will make such Revolving Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower designated by the Borrower in the applicable Borrowing Request; provided that ABR Revolving Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.02(e) shall be remitted by the Administrative Agent to the Issuing Lender.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing (or, with respect to any ABR Borrowing made on same-day notice, prior to 12:00 noon, New York City time, on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender’s share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraphs (a) and/or (b) of this Section 2.04 and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith upon written demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate otherwise applicable to such Borrowing. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender’s Revolving Loan included in such Borrowing.

Section 2.05. Interest Elections.

(a) The Borrower may elect from time to time to (i) convert ABR Revolving Loans to Eurodollar Revolving Loans, (ii) convert Eurodollar Revolving Loans to ABR Revolving Loans,

provided that any such conversion of Eurodollar Revolving Loans may only be made on the last day of an Interest Period with respect thereto or (iii) continue any Eurodollar Revolving Loan as such upon the expiration of the then current Interest Period with respect thereto.

(b) To make an Interest Election Request pursuant to this Section 2.05, the Borrower shall notify the Administrative Agent of such election by telephone by the time that a Borrowing Request would be required under Section 2.03(a) if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Interest Election Request in a form approved by the Administrative Agent and signed by the Borrower.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.01:

(i) the Borrowing to which such Interest Election Request applies (including whether such Borrowing is under the 3-Year Revolving Facility or the 5-Year Revolving Facility) 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 or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower 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 fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to 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 converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, and upon the request of the Required Lenders, (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

Section 2.06. Limitation on Eurodollar Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Eurodollar Revolving Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of the Eurodollar Revolving Loans

comprising each Eurodollar Tranche shall be equal to \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof and (b) no more than twenty (20) Eurodollar Tranches shall be outstanding at any one time.

Section 2.07. Interest on Revolving Loans.

(a) Subject to the provisions of Section 2.08, each ABR Revolving Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days or, when the Alternate Base Rate is based on the Prime Rate, a year with three hundred sixty five (365) days or three hundred sixty six (366) days in a leap year) at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin.

(b) Subject to the provisions of Section 2.08, each Eurodollar Revolving Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days) at a rate per annum equal, during each Interest Period applicable thereto, to the LIBO Rate for such Interest Period in effect for such Borrowing plus the Applicable Margin.

(c) Accrued interest on all Revolving Loans shall be payable in arrears on each Interest Payment Date applicable thereto, on the Termination Date with respect to such Revolving Loans or the related Revolving Commitments and thereafter on written demand and (with respect to Eurodollar Revolving Loans) upon any repayment or prepayment thereof (on the amount repaid or prepaid); provided that in the event of any conversion of any Eurodollar Revolving Loan to an ABR Revolving Loan, accrued interest on such Revolving Loan shall be payable on the effective date of such conversion.

Section 2.08. Default Interest. If the Borrower shall default in the payment of the principal of or interest on any Revolving Loan or in the payment of any fee becoming due hereunder or in the reimbursement pursuant to Section 2.02(e) of any LC Disbursement, whether at stated maturity, by acceleration or otherwise, the Borrower shall on written demand of the Administrative Agent (which written demand shall be given at the request of the Required Lenders) from time to time pay interest, to the extent permitted by law, on all overdue amounts up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days or, when the Alternate Base Rate is applicable and is based on the Prime Rate, a year of three hundred sixty five (365) days or three hundred sixty six (366) days in a leap year) equal to (a) with respect to the principal amount of any Revolving Loan, the rate then applicable for such Borrowings plus 2.0%, and (b) with respect to interest, fees and reimbursement of LC Disbursements, the rate applicable for ABR Revolving Loans plus 2.0%.

Section 2.09. Alternate Rate of Interest.

(a) In the event, and on each occasion, that on the date that is two (2) Business Days prior to the commencement of any Interest Period for a Eurodollar Revolving Loan, the Administrative Agent shall have reasonably determined (which determination shall be conclusive and binding upon the Borrower absent manifest error) that reasonable means do not exist for ascertaining the applicable LIBO Rate (including because the LIBO Screen Rate is not available or published on a current basis), the Administrative Agent shall, as soon as practicable thereafter, give written, facsimile or telegraphic notice of such determination to the Borrower and the Lenders and, until the circumstances giving rise to such notice no longer exist, any request by the Borrower for a Borrowing of Eurodollar Revolving Loans hereunder (including pursuant to a refinancing with Eurodollar Revolving Loans and including any request to continue, or to convert to, Eurodollar Revolving Loans) shall be deemed a request for a Borrowing of ABR Revolving Loans.

(b) Notwithstanding the foregoing, if at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in this Section 2.09 have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in this Section 2.09 have not arisen but the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Screen Rate shall no longer be used for determining interest rates for loans, then the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable; provided that, if such alternate rate of interest as so determined would be less than ~~zero~~ 1.00%, such rate shall be deemed to be ~~zero~~ 1.00% for the purposes of this Agreement. Notwithstanding anything to the contrary in Section 10.08, such amendment shall become effective without any further action or consent of any Lender so long as the Administrative Agent shall not have received, within five Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment. Until an alternate rate of interest shall be determined in accordance with this clause (b) (but, in the case of the circumstances described in clause (ii) of the first sentence of this Section 2.09(b), only to the extent the LIBO Screen Rate for such Interest Period is not available or published at such time on a current basis), any request by the Borrower for a Borrowing of Eurodollar Revolving Loans hereunder (including pursuant to a refinancing with Eurodollar Revolving Loans and including any request to continue, or to convert to, Eurodollar Revolving Loans) shall be deemed a request for a Borrowing of ABR Revolving Loans.

Section 2.10. Repayment of Revolving Loans; Evidence of Debt.

(a) The Borrower hereby unconditionally promises to pay to the Administrative Agent for the ratable account of each Lender under the applicable Revolving Facility the then unpaid principal amount of each Revolving Loan then outstanding on the Termination Date applicable to such Revolving Loan.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Revolving 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 for each Revolving Facility in which it shall record (i) the amount of each Revolving Loan made hereunder under such Revolving Facility, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder under such Revolving Facility and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders under such Revolving Facility and each Lender's share thereof. The Borrower shall have the right, upon reasonable notice, to request information regarding the accounts referred to in the preceding sentence.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Revolving Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Revolving Loans made by it under any Revolving Facility be evidenced by a promissory note. In such event, the Borrower shall promptly execute and deliver 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) in a form furnished by the Administrative Agent and reasonably acceptable to the Borrower. Thereafter, the Revolving Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.02) 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 2.11. Optional Termination or Reduction of Revolving Commitments. Upon at least one (1) Business Day prior written notice to the Administrative Agent, the Borrower may at any time in whole permanently terminate, or from time to time in part permanently reduce, the Unused Total Revolving Commitment under any Revolving Facility; provided that each such notice shall be revocable to the extent such termination or reduction would have resulted from a refinancing of the Obligations, which refinancing shall not be consummated or shall otherwise be delayed. Each such reduction of the Unused Total Revolving Commitment under any Revolving Facility shall be in the principal amount not less than \$5,000,000 and in an integral multiple of \$1,000,000. Simultaneously with each reduction or termination of the applicable Revolving Commitment, the Borrower shall pay to the Administrative Agent for the account of each Lender under the applicable Revolving Facility the Commitment Fee accrued and unpaid on the amount of the applicable Revolving Commitment of such Lender so terminated or reduced through the date thereof. Any reduction of the Total Revolving Commitment under the applicable Revolving Facility pursuant to this Section 2.11 shall be applied to reduce the Revolving Commitment under such Revolving Facility of each Lender on a pro rata basis.

Section 2.12. Mandatory Prepayment of Revolving Loans and Mandatory Commitment Reductions; Commitment Termination.

(a) The Borrower shall prepay the Revolving Loans under any Revolving Facility (without any corresponding reduction in Revolving Commitments) in an amount necessary to comply with Section 6.03, in each case as directed by the Borrower.

(b) If at any time the Total 3-Year Revolving Extensions of Credit for any reason exceed the Total 3-Year Revolving Commitment at such time or the Total 5-Year Revolving Extensions of Credit for any reason exceed the Total 5-Year Revolving Commitment at such time, the Borrower shall prepay Revolving Loans under the applicable Revolving Facility on a pro rata basis in an amount sufficient to eliminate such excess. If, after giving effect to the prepayment of all outstanding Revolving Loans under the applicable Revolving Facility, the Total 3-Year Revolving Extensions of Credit exceed the Total 3-Year Revolving Commitment then in effect or the Total 5-Year Revolving Extensions of Credit exceed the Total 5-Year Revolving Commitment then in effect, the Borrower shall Cash Collateralize outstanding Letters of Credit under the applicable Revolving Facility to the extent of such excess.

(c) Upon the Termination Date applicable to any Revolving Commitment, such Revolving Commitment shall be terminated in full and the Borrower shall repay the applicable Revolving Loans in full and, except as the Administrative Agent may otherwise agree in writing, if any Letter of Credit remains outstanding under the applicable Revolving Facility, comply with Section 2.02(j) in accordance therewith.

(d) All prepayments under this Section 2.12 shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees and any losses, costs and expenses, as more fully described in Section 2.15 and 2.19 hereof.

Section 2.13. Optional Prepayment of Revolving Loans.

(a) The Borrower shall have the right, at any time and from time to time, to prepay any Revolving Loans under any Revolving Facility, in whole or in part, (i) with respect to Eurodollar Revolving Loans, upon (A) telephonic notice followed promptly by written or facsimile notice or (B) written or facsimile notice received by 1:00 p.m., New York City time, three (3) Business Days prior to the proposed date of prepayment and (ii) with respect to ABR Revolving Loans, upon written or facsimile notice received by 1:00 p.m., New York City time, one (1) Business Day prior to the proposed date of prepayment; provided that ABR Revolving Loans may be prepaid on the same day notice is given if such notice is received by the Administrative Agent by 12:00 noon, New York City time; provided further, however, that (A) each such partial prepayment shall be in an amount not less than \$5,000,000 and in integral multiples of \$1,000,000, (B) no prepayment of Eurodollar Revolving Loans shall be permitted pursuant to this Section 2.13(a) other than on the last day of an Interest Period applicable thereto unless such prepayment is accompanied by the payment of the amounts described in Section 2.15, and (C) no partial prepayment of a Borrowing of Eurodollar Revolving Loans shall result in the aggregate principal amount of the Eurodollar Revolving Loans remaining outstanding pursuant to such Borrowing being less than \$5,000,000.

(b) All prepayments under Section 2.13(a) shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees and any losses, costs and expenses, as more fully described in Sections 2.15 and 2.19 hereof.

(c) Each notice of prepayment shall specify the prepayment date, the applicable Revolving Facility, the principal amount of the Revolving Loans thereunder to be prepaid and, in the case of Eurodollar Revolving Loans, the Borrowing or Borrowings pursuant to which made, shall be irrevocable and shall commit the Borrower to prepay such Revolving Loan by the amount and on the date stated therein; provided that the Borrower may revoke any notice of prepayment under this Section 2.13 if such prepayment would have resulted from a refinancing of any or all of the Obligations hereunder, which refinancing shall not be consummated or shall otherwise be delayed. The Administrative Agent shall, promptly after receiving notice from the Borrower hereunder, notify each Lender under the applicable Revolving Facility of the principal amount of the Revolving Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

Section 2.14. Increased Costs.

(a) If any Change in Law shall:

(i) subject any Lender or Issuing Lender to any Taxes (other than (A) Indemnified Taxes or (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(ii) 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 such reserve requirement subject to Section 2.14(c)) or Issuing Lender; or

(iii) impose on any Lender or Issuing Lender or the London interbank market any other condition (other than Taxes) affecting this Agreement or Eurodollar Revolving 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 converting any ABR Revolving Loan to a Eurodollar Revolving Loan or making, maintaining or continuing any Eurodollar

Revolving Loan (or of maintaining its obligation to make any such Revolving Loan) or to increase the cost to such Lender or Issuing Lender 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 Issuing Lender hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender or Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Lender, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or Issuing Lender reasonably determines in good faith 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 Issuing Lender's capital or on the capital of such Lender's or Issuing Lender's holding company, if any, as a consequence of this Agreement or the Revolving Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Lender, to a level below that which such Lender or Issuing Lender or such Lender's or Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Lender's policies and the policies of such Lender's or Issuing Lender's holding company with respect to capital adequacy or liquidity), then from time to time the Borrower will pay to such Lender or Issuing Lender, as the case may be, such additional amount or amounts, in each case as documented by such Lender or Issuing Lender to the Borrower as will compensate such Lender or Issuing Lender or such Lender's or Issuing Lender's holding company for any such reduction suffered; it being understood that to the extent duplicative of the provisions in Section 2.16, this Section 2.14(b) shall not apply to Taxes.

(c) The Borrower 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 Eurodollar funds or deposits, additional interest on the unpaid principal amount of each Eurodollar Revolving Loan equal to the actual costs of such reserves allocated to such Revolving Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive in the absence of manifest error) 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 Revolving Commitments or the funding of the Eurodollar Revolving 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 Revolving Commitment or Revolving Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error) which in each case shall be due and payable on each date on which interest is payable on such Revolving Loan, provided the Borrower shall have received at least fifteen (15) days' prior notice (with a copy to the Administrative Agent, and which notice shall specify the Statutory Reserve Rate, if any, applicable to such Lender) of such additional interest or cost from such Lender. If a Lender fails to give notice fifteen (15) days prior to the relevant Interest Payment Date, such additional interest or cost shall be due and payable fifteen (15) days from receipt of such notice.

(d) A certificate of a Lender or Issuing Lender setting forth the amount or amounts necessary to compensate such Lender or Issuing Lender or its holding company, as the case may be, as specified in paragraph (a), (b) or (c) of this Section 2.14 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or Issuing Lender, as the case may be, the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(e) Failure or delay on the part of any Lender or Issuing Lender to demand compensation pursuant to this Section 2.14 shall not constitute a waiver of such Lender's or Issuing Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or Issuing Lender pursuant to this Section 2.14 for any increased costs or reductions incurred more than one hundred eighty (180) days prior to the date that such Lender or Issuing Lender, as

the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or Issuing Lender's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof. The protection of this Section 2.14 shall be available to each Lender regardless of any possible contention as to the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

(f) Any determination by a Lender or Issuing Lender of amounts owed pursuant to this Section 2.14 to such Lender or Issuing Lender due to any Change in Law, pursuant to the proviso in the definition thereof shall be made in good faith in a manner generally consistent with such Lender's or Issuing Lender's standard practice.

Section 2.15. Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Revolving Loan other than on the last day of an Interest Period applicable thereto (including as a result of the occurrence and continuance of an Event of Default), (b) the failure to borrow, convert, continue or prepay any Eurodollar Revolving Loan on the date specified in any notice delivered pursuant hereto, or (c) the assignment of any Eurodollar Revolving Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.18 or Section 10.08(d), then, in any such event, at the request of such Lender, the Borrower shall compensate such Lender for the loss, cost and expense attributable to such event. Such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith by such Lender or Issuing Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Revolving Loan had such event not occurred, at the applicable rate of interest for such Revolving Loan (excluding, however the Applicable Margin included therein, if any), 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 Revolving 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 dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.15 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

Section 2.16. Taxes.

(a) Any and all payments by or on account of any Obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if any Indemnified Tax or Other Taxes are required to be withheld from any amounts payable to a Recipient, as determined in good faith by the applicable Withholding Agent, then (i) the sum payable by the Borrower shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.16), such Recipient receives an amount equal to the sum it would have received had no such deductions been made, (ii) the applicable Withholding Agent shall make such deductions and (iii) the applicable Withholding Agent shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition (and without duplication of any payments with respect to Other Taxes pursuant to Section 2.16(a)), the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify each Recipient within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by or on behalf of such Recipient on or with respect to any payment by or on account of any obligation of the Borrower hereunder or under any other Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. After a Recipient learns of the imposition of Indemnified Taxes or Other Taxes, such party will act in good faith to notify the Borrower promptly of its obligations thereunder. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or Issuing Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or Issuing Lender, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority pursuant to this Section 2.16, 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 to the extent available, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Each Lender and Issuing Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Taxes attributable to such Lender or Issuing Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Borrower to do so) and (ii) any Taxes attributable to such Lender's or Issuing Lender's failure to comply with the provisions of Section 10.02(d) relating to the maintenance of a Participant Register, in either case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender or Issuing Lender (as the case may be) by the Administrative Agent shall be conclusive absent manifest error. Each Lender and Issuing Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender or Issuing Lender (as the case may be) from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments under this Agreement or any other Loan Document shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or as reasonably requested by the Borrower, such properly completed and executed documentation prescribed by applicable law or requested by the Borrower as will (i) enable the Borrower to determine whether such Lender is subject to backup withholding or information reporting requirements, and (ii) permit such payments to be made without withholding or at a reduced rate; provided that a Foreign Lender shall not be required to deliver any documentation pursuant to this Section 2.16(f) that such Foreign Lender is not legally able to deliver.

(g) ~~(H)~~ (i) Without limiting the generality of Section 2.16(f),

(A) ~~(H)~~ any Lender that is a U.S. Person (as such term is defined in Section 7701(a)(30) of the Code) shall deliver to the Administrative Agent (and the Borrower at its request) on or prior to the date on which such Lender becomes a party under this Agreement (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon the reasonable request of the Borrower or the Administrative Agent), executed copies of

Internal Revenue Service Form W-9 (or any successor form) certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) ~~(H)~~ any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Administrative Agent (in such number of copies as shall be requested by the recipient) (and the Borrower at its request) on or prior to the date on which such Foreign Lender becomes a party under this Agreement (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable;

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

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the Form of Exhibit C-1 to the effect that (i) such Foreign Lender is not (A) a “bank” within the meaning of section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Borrower within the meaning of section 881(c)(3)(B) of the Code, and (C) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Code, and (ii) the interest payments in question are not effectively connected with the United States trade or business conducted by such Lender (a “U.S. Tax Compliance Certificate”) and (y) duly completed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable;

(4) to the extent a Foreign Lender is not the beneficial owner (for example, where the Foreign Lender is a partnership or participating bank granting a typical participation), an Internal Revenue Service Form W-8IMY, accompanied by a Form W-8ECI, W-8BEN or W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-2 or C-3 (as applicable), Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that, if the Foreign Lender is a partnership (and not a participating bank) and one or more beneficial owners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit C-4 on behalf of each such beneficial owner; or

(5) any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower to determine the withholding or deduction required to be made.

If the Administrative Agent is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, the Administrative Agent shall deliver to the Borrower, on or prior to the date on which it becomes the Administrative Agent (and from time to time thereafter when the previously delivered forms expire, or upon the reasonable request of the Borrower), such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate of withholding.

The Administrative Agent and each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(ii) ~~(2)~~ If a payment made to a Lender under this Agreement or 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 and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower 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 purposes of this clause (2), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) If the Administrative Agent or a Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.16, it shall pay over an amount equal to such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.16 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender incurred in obtaining such refund (including Taxes imposed with respect to such refund) 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) 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. Notwithstanding anything to the contrary in this paragraph (h), in no event will the Administrative Agent or any Lender be required to pay any amount to the Borrower pursuant to this paragraph (h) if, and then only to the extent, the payment of such amount would place the Administrative Agent or Lender in a less favorable net after-Tax position than the Administrative Agent or Lender would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This Section 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 which it deems confidential) to the Borrower or any other Person.

Section 2.17. Payments Generally; Pro Rata Treatment.

(a) The Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.14 or 2.15, or otherwise) prior to 1:00 p.m., New York City time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the reasonable 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 the Administrative Agent at its offices at 383 Madison Avenue, New York, New York 10179, pursuant to wire instructions to be provided by the Administrative Agent, except payments to be made directly to an Issuing Lender as expressly provided herein and except that payments

pursuant to Sections 2.14, 2.15 and 10.04 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder 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, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in the applicable currency.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all Obligations then due hereunder, such funds shall be applied (i) first, towards payment of Fees and expenses then due under Sections 2.19 and 10.04 payable to the Administrative Agent, (ii) second, towards payment of Fees and expenses then due under Sections 2.20, 2.21 and 10.04 payable to the Agents, the Lenders and the Issuing Lenders and towards payment of interest then due on account of the Revolving Loans and Letters of Credit, ratably among the parties entitled thereto in accordance with the amounts of such Fees and expenses and interest then due to such parties and (iii) third, towards payment of (A) principal of the Revolving Loans and unreimbursed LC Disbursements then due hereunder, (B) any Designated Banking Product Obligations then due, to the extent such Designated Banking Product Obligations constitute "Obligations" hereunder, and (C) any Designated Hedging Obligations then due, to the extent such Designated Hedging Obligations constitute "Obligations" hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal, and unreimbursed LC Disbursements, Designated Banking Product Obligations constituting Obligations and Designated Hedging Obligations constituting Obligations then due to such parties.

(c) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable Issuing Lender, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the applicable Issuing Lender, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.02(d), 2.02(e), 2.04(a), 8.04 or 10.04(c), 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.

(e) Pro Rata Treatment.

(i) Each payment by the Borrower of interest in respect of the Revolving Loans of any Class shall be applied to the amounts of such obligations owing to the Lenders of such Class pro rata according to the respective amounts then due and owing to the Lenders.

(ii) Each payment (including each prepayment) by the Borrower on account of principal of the Revolving Loans under the applicable Revolving Facility shall be made pro rata according to the respective outstanding principal amounts of the Revolving Loans then held by the Lenders under such Revolving Facility.

Section 2.18. Mitigation Obligations; Replacement of Lenders.

(a) If the Borrower is required to pay any additional amount or indemnification payment to any Lender under Section 2.14 or 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 Revolving Loans hereunder, to assign its rights and obligations hereunder to another of its offices, branches or affiliates or to file any certificate or document reasonably requested by the Borrower, if, in the judgment of such Lender, such designation, assignment or filing (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 (other than immaterial costs and expenses) and would not otherwise be materially disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If, after the date hereof, any Lender requests compensation under Section 2.14 or if the 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, or becomes a Defaulting 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 Section 10.02), 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) such Lender shall have received payment of an amount equal to the outstanding principal of its Revolving Loans and participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts due, owing and payable to it hereunder at such time, 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) and (ii) in the case of payments required to be made pursuant to Section 2.16, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and 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.

(c) Each party hereto agrees that (a) an assignment required pursuant to this Section 2.18 may be effected pursuant to an Assignment and Acceptance executed by the Borrower, the Administrative Agent and the assignee and (b) 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, further that any such documents shall be without recourse to or warranty by the parties thereto.

Section 2.19. Certain Fees. The Borrower shall pay (a) to the Lenders (or their affiliates) party thereto the fees set forth in that certain Upfront Fee Letter dated as of March 30, 2018 among such Lenders (or their affiliates) and the Borrower at the times set forth therein and (b) to the Administrative Agent the fees set forth in that certain Administrative Agent Fee Letter dated as of March 30, 2018 between the Administrative Agent and the Borrower, in each case at the times set forth therein.

Section 2.20. Commitment Fee and Upfront Fees.

(a) The Borrower shall pay to the Administrative Agent for the accounts of the Lenders under each Revolving Facility a commitment fee (the "Commitment Fee") for the period commencing on the ~~Closing~~ Amendment No. 1 Effective Date to the applicable Termination Date or the

earlier date of termination of the applicable Revolving Commitment under such Revolving Facility, computed (on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days) at the Commitment Fee Rate on the average daily Unused Total Revolving Commitment with respect to such Revolving Facility. Such Commitment Fee, to the extent then accrued, shall be payable (i) on the last Business Day of each March, June, September and December, (ii) on the [LC Tranche Facility Termination Date with respect to the LC Tranche Commitments, on the](#) 3-Year Revolving Facility Termination Date with respect to the 3-Year Revolving Commitments and on the 5-Year Revolving Facility Termination Date with respect to the 5-Year Revolving Commitments, and (iii) as provided in Section 2.11 hereof, upon any reduction or termination in whole or in part of the [Total LC Tranche Commitment, Total](#) 3-Year Revolving Commitment or the Total 5-Year Revolving Commitment, as applicable.

(b) The Borrower shall pay on the Closing Date (x) to each Lender under the 3-Year Revolving Facility as of such date, as compensation for providing the 3-Year Revolving Commitments, an upfront fee (the “[3-Year Upfront Fee](#)”) in an amount equal to 0.15% of such Lender’s 3-Year Revolving Commitment on the Closing Date and (y) to each Lender under the 5-Year Revolving Facility as of such date, as compensation for providing the 5-Year Revolving Commitments, an upfront fee (the “[5-Year Upfront Fee](#)” and, together with the 3-Year Upfront Fee, the “[Upfront Fees](#)”) in an amount equal to 0.25% of such Lender’s 5-Year Revolving Commitment on the Closing Date. The Upfront Fees shall be in all respects fully earned, due and payable on the Closing Date and non-refundable and non-creditable thereafter.

Section 2.21. [Letter of Credit Fees](#). The Borrower shall pay with respect to each Letter of Credit under the applicable Revolving Facility (i) to the Administrative Agent for the account of the Lenders under such Revolving Facility a fee calculated (on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days) at the per annum rate equal to the Applicable Margin then in effect with respect to Eurodollar Revolving Loans under such Revolving Facility on the daily average LC Exposure under such Revolving Facility (excluding any portion thereof attributable to unreimbursed LC Disbursements), to be shared ratably among the Lenders under such Revolving Facility and (ii) to each Issuing Lender (with respect to each Letter of Credit issued by it), such Issuing Lender’s customary fees for issuance, amendments and processing referred to in Section 2.02. In addition, the Borrower agrees to pay each Issuing Lender for its account a fronting fee of 0.125% per annum in respect of each Letter of Credit issued by such Issuing Lender, for the period from and including the date of issuance of such Letter of Credit to and including the date of termination of such Letter of Credit. Accrued fees described in this paragraph in respect of each Letter of Credit under the applicable Revolving Facility shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December and on the [LC Tranche Facility Termination Date with respect to LC Tranche Commitments, the](#) 3-Year Revolving Facility Termination Date with respect to 3-Year Revolving Commitments and on the 5-Year Revolving Facility Termination Date with respect to 5-Year Revolving Commitments.

Section 2.22. [Nature of Fees](#). All Fees shall be paid on the dates due, in immediately available funds, to the Administrative Agent or the Arrangers, as applicable, as provided herein and in the fee letters described in Section 2.19. Once paid, none of the Fees shall be refundable under any circumstances.

Section 2.23. [Right of Set-Off](#). Upon the occurrence and during the continuance of any Event of Default pursuant to Section 7.01(b), the Administrative Agent and each Lender (and their respective banking Affiliates) is hereby 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 but excluding deposits in the Escrow Accounts, Payroll Accounts and other accounts, in each case, held in trust for an identified beneficiary) at any time held and other indebtedness at any time owing by the Administrative Agent and each such Lender (or any of such banking Affiliates) to or for the credit or the account of the Borrower against any and all of any such overdue amounts owing to such Lender (or any of such banking Affiliates) or the Administrative Agent under the Loan Documents, irrespective of whether or not the Administrative Agent or such Lender shall have made any demand under any Loan Document; provided that each Lender agrees promptly to notify 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 setoff and application; provided, further, that in the event that any Defaulting Lender exercises any such right of setoff, (x) all amounts so set off will be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.26(e) and, pending such payment, will be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Lenders and the Lenders and (y) the Defaulting Lender will provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender and the Administrative Agent agree promptly to notify the Borrower after any such set-off and application made by such Lender or the Administrative Agent (or any of such banking Affiliates), as the case may be, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender and the Administrative Agent under this Section 2.23 are in addition to other rights and remedies which such Lender and the Administrative Agent may have upon the occurrence and during the continuance of any Event of Default.

Section 2.24. [Reserved].

Section 2.25. Payment of Obligations. Subject to the provisions of Section 7.01, upon the maturity (whether by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Borrower, the Lenders shall be entitled to immediate payment of such Obligations.

Section 2.26. Defaulting Lenders. (a) Anything herein to the contrary notwithstanding, no Defaulting Lender shall be entitled to receive any fees accruing pursuant to Section 2.20(a) and 2.21 during the period that such Lender is a Defaulting Lender (without prejudice to the rights of the Non-Defaulting Lenders in respect of such fees), provided that (1) to the extent that all or a portion of the LC Exposure with respect to a Revolving Facility of such Defaulting Lender is reallocated to the Non-Defaulting Lenders under such Revolving Facility pursuant to Section 2.26(b)(i), such fees that would have accrued for the benefit of such Defaulting Lender shall instead accrue for the benefit of and be payable to such Non-Defaulting Lenders, pro rata in accordance with their respective Revolving Commitments under such Revolving Facility, and (2) to the extent that all or any portion of such LC Exposure cannot be so reallocated and is not Cash Collateralized in accordance with Section 2.26(b)(ii), such fees shall instead accrue for the benefit of and be payable to the Issuing Lenders as their interests appear (and the applicable pro rata payment provisions under this Agreement shall automatically be deemed adjusted to reflect the provisions of this Section).

(b) If any LC Exposure with respect to a Revolving Facility exists at the time a Lender under such Revolving Facility becomes a Defaulting Lender then:

(i) the LC Exposure under such Revolving Facility of such Defaulting Lender will, upon notice by the Administrative Agent, and subject in any event to the limitation in the first proviso below, automatically be reallocated (effective on the day such Lender becomes a Defaulting Lender) among the Non-Defaulting Lenders under such Revolving Facility pro rata in accordance with their respective Revolving Commitments thereunder; provided that (A) the

Revolving Extensions of Credit under such Revolving Facility of each such Non-Defaulting Lender may not in any event exceed the Revolving Commitment under such Revolving Facility of such Non-Defaulting Lender as in effect at the time of such reallocation, (B) subject to Section 10.16, such reallocation will not constitute a waiver or release of any claim the Borrower, the Administrative Agent, the Issuing Lenders or any other Lender may have against such Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation and (C) neither such reallocation nor any payment by a Non-Defaulting Lender as a result thereof will cause such Defaulting Lender to be a Non-Defaulting Lender; and

(ii) to the extent that any portion (the "unreallocated portion") of the Defaulting Lender's LC Exposure under the applicable Revolving Facility cannot be so reallocated, whether by reason of the first proviso in clause (i) above or otherwise, the Borrower will, not later than three (3) Business Days after demand by the Administrative Agent, (A) Cash Collateralize the obligations of the Borrower to the Issuing Lenders in respect of such LC Exposure in an amount at least equal to the aggregate amount of the unreallocated portion of such LC Exposure or (B) make other arrangements satisfactory to the Administrative Agent and the Issuing Lenders in their sole discretion to protect them against the risk of non-payment by such Defaulting Lender.

(c) In addition to the other conditions precedent set forth in this Agreement, if any Lender under the applicable Revolving Facility becomes, and during the period it remains, a Defaulting Lender, no Issuing Lender shall be required to issue any Letter of Credit or to amend any outstanding Letter of Credit under such Revolving Facility, unless:

(i) in the case of a Defaulting Lender, the LC Exposure under such Revolving Facility of such Defaulting Lender is reallocated, as to outstanding and future Letters of Credit, to the Non-Defaulting Lenders under such Revolving Facility as provided in Section 2.26(b)(i), and

(ii) to the extent full reallocation does not occur as provided in clause (i) above, without limiting the provisions of Section 2.26(d), the Borrower Cash Collateralizes the obligations of the Borrower in respect of such Letter of Credit in an amount at least equal to the aggregate amount of the obligations (contingent or otherwise) of such Defaulting Lender in respect of such Letter of Credit, or makes other arrangements satisfactory to the Administrative Agent and such Issuing Lenders in their sole discretion to protect them against the risk of non-payment by such Defaulting Lender, or

(iii) to the extent that neither reallocation nor Cash Collateralization occurs pursuant to clauses (i) or (ii), then in the case of a proposed issuance of a Letter of Credit under the applicable Revolving Facility, by an instrument or instruments in form and substance satisfactory to the Administrative Agent, and to such Issuing Lender, as the case may be, (A) the Borrower agrees that the face amount of such requested Letter of Credit will be reduced by an amount equal to the portion thereof as to which such Defaulting Lender would otherwise be liable, and (B) the Non-Defaulting Lenders under such Revolving Facility confirm, in their discretion, that their obligations in respect of such Letter of Credit shall be on a pro rata basis in accordance with the Revolving Commitments under such Revolving Facility of the Non-Defaulting Lenders, and that the applicable pro rata payment provisions under this Agreement will be deemed adjusted to reflect this provision (provided that nothing in this clause (iii) will be deemed to increase the Revolving Commitments of any Lender, nor to constitute a waiver or release of any claim the Borrower, the Administrative Agent, any Issuing Lender or any other Lender may have against such Defaulting Lender, nor to cause such Defaulting Lender to be a Non-Defaulting Lender).

(d) If any Lender under the applicable Revolving Facility becomes, and during the period it remains, a Defaulting Lender and if any Letter of Credit under such Revolving Facility is at the time outstanding, the applicable Issuing Lender may (except to the extent the applicable Revolving Commitments of such Defaulting Lender have been fully reallocated pursuant to Section 2.26(b)(i)), by notice to the Borrower and such Defaulting Lender through the Administrative Agent, require the Borrower to Cash Collateralize the obligations of the Borrower to such Issuing Lender in respect of such Letter of Credit in an amount at least equal to the aggregate amount of the obligations (contingent or otherwise) of such Defaulting Lender in respect thereof, or to make other arrangements satisfactory to the Administrative Agent and such Issuing Lender in their sole discretion to protect them against the risk of non-payment by such Defaulting Lender.

(e) Any amount paid by the Borrower or otherwise received by the Administrative Agent for the account of a Defaulting Lender with respect to any Revolving Facility under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or distributed to such Defaulting Lender, but shall instead be retained by the Administrative Agent in a segregated account until (subject to Section 2.26(f)) the termination of the applicable Revolving Commitments and payment in full of all obligations of the Borrower hereunder under the applicable Revolving Facility and will be applied by the Administrative Agent, to the fullest extent permitted by law, to the making of payments from time to time in the following order of priority: First to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent under the applicable Revolving Facility, second to the payment of any amounts owing by such Defaulting Lender to the Issuing Lenders under this Agreement under the applicable Revolving Facility, third to the payment of the default interest and then current interest due and payable to the Lenders which are Non-Defaulting Lenders under the applicable Revolving Facility hereunder, ratably among them in accordance with the amounts of such interest then due and payable to them, fourth to the payment of fees then due and payable to the Non-Defaulting Lenders under the applicable Revolving Facility hereunder, ratably among them in accordance with the amounts of such fees then due and payable to them, fifth to pay principal and unreimbursed LC Disbursements under the applicable Revolving Facility then due and payable to the Non-Defaulting Lenders under such Revolving Facility hereunder ratably in accordance with the amounts thereof then due and payable to them, sixth to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders under the applicable Revolving Facility, and seventh after the termination of the applicable Revolving Commitments and payment in full of all obligations of the Borrower under the applicable Revolving Facility, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

(f) If the Borrower, the Administrative Agent and the Issuing Lenders agree in writing that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the Lenders, 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 amounts then held in the segregated account referred to in Section 2.26(e)), such Lender shall purchase at par such portions of outstanding Revolving Loans of the other Lenders under such applicable Revolving Facility, and/or make such other adjustments, as the Administrative Agent may determine to be necessary to cause the Lenders to hold Revolving Loans under each such Revolving Facility on a pro rata basis in accordance with their respective applicable Revolving Commitments, whereupon such Lender shall cease to be a Defaulting Lender and will be a Non-Defaulting Lender (and the LC Exposure under each such Revolving Facility of each Lender shall automatically be adjusted on a prospective basis to reflect the foregoing); provided that no adjustments shall be made retroactively with respect to fees accrued while such 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 Non-Defaulting Lender shall constitute a waiver or release of any claim of any party hereunder arising from

such Lender's having been a Defaulting Lender.

(g) Notwithstanding anything to the contrary herein, (x) any Lender that is an Issuing Lender hereunder may not be replaced in its capacity as an Issuing Lender at any time that it has a Letter of Credit outstanding hereunder unless arrangements reasonably satisfactory to such Issuing Lender have been made with respect to such outstanding Letters of Credit and (y) the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 8.05.

Section 2.27. Currency Equivalents.

(a) The Administrative Agent shall determine the Dollar Amount of (x) the LC Exposure in respect of Letters of Credit denominated in an Alternative Currency based on the Exchange Rate (i) as of the end of each fiscal quarter of the Borrower and (ii) on or about the date of the related notice requesting the issuance of such Letter of Credit and (y) any other amount to be converted into Dollars in accordance with the provisions hereof at the time of such conversion.

(b) If, after giving effect to any such determination of a Dollar Amount, the LC Exposure under [the LC Tranche Facility](#), the 3-Year Revolving Facility or the 5-Year Revolving Facility, as applicable, exceeds 105% of the [LC Tranche Commitments](#), 3-Year LC Sublimit or the 5-Year LC Sublimit, as applicable, the Borrower shall, within five (5) Business Days of receipt of notice thereof from the Administrative Agent setting forth such calculation in reasonable detail, deposit cash collateral in an account with the Administrative Agent pursuant to Section 2.02(j)(ii) in an amount equal to such excess.

Section 2.28. Increase in Commitments.

(a) Borrower Request. The Borrower may, by written notice to the Administrative Agent from time to time, request an increase to the existing [LC Tranche Commitments](#), the 3-Year Revolving Commitments and/or 5-Year Revolving Commitments (each, a "Revolving Commitment Increase") and the commitments thereunder, the "Incremental Commitments") in an amount not less than (x) [with respect to the LC Tranche Commitments, \\$1,000,000 and \(y\) with respect to the 3-Year Revolving Commitments and/or the 5-Year Revolving Commitments, \\$25,000,000, in each case](#), individually ~~and not to exceed the applicable Incremental Amount~~ from one or more Incremental Lenders (which may include any existing Lender) willing to provide such Incremental Commitments in their sole discretion; provided that each Incremental Lender (which is not an existing Lender) shall be subject to the approval requirements of Section 10.02. Each such notice shall specify (i) whether such Incremental Commitments are to be established under the [LC Tranche Facility](#), the 3-Year Revolving Facility or the 5-Year Revolving Facility, (ii) the date (each, an "Increase Effective Date") on which the Borrower proposes that the increased or new Revolving Commitments shall be effective, which shall be a date not less than ten (10) Business Days after the date on which such notice is delivered to the Administrative Agent and (iii) the identity of each Eligible Assignee to whom the Borrower proposes any portion of such Incremental Commitments be allocated and the amounts of such allocations (each provider of the Incremental Commitments referred to herein as an "Incremental Lender"); provided that any existing Lender approached to provide all or a portion of the increased or new Revolving Commitments may elect or decline, in its sole discretion, to provide such increased or new Revolving Commitment.

(b) Conditions. The Incremental Commitments shall become effective, as of such Increase Effective Date; provided that:

(i) each of the conditions set forth in Section 4.02 (other than, with respect to Section 4.02(b), the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) shall be satisfied;

(ii) no Default or Event of Default shall have occurred and be continuing or would result from the Borrowings to be made on the Increase Effective Date;

(iii) after giving pro forma effect to the Revolving Extensions of Credit to be made on the Increase Effective Date, the Borrower shall be in compliance with the Collateral Coverage Test, for the avoidance of doubt, without giving effect to any Collateral Coverage Ratio Cure Period;

(iv) ~~(iii)~~ the Borrower shall make any payments required pursuant to Section 2.15 in connection with any adjustment of Revolving Loans pursuant to Section 2.28(d); and

(v) ~~(iv)~~ after giving effect to such Revolving Commitment Increase, the Total Revolving Commitment shall not in the aggregate exceed \$3,650,000,000.

(c) Terms of Incremental Commitments. The terms and provisions of Revolving Loans made pursuant to the Incremental Commitments shall be identical to any Class of existing Revolving Commitments.

The Incremental Commitments shall be effected by a joinder agreement (the “Increase Joinder”) executed by the Borrower, the Administrative Agent and each Incremental Lender making such Incremental Commitment, in form and substance reasonably satisfactory to each of them. The Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 2.28. In addition, unless otherwise specifically provided herein, all references in Loan Documents to Revolving Loans shall be deemed, unless the context otherwise requires, to include references to Revolving Loans made pursuant to Incremental Commitments made pursuant to this Agreement.

(d) Adjustment of Revolving Loans. Each Incremental Lender that is acquiring a new or additional Revolving Commitment on the Increase Effective Date shall make a Revolving Loan under the applicable Revolving Facility, the proceeds of which will be used to prepay the Revolving Loans under such Revolving Facility (if any) of the other Lenders immediately prior to such Increase Effective Date so that, after giving effect thereto, the Revolving Loans outstanding under such Revolving Facility are held by the Lenders pro rata based on their Revolving Commitments under such Revolving Facility after giving effect to such Revolving Commitment Increase. If there is a new Borrowing of Revolving Loans under such Revolving Facility on such Increase Effective Date, the Lenders under such Revolving Facility after giving effect to such Revolving Commitment Increase shall make such Revolving Loans in accordance with Section 2.01(a).

Section 2.29. Extension of Revolving Commitments.

(a) The Borrower may, at any time and from time to time (but in no event more than once in any calendar year with respect to each Revolving Facility), request that all or a portion of the Revolving Commitments of a given Class be amended to extend the maturity date with respect to all or a portion of such Revolving Commitments by a period of one (1) year (each, an “Extension Request”), which such Extension Request shall include (i) the applicable Class of Revolving Commitments requested to be extended and (ii) the proposed date of effectiveness of such extension (the “Extension Date”). The Administrative Agent shall promptly notify each Lender of such Class of such request, and each such Lender shall in turn, in its sole discretion, not later than thirty (30) days of receipt of such notification from the Administrative Agent, notify the Borrower and the Administrative Agent in writing as to whether such Lender will consent to such extension. If any Lender shall fail to notify the Administrative

Agent and the Borrower in writing of its consent to any such request for extension of such maturity date within such thirty (30) day period, such Lender shall be deemed to be a Non-Extending Lender and only the Revolving Commitments of such Class of those Lenders which have responded affirmatively (each such Lender, an “Extending Lender”) shall be extended, subject to the satisfaction (or waiver) of the conditions set forth in Section 2.29(b) (any such Revolving Commitments so extended, “Extended Revolving Credit Commitments”).

(b) The applicable Extended Revolving Credit Commitments shall become effective upon receipt by the Administrative Agent of counterparts of an Extension Agreement in substantially the form of Exhibit D hereto (the “Extension Agreement”) duly completed and signed by the Borrower, the Administrative Agent and each of the Extending Lenders with respect to the applicable Extension Request; provided that:

(i) each of the conditions set forth in Section 4.02 (other than, with respect to Section 4.02(b), the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) shall be satisfied;

(ii) no Default or Event of Default shall have occurred and be continuing or would result from such extension of Revolving Commitments; ~~and~~ provided, for the avoidance of doubt, that no Default or Event of Default in respect of Section 6.03 shall have occurred and be continuing nor result from the making of such Borrowing on and as of the applicable Increase Effective Date, without giving effect to any Collateral Coverage Ratio Cure Period; and

(iii) (x) with respect to any Extension Request under the LC Tranche Facility, the extended maturity date thereunder shall not be a date later than the third anniversary of the applicable Extension Date. (y) with respect to any Extension Request under the 3-Year Revolving Facility, the extended maturity date thereunder shall not be a date later than the third anniversary of the applicable Extension Date and (yz) with respect to any Extension Request under the 5-Year Revolving Facility, the extended maturity date thereunder shall not be a date later than the fifth anniversary of the applicable Extension Date.

(c) No extension of any Class of Revolving Commitments pursuant to this Section 2.29 shall be legally binding on any party hereto unless and until such Extension Agreement is so executed and delivered by Lenders having greater than 50% of the aggregate amount of the Revolving Commitments of the applicable Class. The Borrower may obtain the signatures of Lenders having greater than 50% of the aggregate amount of the Revolving Commitments of the applicable Class by requiring any Lender that has failed to consent to such Extension Agreement (such Lender, a “Non-Extending Lender”) to assign its Revolving Loans and its Revolving Commitments of the applicable Class hereunder to one or more assignees reasonably acceptable to (x) the Administrative Agent (unless such assignee is a Lender or an Affiliate of a Lender) and (y) each Issuing Lender (unless such assignee is a Lender or an Affiliate of a Lender); provided that: (i) all Obligations of the Borrower owing to such Non-Extending Lender of such Class being replaced shall be paid in full in same day funds to such Non-Extending Lender concurrently with such assignment, (ii) the replacement Lender shall purchase the foregoing by paying to such Non-Extending Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon and the replacement Lender or, at the option of the Borrower, the Borrower shall pay any amount required by Section 2.15, if applicable and (iii) the replacement Lender shall execute and deliver such Extension Agreement. No action by or consent of any Non-Extending 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, Administrative Agent, such Non-Extending Lender and the replacement Lender shall otherwise comply with Section 10.02; provided that if such Non-Extending Lender does not comply with Section 10.02

within five (5) Business Days after the Borrower's request, compliance with Section 10.02 (but only on the part of the Non-Extending Lender) shall not be required to effect such assignment.

(d) If any Lender rejects, or is deemed to have rejected, the Borrower's proposal to extend its Revolving Commitment of any Class, (i) this Agreement shall terminate on the Revolving Facility Maturity Date then in effect with respect to such Lender's Revolving Commitment of such Class, (ii) the Borrower shall pay to such Lender on such Revolving Facility Maturity Date any amounts due and payable to such Lender with respect to its Revolving Commitment of such Class on such date and (iii) the Borrower may, if it so elects, designate a Person not theretofore a Lender and reasonably acceptable to the Administrative Agent (unless such Person is an Affiliate of a Lender) (such approval not to be unreasonably withheld or delayed) and each Issuing Lender (unless such Person is an Affiliate of a Lender) (such approval not to be unreasonably withheld or delayed) to become a Lender, or agree with an existing Lender that such Lender's applicable Revolving Commitment shall be increased; provided that any designation or agreement may not increase the Total Revolving Commitment; provided, further, that any Non-Extending Lender (including any direct or indirect assignee of any Non-Extending Lender) may, with the written consent of the Borrower, elect at any time prior to the applicable Revolving Facility Maturity Date then applicable to its Revolving Commitments of such Class to consent to the Borrower's prior Extension Request by delivering a written notice to such effect to the Borrower and the Administrative Agent, and upon the receipt by the Borrower and the Administrative Agent of such notice, the applicable Revolving Facility Maturity Date of each such Non-Extending Lender shall be extended to the date indicated in the applicable Extension Request and such Non-Extending Lender shall be deemed to be an Extending Lender for all purposes hereunder. On the date of termination of any Lender's Revolving Commitment of the applicable Class as contemplated by this subsection (d), the respective participations of the other Lenders in all outstanding Letters of Credit under the applicable Class shall be redetermined on the basis of their respective Revolving Commitments with respect to such Class after giving effect to such termination, and the participation therein of the Lender whose Revolving Commitment of the applicable Class is terminated shall terminate; provided that the Borrower shall, if and to the extent necessary to permit such redetermination of participations in Letters of Credit under the applicable Revolving Facility within the limits of the Revolving Commitments which are not terminated, prepay on such date a portion of the outstanding Revolving Loans under the applicable Revolving Facility, and such redetermination and termination of participations in outstanding Letters of Credit shall be conditioned upon its having done so.

(e) The Administrative Agent shall promptly notify the Lenders of the effectiveness of each Extension Agreement pursuant to this Section 2.29.

Section 3.

REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to make Revolving Loans and issue and/or participate in Letters of Credit hereunder, the Borrower represents and warrants as follows:

Section 3.01. Organization and Authority.

(a) The Borrower and each of its Material Subsidiaries are duly organized, validly existing and in good standing under the laws of the jurisdiction of their organization and are duly qualified and in good standing in each jurisdiction in which the failure to so qualify would have a Material Adverse Effect,

(b) the Borrower has the requisite corporate or limited liability company power and authority to effect the Transactions, and

(c) the Borrower and each of its Material Subsidiaries have all requisite power and authority and the legal right to own or lease and operate their properties, [pledge the Collateral](#) and to conduct their business as now or currently proposed to be conducted. On the Closing Date, the Borrower has no Material Subsidiaries.

Section 3.02. Air Carrier Status. The Borrower is an “air carrier” within the meaning of Section 40102 of Title 49 and holds a certificate under Section 41102 of Title 49. The Borrower holds an air carrier operating certificate issued pursuant to Chapter 447 of Title 49. The Borrower is a “citizen of the United States” as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies (a “United States Citizen”). The Borrower possesses all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted except where failure to so possess would not, in the aggregate, have a Material Adverse Effect.

Section 3.03. Due Execution. The execution, delivery and performance by the Borrower of each of the Loan Documents to which it is a party (a) are within its corporate powers, have been duly authorized by all necessary corporate action, including the consent of shareholders where required, and do not (i) contravene the charter or by-laws of the Borrower, (ii) violate any applicable law (including, without limitation, the Exchange Act) or regulation (including, without limitation, Regulations T, U or X of the Board), or any order or decree of any court or Governmental Authority, other than violations by the Borrower which would not reasonably be expected to have a Material Adverse Effect or (iii) conflict with or result in a breach of, constitute a default under, or create an adverse liability or rights under, any material indenture, mortgage or deed of trust or any material lease, agreement or other instrument binding on the Borrower or any of its properties, which, in the aggregate, would reasonably be expected to have a Material Adverse Effect; and (b) do not require the consent, authorization by or approval of or notice to or filing or registration with any Governmental Authority or any other Person, other than (i) approvals, consents and exemptions that have been obtained on or prior to the Closing Date and remain in full force and effect; and (ii) consents, approvals and exemptions that the failure to obtain in the aggregate would not be reasonably expected to result in a Material Adverse Effect. Each Loan Document has been duly executed and delivered by the Borrower. This Agreement is, and each of the other Loan Documents to which the Borrower is or will be a party, when delivered hereunder or thereunder, will be, a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar 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 3.04. Financial Statements; Material Adverse Change.

(a) The Borrower has furnished to the Administrative Agent on behalf of the Lenders copies of the audited consolidated financial statements of the Borrower and its Subsidiaries for the fiscal year ended December 31, 2017, reported on by Ernst & Young LLP. The Borrower has furnished to the Administrative Agent on behalf of the Lenders copies of the unaudited consolidated financial statements of the Borrower and its Subsidiaries for the three-month period ended March 31, 2018. Such financial statements present fairly, in all material respects, in accordance with GAAP, the financial condition, results of operations and cash flows of the Borrower and its Subsidiaries on a consolidated basis as of the date thereof and for the period covered thereby (subject to normal year-end audit adjustments and the absence of footnotes in the case of the unaudited financial statements). Documents required to be

delivered pursuant to this Section 3.04(a) which are made available via EDGAR, or any successor system of the SEC, in the Borrower's Annual Report on Form 10-K or Quarterly Report on Form 10-Q, shall be deemed delivered to the Administrative Agent and the Lenders on the date such documents are made so available.

(b) Since December 31, 2017, there has been no Material Adverse Change.

Section 3.05. Use of Proceeds. The proceeds of the Revolving Loans and Letters of Credit shall be used for working capital and other general corporate purposes of the Borrower and its Subsidiaries (including the repayment of Indebtedness and the payment of fees and transaction costs as contemplated hereby and as referred to in Section 2.19 and 2.20), and no part of the proceeds of any Revolving Loan will be used for any purpose which would violate, or be inconsistent with, any of the margin regulations of the Board.

Section 3.06. Litigation and Compliance with Laws.

(a) There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its properties (including any ~~Pool Assets~~ Collateral), before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, (i) that are likely to have a Material Adverse Effect or (ii) that purport to, or could reasonably be expected to, affect the legality, validity, binding effect or enforceability of the Loan Documents or, in any material respect, the rights and remedies of the Administrative Agent, the Collateral Agent or the Lenders thereunder or in connection with the Transactions.

(b) Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, (i) the Borrower and each of its Material Subsidiaries are currently in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities in respect of the conduct of their business and ownership of their property (including compliance with all applicable Environmental Laws governing their business), and (ii) none of the Borrower or its Subsidiaries has (x) become subject to any Environmental Liability, or (y) received written notice of any pending or, to the knowledge of the Borrower, threatened claim with respect to any Environmental Liability.

Section 3.07. Investment Company Act. The Borrower is not, and is not required to be, registered as an "investment company" under the Investment Company Act of 1940, as amended.

Section 3.08. ERISA. No Termination Event has occurred or is reasonably expected to occur that would reasonably be expected to have a Material Adverse Effect.

Section 3.09. Title to ~~Pool Assets~~ Aircraft Collateral. The Borrower ~~and each of its Material Subsidiaries own all of the Pool Assets which are owned or used in connection with their business, except to the extent that such failure would not reasonably be expected to have a Material Adverse Effect~~ shall have good and marketable title to each of the Aircraft pledged as Collateral, free of all Liens other than the Permitted Liens.

Section 3.10. Payment of Taxes. Each of the Borrower and its Material Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid when due all Taxes required to have been paid by it, except and solely to the extent that, in each case (a) such Taxes are being contested in good faith by appropriate proceedings and the Borrower or such Material Subsidiary, as applicable, has set aside on its books adequate reserves therefor

in accordance with GAAP or (b) the failure to do so would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

Section 3.11. Economic Sanctions.

(a) Neither the Borrower nor any of its Subsidiaries nor, to the knowledge of the Borrower, any director, officer or employee of the Borrower or such Subsidiary (each, a “Specified Person”) is an individual or entity currently the subject of any sanctions administered or enforced by the United States (including but not limited to OFAC or the U.S. Department of State), the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority (collectively, “Sanctions”), nor is the Borrower or any of its Subsidiaries located, organized or resident in a country or territory that is the subject of Sanctions.

(b) No Specified Person will use any proceeds of the Revolving Loans or lend, contribute or otherwise make available such proceeds to any Person for the purpose of funding, financing or facilitating the activities of or with any Person or in any country or territory that, at the time of such financing, is the subject of Sanctions, except to the extent licensed by OFAC or otherwise authorized under U.S. law.

(c) The Borrower, its Subsidiaries, and to the knowledge of the Borrower, the respective officers and directors of the Borrower and such Subsidiary are in compliance in all material respects with applicable Sanctions and will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with such laws.

Section 3.12. Anti-Corruption Laws. The Borrower and its Subsidiaries and, to the knowledge of the Borrower, the directors, officers, agents, and employees of the Borrower and its Subsidiaries are in compliance in all material respects with all applicable anti-corruption laws. The Borrower and its Subsidiaries will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with such laws and with the representation and warranty contained herein.

Section 3.13. Perfected Security Interests; Priority Lien Obligations. The Collateral Documents, taken as a whole, are effective to create in favor of the Collateral Agent for the benefit of the Secured Parties, a legal, valid and enforceable security interest in all of the Collateral, subject as to enforceability to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. At such time as (a) financing statements in appropriate form are filed in the appropriate offices (and the appropriate fees are paid) and (b) if any Aircraft Collateral is pledged, the Aircraft Mortgage (including, without limitation, any Mortgage Supplements) is filed for recordation with the FAA (and the appropriate fees are paid) and registrations with respect to the International Interests in the Aircraft Collateral are duly made in the International Registry the Collateral Agent, for the benefit of the Secured Parties, shall have a first priority (subject only to the Permitted Liens) perfected security interest and/or mortgage (or comparable Lien) in all of the Collateral to the extent that the Liens on such Collateral may be perfected upon the filings or recordations or upon the taking of the actions described in clauses (a) and (b) above, subject in each case only to the Permitted Liens, such security interest (i) is continuing, valid and enforceable and (ii) is entitled to the benefits, rights and protections afforded under the applicable Collateral Documents (subject to the qualification set forth in the first sentence of this Section 3.13).

Section 3.14. Pacific Route FAA Slot Utilization. Except for matters which would not reasonably be expected to have a Material Adverse Effect or a Collateral Material Adverse Effect, the

Borrower is utilizing, or causing to be utilized, its Pacific Route FAA Slots (except Pacific Route FAA Slots which are reasonably determined by the Borrower (in the case of Pacific Route FAA Slots, on the basis of the most recent Appraisal Report) to be of *de minimis* value) in a manner consistent in all material respects with applicable rules, regulations, laws and contracts in order to preserve both its right to hold and operate the Pacific Route FAA Slots, taking into account any waivers or other relief granted to the Borrower by the FAA, other applicable U.S. Governmental Authorities or U.S. Airport Authorities. The Borrower has not received any written notice from the FAA, other applicable U.S. Governmental Authorities or U.S. Airport Authorities, and is not otherwise aware of any other event or circumstance, that would be reasonably likely to impair in any material respect its right to hold and operate any Pacific Route FAA Slot, except for any such impairment that, either individually or in the aggregate, would not reasonably be expected to have a Collateral Material Adverse Effect.

Section 3.15. Pacific Route Foreign Slot Utilization.

(a) Except for matters which would not reasonably be expected to have a Material Adverse Effect or a Collateral Material Adverse Effect, the Borrower is utilizing, or causing to be utilized, its Pacific Route Foreign Slots (except Pacific Route Foreign Slots which are reasonably determined by the Borrower to be of *de minimis* value) in a manner consistent in all material respects with applicable rules, regulations, foreign laws and contracts in order to preserve both its right to hold and operate the Pacific Route Foreign Slots, taking into account any waivers of other relief granted to the Borrower by Foreign Aviation Authorities. The Borrower has not received any written notice from any applicable Foreign Aviation Authorities, and is not otherwise aware of any other event or circumstance, that would be reasonably likely to impair in any material respect its right to hold and operate any such Pacific Route Foreign Slot, except for any such impairment that, individually or in the aggregate, would not reasonably be expected to have a Collateral Material Adverse Effect.

Section 3.16. Pacific Routes.

(a) As of the Amendment No. 1 Effective Date, Schedule 3.16 identifies all of the Pacific Routes held by the Borrower constituting Collateral, and the Appraised Value of all such Pacific Routes (if any) is reflected in the Amendment No. 1 Appraisal Report delivered to the Administrative Agent and the Lenders prior to the Amendment No. 1 Effective Date.

(b) The Borrower holds the requisite authority to operate each of its Pacific Routes pursuant to Title 49, applicable foreign law, and the applicable rules and regulations of the FAA, DOT and any applicable Foreign Aviation Authorities, and, except as would not reasonably be expected to have a Material Adverse Effect or a Collateral Material Adverse Effect, has, at all times after being awarded each such Pacific Route, complied in all material respects with all of the terms, conditions and limitations of each such certificate or order issued by the DOT and the applicable Foreign Aviation Authorities regarding such Pacific Route and with all applicable provisions of Title 49, applicable foreign law, and the applicable rules and regulations of the FAA, DOT and any Foreign Aviation Authorities regarding such Pacific Route. There exists no failure of the Borrower to comply with such terms, conditions or limitations that gives the FAA, DOT or any applicable Foreign Aviation Authorities the right to terminate, cancel, suspend, withdraw or modify in any materially adverse respect the rights of the Borrower in any such Pacific Route, except to the extent that such failure would not reasonably be expected to have a Collateral Material Adverse Effect.

Section 3.17. Government Sponsored Relief Programs. The Borrower has determined in good faith in consultation with counsel that it is eligible to participate in all COVID 19-related government-sponsored relief programs that the Borrower currently participates in or has applied to

[participate in, and has taken into consideration in making such determination all rules, regulations and FAQs related to all such programs.](#)

Section 4.

CONDITIONS OF LENDING

Section 4.01. Conditions Precedent to Effectiveness. The effectiveness of this Agreement is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) Supporting Documents. The Administrative Agent shall have received with respect to the Borrower:

(i) a copy of the Borrower's certificate of incorporation, as amended, certified as of a recent date by the Secretary of State of the state of its incorporation or formation;

(ii) a certificate of the Secretary of State of the state of the Borrower's incorporation, dated as of a recent date, as to the good standing of the Borrower (to the extent available in the applicable jurisdiction) and as to the charter documents on file in the office of such Secretary of State;

(iii) a certificate of the Secretary or an Assistant Secretary of the Borrower dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the by-laws of the Borrower as in effect on the date of such certification, (B) that attached thereto is a true and complete copy of resolutions adopted by the board of directors of the Borrower or an authorized committee thereof authorizing the Borrowings and Letter of Credit issuances hereunder and the execution, delivery and performance in accordance with their respective terms of this Agreement, the other Loan Documents and any other documents required or contemplated hereunder or thereunder, (C) that the certificate of incorporation of the Borrower has not been amended since the date of the last amendment thereto indicated on the certificate of the Secretary of State furnished pursuant to clause (i) above, and (D) as to the incumbency and specimen signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer of the Borrower as to the incumbency and signature of the officer signing the certificate referred to in this clause (iii)); and

(iv) an Officer's Certificate from the Borrower certifying (A) as to the accuracy in all material respects of the representations and warranties contained in the Loan Documents as though made on and as of the Closing Date, except to the extent that any such representation or warranty by its terms is made as of a different specified date, in which case such representation or warranty shall be or was true and correct in all material respects as of such date (provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects as of the applicable date), in each case before and after giving effect to the Transactions and (B) as to the absence of any Default or Event of Default occurring and continuing on the Closing Date before and after giving effect to the Transactions.

(b) Credit Agreement. The Borrower shall have duly executed and delivered to the Administrative Agent this Agreement.

(c) Appraisal. The Administrative Agent shall have received the Initial Appraisal Report and such Initial Appraisal Report shall demonstrate that, on the Closing Date, and after giving effect to the Transactions, the Borrower shall be in compliance on a pro forma basis with Section 6.03.

(d) Opinions of Counsel. The Administrative Agent, and the Lenders shall have received:

(i) a written opinion of David S. Cartee, ~~Assistant~~Associate General Counsel for the Borrower, in a form reasonably satisfactory to the Administrative Agent; and

(ii) a written opinion of Davis Polk & Wardwell LLP, special New York counsel to the Borrower, in a form reasonably satisfactory to the Administrative Agent.

(e) Payment of Fees and Expenses. The Borrower shall have paid to the Administrative Agent, the Arrangers and the Lenders, as applicable, the then unpaid balance of all accrued and unpaid Fees due, owing and payable under and pursuant to this Agreement, as referred to in Section 2.19 and Section 2.20(b), and all reasonable and documented out-of-pocket expenses of the Administrative Agent (including reasonable attorneys' fees of Simpson Thacher & Bartlett LLP) for which invoices have been presented at least three (3) Business Days prior to the Closing Date, or the Borrower shall have authorized that such Fees and expenses be deducted from the proceeds of the initial fundings under the Revolving Facility on the Closing Date, if any.

(f) Repayment of Existing Indebtedness and Termination of Existing Liens. Upon the making of the initial Revolving Loans or the issuance of the initial Letters of Credit (and after giving effect to the application of the proceeds thereof), if any, on the Closing Date, all obligations under the Existing Barclays Credit Agreement and the Existing JPM Credit Agreement shall have been paid in full (other than contingent indemnification obligations for which no claim has been made and that survive termination of the commitments and repayment of the loans thereunder) and all commitments to extend credit thereunder shall have been terminated, and the liens securing the loans and other obligations thereunder shall have been terminated and released, in each case in a manner reasonably satisfactory to the Administrative Agent and the Administrative Agent shall have received reasonably satisfactory payoff letters with respect thereto.

(g) Representations and Warranties. All representations and warranties of the Borrower contained in this Agreement and the other Loan Documents executed and delivered on the Closing Date shall be true and correct in all material respects on and as of the Closing Date, before and after giving effect to the Transactions, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case such representation or warranty shall be true and correct in all material respects as of such specified date); provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to the Transactions.

(h) No Default. Before and after giving effect to the Transactions, no Default or Event of Default shall have occurred and be continuing on the Closing Date.

(i) Patriot Act. The Lenders shall have received at least three (3) days prior to the Closing Date all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, that such Lenders shall have requested at least ten (10) days prior to the Closing Date.

The execution by each Lender of this Agreement shall be deemed to be confirmation by such Lender that any condition relating to such Lender's satisfaction or reasonable satisfaction with any documentation set forth in this Section 4.01 has been satisfied as to such Lender.

Section 4.02. Conditions Precedent to Each Revolving Loan and Each Letter of Credit. The obligation of the Lenders to make each Revolving Loan and of the Issuing Lenders to issue each Letter of Credit is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) Notice. The Administrative Agent shall have received a Borrowing Request pursuant to Section 2.03 with respect to such borrowing or issuance, as the case may be.

(b) Representations and Warranties. All representations and warranties contained in this Agreement and the other Loan Documents (other than, with respect to Revolving Loans made or Letters of Credit issued after the Closing Date, the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) shall be true and correct in all material respects on and as of the date of each Borrowing or the issuance of each Letter of Credit hereunder (both before and after giving effect thereto and, in the case of each Borrowing, the application of proceeds therefrom) with the same effect as if made on and as of such date except to the extent such representations and warranties expressly relate to an earlier date and in such case, such representations and warranties shall be true and correct in all material respects as of such date; provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to such Borrowing or the issuance of such Letter of Credit hereunder.

(c) No Default. On the date of each Borrowing or the issuance of each Letter of Credit hereunder, no Default or Event of Default shall have occurred and be continuing nor result from the making of the requested Borrowing or the issuance of the requested Letter of Credit and, in the case of each Borrowing, the application of proceeds thereof; provided that no Default or Event of Default in respect of Section 6.03 shall have occurred and be continuing nor result from the making of such Borrowing or the issuance of such Letter of Credit on and as of the date of such Borrowing or such issuance, without giving effect to any Collateral Coverage Cure Period.

The request by the Borrower for, and the acceptance by the Borrower of, each extension of credit hereunder shall be deemed to be a representation and warranty by the Borrower that the conditions specified in this Section 4.02 have been satisfied at that time.

Section 5.

AFFIRMATIVE COVENANTS

From the date hereof and for so long as the Revolving Commitments remain in effect, any Letter of Credit remains outstanding (in a face amount in excess of the sum of (i) the amount of cash collateral maintained with the Administrative Agent pursuant to Section 2.02(j) and (ii) the face amount of back-to-back letters of credit delivered pursuant to Section 2.02(j)), any principal of or interest on any Revolving Loan or any fees remain outstanding or any LC Disbursement remains unreimbursed, the Borrower agrees to:

Section 5.01. Financial Statements, Reports, etc. Deliver to the Administrative Agent on behalf of the Lenders:

(a) Within ninety (90) days after the end of each fiscal year, the Borrower's consolidated balance sheet and related statement of income and cash flows, showing the financial condition of the Borrower and its Subsidiaries on a consolidated basis as of the close of such fiscal year and the results of their respective operations during such year, the consolidated statement of the Borrower to be audited for the Borrower by Ernst & Young LLP or other independent public accountants of recognized national standing and accompanied by an opinion of such accountants (without a "going concern" or like qualification or exception and without any more qualification or exception as to the scope of such audit, except for any such qualification solely as a result of (x) an impending debt maturity within twelve (12) months of any Revolving Facility under this Agreement or (y) a potential inability to satisfy any financial covenant) and to be certified by a Responsible Officer of the Borrower to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP. Documents required to be delivered pursuant to this clause (a) which are made publicly available via EDGAR, or any successor system of the SEC, in the Borrower's Annual Report on Form 10-K, shall be deemed delivered to the Lenders on the date such documents are made so available;

(b) Within forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year, the Borrower's consolidated balance sheets and related statements of income and cash flows, showing the financial condition of the Borrower and its Subsidiaries on a consolidated basis as of the close of such fiscal quarter and the results of their operations during such fiscal quarter and the then elapsed portion of the fiscal year, each certified by a Responsible Officer of the Borrower as fairly presenting in all material respects the financial condition and results of operations of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes. Documents required to be delivered pursuant to this clause (b) which are made publicly available via EDGAR, or any successor system of the SEC, in the Borrower's Quarterly Report on Form 10-Q, shall be deemed delivered to the Lenders on the date such documents are made so available;

(c) concurrently with any delivery of financial statements under (a) and (b) above, a certificate of a Responsible Officer of the Borrower (in substantially the form of Exhibit A) (i) certifying that, to the knowledge of such Responsible Officer, no Event of Default has occurred, or, if, to the knowledge of such Responsible Officer, such an Event of Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto, and (ii) setting forth computations in reasonable detail satisfactory to the Administrative Agent demonstrating compliance with the provisions of ~~Sections~~ Section 6.03 and 6.04;

(d) prompt written notice of any Termination Event that has occurred, or is reasonably expected to occur, to the extent such Termination Event would constitute an Event of Default under Section 7.01(l);

(e) promptly after a Responsible Officer of the Borrower obtains knowledge of the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Subsidiary that could reasonably be expected to result in a Material Adverse Effect, notification thereof; ~~and~~

(f) (i) on the date on which any Investment Property that is not listed on a national securities exchange is initially included as Additional ~~Pool Assets~~ Collateral, an Officer's Certificate from the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, setting forth the book value of such Investment Property as of the last day of the month most recently ended and excluding the contract value (or such other valuation method reasonably satisfactory to the Administrative Agent), together with all supporting documents with respect to such Investment Property as the Administrative

Agent may reasonably request and (ii) at any time thereafter that any Investment Property that is not listed on a national securities exchange shall be included as Additional ~~Pool Assets~~ Collateral, concurrently with any delivery of financial statements under clause (a) or (b) above in respect of each fiscal quarter of the Borrower, an Officer's Certificate from the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, setting forth the book value of such Investment Property as of the last day of ~~such fiscal quarter~~ the month most recently ended and excluding the contract value (or such other valuation method reasonably satisfactory to the Administrative Agent), together with all supporting documents with respect to such Investment Property as the Administrative Agent may reasonably request;

(g) promptly after a Responsible Officer obtains knowledge thereof, notice that, with respect to any Pacific Routes, the authority granted to the Borrower by the DOT, any Governmental Authority or any applicable Foreign Aviation Authority relating to such Pacific Routes, to the extent necessary to operate the scheduled air carrier services being operated by the Borrower, will not be renewed, other than in cases where such failure of renewal would not reasonably be expected to result in a Material Adverse Effect;

(h) (I) concurrently with any delivery of financial statements under clauses (a) and (b) above solely in respect of (i) the end of each fiscal year of the Borrower (commencing with the fiscal year ending December 31, 2020) and (ii) the end of each second fiscal quarter of each fiscal year of the Borrower (commencing with the fiscal quarter ending June 30, 2021), (II) as required by Section 6.05 and (III) to the extent required in connection with any Permitted Disposition, an updated calculation of the Collateral Coverage Ratio, reflecting the most recent Appraisal Reports delivered to the Administrative Agent in respect of the Collateral pursuant to the terms hereof; and

(i) if an Event of Default has occurred and is continuing, any subsequent Appraisal Report reasonably requested by the Administrative Agent or the Required Lenders, in each case as soon as reasonably practicable after receipt by the Borrower of such request.

Subject to the next succeeding sentence, information delivered pursuant to this Section 5.01 to the Administrative Agent may be made available by the Administrative Agent to the Lenders by posting such information on the Intralinks website on the Internet at <http://www.intralinks.com>. Information delivered pursuant to this Section 5.01 may also be delivered by electronic communication pursuant to procedures approved by the Administrative Agent pursuant to Section 10.01 hereto. Information required to be delivered pursuant to this Section 5.01 (to the extent not made available as set forth above) shall be deemed to have been delivered to the Administrative Agent on the date on which the Borrower provides written notice to the Administrative Agent that such information has been posted on the Borrower's website on the Internet at <http://www.delta.com> (to the extent such information has been posted or is available as described in such notice). Information required to be delivered pursuant to this Section 5.01 shall be in a format which is suitable for transmission.

Any notice or other communication delivered pursuant to this Section 5.01, or otherwise pursuant to this Agreement, shall be deemed to contain material non-public information unless (i) expressly marked by the Borrower as "PUBLIC", (ii) such notice or communication consists of copies of the Borrower's public filings with the SEC or (iii) such notice or communication has been posted on the Borrower's website on the Internet at <http://www.delta.com>.

Section 5.02. Existence. Preserve and maintain, and cause each of its Material Subsidiaries to 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 (a) if such failure to preserve the same could not, in the aggregate, reasonably be expected to have a

Material Adverse Effect, and (b) as otherwise permitted in connection with (i) sales of assets not restricted by Section 6.05 or (ii) mergers, liquidations and dissolutions permitted by Section 6.02.

Section 5.03. Insurance. ~~Maintain~~ Other than with respect to the Aircraft Collateral, as to which only the insurance provisions of the Aircraft Mortgage shall be applicable, maintain with financially sound and reputable insurance companies, insurance of such types and in such amounts (after giving effect to any self-insurance) as is customary in the United States domestic airline industry for major United States air carriers having both substantial domestic and international operations or otherwise in the Borrower's ordinary course of business and consistent with past practice, except to the extent that the failure to maintain such insurance could not reasonably be expected to result in a Material Adverse Effect.

Section 5.04. Maintenance of Properties. Except to the extent otherwise permitted hereunder, in its reasonable business judgment, keep and maintain, and cause each of its Material Subsidiaries to keep and maintain, all property material to the conduct of its business in good working order and condition (ordinary wear and tear and damage by casualty and condemnation excepted), except where the failure to keep such property in good working order and condition would not have a Material Adverse Effect.

Section 5.05. Obligations and Taxes. Pay, and cause each of its Material Subsidiaries to pay, all its and their material obligations promptly and in accordance with their terms, and pay and discharge promptly all taxes, assessments, governmental charges, levies or claims imposed upon it or upon its income or profits or in respect of its property, before the same shall become more than ninety (90) days delinquent, except in each case where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; provided, however, that the Borrower and each of its Material Subsidiaries shall not be required to pay and discharge or to cause to be paid and discharged any such obligation, tax, assessment, charge, levy or claim so long as (i) the validity or amount thereof shall be contested in good faith by appropriate proceedings and (ii) the Borrower and its Material Subsidiaries shall have set aside on their books adequate reserves therefor in accordance with GAAP.

Section 5.06. Notice of Event of Default, etc. Promptly upon knowledge thereof by a Responsible Officer of the Borrower, give to the Administrative Agent notice in writing of any Default or Event of Default.

Section 5.07. Access to Books and Records. Maintain or cause to be maintained at all times true and complete books and records in all material respects in a manner consistent with GAAP in all material respects of the financial operations of the Borrower and provide the Administrative Agent ~~and its~~ the Collateral Agent and their respective representatives and advisors reasonable access to all such books and records (subject to requirements under any confidentiality agreements, if applicable), as well as any appraisals of the ~~Pool Assets~~ Collateral, during regular business hours, in order that the Administrative Agent and the Collateral Agent may upon reasonable prior notice and with reasonable frequency, but in any event, so long as no Event of Default has occurred and is continuing, no more than one (1) time per year, examine and make abstracts from such books, accounts, records, appraisals and other papers, and permit the Administrative Agent ~~and its~~ the Collateral Agent and their respective representatives and advisors to confer with the officers of the Borrower and representatives (provided that the Borrower shall be given the right to participate in such discussions with such representatives) of the Borrower, all for the purpose of verifying the accuracy of the various reports delivered by the Borrower to the Administrative Agent or the Lenders pursuant to this Agreement or for otherwise ascertaining compliance with this Agreement; and at any reasonable time and from time to time during regular business hours, upon

reasonable notice to the Borrower, permit the Administrative Agent and any agents or representatives (including, without limitation, appraisers) thereof to visit the properties of the Borrower and to conduct examinations of and to monitor the ~~Pool Assets~~Collateral (other than with respect to all of the Aircraft Collateral, as to which the provisions of Section 2.04 of the Aircraft Mortgage shall apply), in each case at the expense of the Borrower (provided that the Borrower shall not be required to pay the expenses of more than one (1) such visit a year unless an Event of Default has occurred and is continuing); provided, however, that (a) any such inspection of ~~Aircraft~~Collateral (i) shall be limited to the ~~Pool Assets~~Aircraft Collateral, (ii) shall be a visual, walk-around inspection and (iii) may not include opening any panels, bays or the like and (b) no exercise of any inspection rights provided for in this Section 5.07 shall interfere with the normal operation or maintenance of any Aircraft by, or the business of, the Borrower.

Section 5.08. Compliance with Laws. Comply, and cause each of its Material Subsidiaries to comply, with all applicable laws, rules, regulations and orders of any Governmental Authority applicable to it or its property (including Environmental Laws), except where such noncompliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower will maintain in effect and enforce policies and procedures reasonably designed to promote and achieve compliance with anti-corruption laws and Sanctions.

Section 5.09. Appraisal Reports. ~~On each Appraisal Delivery Date, submit an Appraisal Report of the Pool Assets~~Furnish or cause to be furnished to the Administrative Agent ~~(for distribution to the Lenders) as of a date which is no more than thirty (30) days prior to such Appraisal Delivery Date; provided that the Appraisal Report to be delivered on the Closing Date may be dated no earlier than October 19, 2017~~ and Collateral Agent one or more Appraisal Reports establishing the Appraised Value of the Eligible Collateral, in each case at the expense of the Borrower, (a) on each date on which the Borrower must deliver a Collateral Coverage Ratio calculation pursuant to Section 5.01(h)(I), (b) on the date upon which any additional property or asset (including, without limitation, applicable Additional Collateral) is pledged as Collateral to the Collateral Agent to secure the Obligations, but only with respect to such additional property or asset, (c) with respect to any voluntary Disposition of Collateral in accordance with Section 6.05 and the definition of Permitted Disposition, (d) no later than forty-five (45) days (or such longer time as the Administrative Agent may reasonably consent to) following any involuntary Disposition of Collateral (including any casualty event relating thereto or condemnation thereof) having a fair market value (as determined in good faith by the Borrower on the basis of the most recently delivered Appraisal Report) of at least \$75,000,000, (e) promptly (but in any event within forty-five (45) days or such longer time as the Administrative Agent may reasonably consent to) at the request of the Administrative Agent upon the occurrence and during the continuation of an Event of Default, and (f) no later than forty-five (45) days (or such longer time as the Administrative Agent may reasonably consent to) following any Change in Law with respect to any Collateral, which change could reasonably be expected to result in the Borrower's failure to maintain the Collateral Coverage Test. The Borrower may from time to time cause to be delivered subsequent Appraisal Reports if it believes that any affected ~~Pool Asset~~item of Collateral has a higher Appraised Value than that reflected in the most recent Appraisal Report delivered.

Section 5.10. FAA and DOT Matters; Citizenship. (a) Maintain at all times its status as an "air carrier" within the meaning of Section 40102(a)(2) of Title 49, and hold a certificate under Section 41102(a)(1) of Title 49; (b) at all times hereunder be a United States Citizen; and (c) maintain at all times its status at the FAA as an air carrier and hold an air carrier operating certificate and other operating authorizations issued by the FAA pursuant to 14 C.F.R. Parts 119 and 121 as currently in effect or as may be amended or recodified from time to time. Except as specifically permitted herein or in the SGR Security Agreement, possess and maintain all necessary certificates, exemptions, franchises, licenses, permits, designations, rights, concessions, authorizations, frequencies and consents which are

material to the operation, ~~consistent with~~ of the Pacific Route FAA Slots, the Pacific Routes and the Pacific Route Foreign Slots utilized by it and the conduct of its business and operations as currently conducted, of any ~~Pool Assets Collateral~~, except where the failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 5.11. Further Assurances. Execute any and all further documents and instruments, and take all further actions, that may be required or advisable under applicable law or by the FAA, or that the Collateral Agent may reasonably request, in order to create, grant, establish, preserve and perfect the validity, perfection and priority of the Liens and security interests created or intended to be created by the Collateral Documents, to the extent required under this Agreement or the Collateral Documents, including, without limitation, amending, amending and restating, supplementing, assigning or otherwise modifying, renewing or replacing a Collateral Document or other agreements, instruments or documents relating thereto, in each case as may be reasonably requested by the Administrative Agent, in order to (i) create interests as contemplated and permitted hereunder or under the applicable Collateral Document (including, but not limited to, International Interests, Assignments, Prospective Assignments, Sales, Prospective Sales, Assignments of Associated Rights and Subordinations) that may be registered and/or assigned under the Cape Town Treaty, (ii) create, grant, establish, preserve and perfect the Liens in favor of the Collateral Agent for the benefit of the Secured Parties to the fullest extent possible, including, where necessary, the subordination of other rights or interests and (iii) realize the benefit of the remedial provisions that are contemplated by the Cape Town Treaty, subject to the provisions of Section 4.02 of the Aircraft Mortgage. Notwithstanding anything to the contrary in this Agreement or the Collateral Documents, (i) no perfection actions or steps will be required to be taken in any jurisdiction other than the United States (or any state thereof), other than with respect to registrations of International Interests in the Aircraft Collateral with the International Registry and (ii) no Collateral Document governed by the laws of a jurisdiction other than the United States (or any state thereof) will be required.

Without limiting the generality of the foregoing or any other provisions of the Loan Documents, the Borrower hereby (A) agrees to exclude the application of Article XVI(1)(a) of the Aircraft Protocol (it being understood that such exclusion shall not derogate from any other rights of the Borrower under or pursuant to the Aircraft Mortgage) and (B) consents, pursuant to Article XV of the Aircraft Protocol, to any Assignment of Associated Rights within the scope of Article 33(1) of the Cape Town Convention which is permitted or required by the applicable Loan Documents and further agrees that the provisions of the preceding paragraph shall apply, in particular, with respect to Articles 31(4) and 36(1) of the Cape Town Convention to the extent applicable to any such Assignment of Associated Rights.

Section 5.12. Pacific Route FAA Slot Utilization.

Subject to Dispositions permitted by this Agreement and the SGR Security Agreement and except as would not reasonably be expected to have a Material Adverse Effect or a Collateral Material Adverse Effect, utilize (or arrange for utilization by exchanging Pacific Route FAA Slots with other air carriers) the Pacific Route FAA Slots (except Pacific Route FAA Slots which are reasonably determined by the Borrower (in the case of Pacific Route FAA Slots, on the basis of the most recent Appraisal Report) to be of *de minimis* value), in a manner consistent in all material respects with applicable regulations, rules, laws and contracts in order to preserve its right to hold and operate the Pacific Route FAA Slots, taking into account any waivers or other relief granted to the Borrower by the FAA, any applicable Foreign Aviation Authority, any other applicable Governmental Authority or any Airport Authority.

Section 5.13. Pacific Route Foreign Slot Utilization.

Subject to Dispositions permitted by this Agreement, the SGR Security Agreement and the UK Debenture except as would not reasonably be expected to have a Material Adverse Effect or a Collateral Material Adverse Effect, utilize (or arrange for utilization by exchanging Pacific Route Foreign Slots with other air carriers) the Pacific Route Foreign Slots (except Pacific Route Foreign Slots which are reasonably determined by the Borrower to be of *de minimis* value) in a manner consistent in all material respects with applicable regulations, rules, foreign law and contracts in order to preserve its right to hold and operate the Pacific Route Foreign Slots, taking into account any waivers or other relief granted to the Borrower by any applicable Foreign Aviation Authorities.

Section 5.14. Pacific Route Utilization.

(a) Subject to Dispositions permitted by this Agreement and the SGR Security Agreement and except as would not reasonably be expected to have a Material Adverse Effect or a Collateral Material Adverse Effect, utilize the Pacific Routes in a manner consistent in all material respects with Title 49, rules and regulations promulgated thereunder, and applicable foreign law, and the applicable rules and regulations of the FAA, DOT and any applicable Foreign Aviation Authorities, including, without limitation, any operating authorizations, certificates, bilateral authorizations and bilateral agreements with any applicable Foreign Aviation Authorities and contracts with respect to such Pacific Routes.

(b) Subject to Section 5.14(c) and except as would not reasonably be expected to have a Material Adverse Effect or a Collateral Material Adverse Effect, maintain access to Supporting Route Facilities sufficient to ensure its ability to retain its rights in and to the Pacific Routes, taking into account any waivers or other relief granted to the Borrower by the FAA, any other applicable Governmental Authority, any Airport Authority or any applicable Foreign Aviation Authorities.

(c) Notwithstanding the foregoing, it is understood and agreed that the Borrower may cease using its rights in and/or use of any such Supporting Route Facilities in the event that the preservation of such rights in and/or use of such Supporting Route Facilities is no longer advantageous to the Borrower in connection with the conduct of its operations utilizing the Pacific Routes.

Section 5.15. Minimum Liquidity. The Borrower shall not, at the close of any Business Day, permit the sum of (i) the aggregate amount of Unrestricted Cash and (ii) the aggregate principal amount committed and available to be drawn by Borrower under all revolving credit facilities of the Borrower to be less than \$2,000,000,000.

Section 5.16. [Reserved].

Section 5.17. Government Sponsored Relief Programs. Before participating in or applying to participate in any COVID 19-related government-sponsored relief program, the Borrower shall make a determination in good faith in consultation with counsel that it is eligible to participate in any such program, and shall take into consideration in making such determination all rules, regulations and FAQs related to such program.

Section 6.

~~NEGATIVE~~NEGATIVE COVENANTS

From the date hereof and for so long as the Revolving Commitments remain in effect, any Letter of Credit remains outstanding (in a face amount in excess of the sum of (i) the amount of cash collateral maintained with the Administrative Agent pursuant to Section 2.02(j) and (ii) the face amount

of back-to-back letters of credit delivered pursuant to Section 2.02(j)), any principal of or interest on any Revolving Loan or any fees remain outstanding or any LC Disbursement remains unreimbursed, the Borrower will not:

Section 6.01. Liens on the ~~Pool Assets~~ Collateral.

~~(a) Incur, create, assume or suffer to exist (or permit any Subsidiary to incur, create, assume or suffer to exist) any Lien upon or with respect to the Pool Assets, or enter into any arrangement (or permit any Subsidiary to enter into any arrangement) with any Person that would materially negatively impact the value of any Pool Asset realizable by any third party or assign any right to receive the proceeds from the sale, transfer or disposition of any of the Pool Assets, or file or authorize the filing with respect to any of the Pool Assets of any financing statement naming the Borrower or any Subsidiary as debtor under the UCC or any similar notice of Lien naming the Borrower or any Subsidiary as debtor under any similar recording or notice statute (including, without limitation, any filing under Title 49, United States Code, Section 44107), other than:~~

(a) Incur, create, assume or suffer to exist any Lien upon or with respect to the Collateral, other than (the “Permitted Liens”):

(i) Liens held by the Collateral Agent securing the Obligations.

(ii) Liens constituting or otherwise in respect of normal operational usage of the affected property, including leases, subleases, use agreements and swap agreements constituting “Permitted Dispositions” pursuant to clause (g) of the definition thereof, charters, third party maintenance, storage, leasing, pooling or interchange thereof; provided that, in the case of any lease or sublease (excluding any lease or sublease (i) constituting a “Permitted Disposition” pursuant to clause (g) of the definition thereof and (ii) of any Aircraft Collateral pursuant to the Aircraft Mortgage), the rights of the lessee or sublessee shall be subordinated to the rights (including remedies) of the Collateral Agent under the applicable Collateral Document on terms reasonably satisfactory to the Collateral Agent;

(iii) a banker’s lien or right of offset of the holder of such Indebtedness in favor of any lender of moneys or holder of commercial paper of the Borrower or any subsidiary in the ordinary course of business on moneys of the Borrower such subsidiary deposited with such lender or holder in the ordinary course of business;

(iv) Liens in favor of depository banks arising as a matter of law encumbering deposits (including the right of setoff) and that are within the general parameters customary in the banking industry;

(v) ~~(i)~~ Liens for taxes, assessments or governmental charges or claims that ~~(*)~~are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor ~~or (y) are not yet delinquent;~~

(vi) Liens imposed by law, such as carriers’, warehousemen’s, landlord’s, mechanics’ carriers’, workmen’s and repairmen’s Liens and other similar Liens, in each case, incurred in the ordinary course of business;

(vii) in the case of any Gate Interests, any interest or title of a licensor, sublicensor, lessor, sublessor or airport operator under any lease, license or use agreement;

~~(viii) (ii)~~ Liens arising by operation of law in connection with judgments, attachments or awards which do not constitute an Event of Default hereunder;

(ix) any extension, modification, renewal or replacement of the Liens described in clauses (i) through (viii) above, provided that such extension, modification, renewal or replacement does not increase the principal amount of Indebtedness associated therewith; and

(x) Liens on the Aircraft Collateral permitted under the Aircraft Mortgage.

~~(iii) Restrictions arising under this Agreement;~~

~~(iv) Liens constituting normal operational usage of the affected property, including leases, subleases, use agreements, swap agreements, charter, third party maintenance, storage, leasing, pooling or interchange thereof; and~~

~~(v) Liens imposed by law such as materialmen's, mechanics', carriers', workmen's and repairmen's Liens and other similar Liens arising in the ordinary course of business securing obligations that (x) are not overdue for a period of more than thirty (30) days; provided that no enforcement, collection, execution, levy or foreclosure proceeding shall have been commenced with respect thereto; or (y) are being contested in good faith and for which adequate reserves are established in accordance with GAAP.~~

~~(b) Enter into or suffer to exist (or permit any Subsidiary to enter into or suffer to exist) any agreement prohibiting or conditioning the creation or assumption of any first priority Lien upon any Pool Asset to secure Indebtedness or other obligations of the Borrower or of any Subsidiary of the Borrower that holds Pool Assets.~~

Section 6.02. Merger, etc.

(a) Merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its assets (in each case, whether now owned or hereafter acquired) unless:

(i) immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing;

(ii) the Borrower is the surviving corporation or, if otherwise, (x) such other Person or continuing corporation (the "Successor Company") is a corporation or other entity organized under the laws of a state of the United States and (y) such Successor Company is a U.S. certificated air carrier; and

(iii) in the case of a Successor Company, the Successor Company shall (A) execute, prior to or contemporaneously with the consummation of such transaction, such agreements, if any, as are in the reasonable opinion of the Administrative Agent, necessary to evidence the assumption by the Successor Company of liability for all of the obligations of the Borrower hereunder and the other Loan Documents and ~~(B)~~ (B) cause to be delivered to the Administrative Agent and the Lenders such legal opinions (which may be from in-house counsel) as any of them may reasonably request in connection with the matters specified in the preceding clause (A) and ~~(C)~~ (C) provide such information as each Lender or the Administrative Agent reasonably requests

in order to perform its “know your customer” due diligence with respect to the Successor Company.

Upon any consolidation or merger in accordance with this Section 6.02(a) in any case in which the Borrower is not the surviving corporation, the Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, the Borrower under this Agreement with the same effect as if such Successor Company had been named as the Borrower herein. No such consolidation or merger shall have the effect of releasing the Borrower or any Successor Company which theretofore shall have become a successor to the Borrower in the manner prescribed in this Section 6.02(a) from its liability with respect to any Loan Document to which it is a party.

(b) Liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution).

Section 6.03. ~~Asset Collateral~~ Coverage Ratio. Permit ~~at any time~~ as of the Amendment No. 1 Effective Date and at the time of the delivery of each Appraisal Report pursuant to Section 5.01(h)(I) the ratio (the “~~Asset Collateral~~ Coverage Ratio”) of (i) the Appraised Value of the ~~Pool Assets~~ Eligible Collateral to (ii) the sum of (a) the Total Revolving Extensions of Credit then outstanding (other than LC Exposure that has been Cash Collateralized in accordance with Section 2.02(j)) plus (b) the aggregate amount of all Designated Hedging Obligations and Designated Banking Product Obligations that constitute “Obligations” then outstanding, to be less than ~~1.25~~ 1.60 to 1.00 (the “~~Asset Collateral~~ Coverage Test”), provided that if, (A) upon delivery of an Appraisal Report pursuant to Section 5.09 or otherwise pursuant to this Agreement and (B) solely with respect to determining compliance with this Section 6.03 and Section 6.05 as a result thereof, it is determined that the Borrower shall not be in compliance with this Section 6.03, the Borrower shall, within sixty (60) days of the date of such Appraisal Report (an “Collateral Coverage Ratio Cure Period”), (1) designate Additional Pool Assets as additional Pool Assets Eligible Collateral in accordance with Section 6.05(a) (including the modification of Schedule 6.05 the applicable Collateral schedules, to reflect such designation) to the extent that, after giving effect to such designation, the Appraised Value of the Pool Assets Eligible Collateral, based on the most recently delivered Appraisal Report with respect to assets already constituting Pool Assets Eligible Collateral and based on an Appraisal Report performed at (or relatively contemporaneously with) the time of such addition with respect to assets being added to Pool Assets Eligible Collateral, shall satisfy the Asset Collateral Coverage Test or (2) prepay the Revolving Loans in accordance with Section 2.12(a) (or Cash Collateralize Letters of Credit in accordance with Section 2.02(j)) in an amount sufficient to enable the Borrower to comply with this Section 6.03; provided, further, that the preceding proviso shall be disregarded for purposes of Section 4.02(e).

Section 6.04. ~~Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio at the end of any quarterly financial reporting period to be less than 1.25 to 1.00.~~ [Reserved].

Section 6.05. ~~Disposition of Pool Assets (A) . Convey, sell, lease, transfer or otherwise dispose of (or permit any Subsidiary to convey, sell, lease, transfer or otherwise dispose of); Collateral. Dispose of,~~ whether voluntarily or involuntarily (it being understood that loss of property due to theft, destruction, confiscation, prohibition on use or similar event shall constitute a disposal for purposes of this covenant), ~~or remove or substitute (or permit any Subsidiary to remove or substitute), any Pool Asset (or any engine included in the Pool Assets unless such engine is replaced by another working engine or engines of comparable value, assuming half-time condition) or agree (or permit any Subsidiary to agree)~~ any Collateral or agree to do any of the foregoing in respect of the ~~Pool Assets~~ Collateral at any future time, except that:

(a) any Permitted Disposition shall be permitted at any time;

~~(b) (a)~~ so long as no Event of Default exists, the Borrower ~~or any of its Subsidiaries~~ may replace ~~a Pool Asset Collateral~~ with ~~an Additional Pool Asset of the Borrower or any Subsidiary (and Schedule 6.05 Collateral (and the applicable schedule~~ shall be modified to reflect such replacement), provided that (x) such replacement shall be made on at least a dollar-for-dollar basis based upon (A) in the case of the asset being removed from the ~~Pool Assets Collateral~~, the Appraised Value of such ~~Pool Asset Collateral~~ (as determined by the most recently delivered Appraisal Report with respect to such ~~Pool Asset Collateral~~) and (B) in the case of the asset being added to the ~~Pool Assets Collateral~~, the Appraised Value of such asset (as determined by an Appraisal Report performed at (or relatively contemporaneously with) the time of such replacement), ~~and~~ (y) prior to effecting the replacement, the Borrower shall have delivered an Officer's Certificate to the Administrative Agent certifying compliance with Section 6.01 and this Section 6.05 and attaching to such certificate the Appraisal Report required by Section 5.09; and (z) any asset added to the Collateral shall be Eligible Collateral; and

~~(c) (b)~~ so long as no Event of Default exists or would result therefrom, the Borrower ~~or any of its Subsidiaries owning a Pool Asset~~ may remove an asset from the ~~Pool Assets (and Schedule 6.05 Collateral (and the applicable schedule~~ shall be modified to reflect such removal), provided that (x) after giving effect to such removal, the Appraised Value of the remaining ~~Pool Assets Eligible Collateral~~ (as determined by an Appraisal Report of all ~~Pool Assets Collateral~~ performed at (or relatively contemporaneously with) the time of such removal) shall satisfy the ~~Asset Collateral~~ Coverage Test, and (y) prior to effecting the removal, the Borrower shall have delivered an Officer's Certificate to the Administrative Agent certifying that, and providing calculations demonstrating that, after giving effect to such removal, the Appraised Value of the ~~Pool Assets Eligible Collateral~~ shall satisfy the ~~Asset Collateral~~ Coverage Test, and otherwise certifying compliance with this Section 6.05 and attaching to such certificate Appraisal Report of all ~~Pool Assets Collateral~~ obtained in connection with such removal.

At the Borrower's request, the Lien on any asset or type or category of asset (including after-acquired assets of that type or category) that (i) has been Disposed in accordance with this Agreement or (ii) is or has become Excluded Property (as defined in the SGR Security Agreement), will, in each case, be promptly released, provided, in each case, that the following conditions are satisfied or waived: (A) no Event of Default shall have occurred and be continuing, (B) either (x) after giving effect to such release, the Appraised Value of the Eligible Collateral shall satisfy the Collateral Coverage Test, (y) the Borrower shall prepay the Revolving Loans in accordance with Section 2.12(a) (or Cash Collateralize Letters of Credit in accordance with Section 2.02(j)) in an amount required to comply with the Collateral Coverage Test, or (z) the Borrower shall deliver to the Collateral Agent Additional Collateral in an amount required to comply with the Collateral Coverage Test (in each case without, for the avoidance of doubt, giving effect to any Collateral Coverage Ratio Cure Period), and (C) the Borrower shall deliver to the Administrative Agent an Officer's Certificate demonstrating compliance with the Collateral Coverage Test after giving effect to such release. Each of the Administrative Agent and Collateral Agent agrees to promptly provide any documents or releases reasonably requested by the Borrower to evidence any such release.

Section 6.06. Restricted Payments. From the Amendment No. 1 Effective Date and prior to September 30, 2021, declare or pay, directly or indirectly, or otherwise make any Restricted Payment or set apart any sum for the aforesaid purposes, except:

(a) dividends in the form of capital stock or increases in the aggregate liquidation value of any preferred stock;

(b) repurchases of Equity Interests deemed to occur upon (i) the exercise of stock options if the Equity Interests represent a portion of the exercise price thereof or (ii) the withholding of a portion of Equity Interests issued to employees and other participants under any equity compensation,

retirement or voluntary severance programs of the Borrower or its Subsidiaries, in each case to cover withholding tax obligations of such persons in respect of such issuance;

(c) Restricted Payments made pursuant to stock option plans, other benefit plans or other arrangements for management or employees of the Borrower and its Subsidiaries;

(d) Restricted Payments to allow the cash payment in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Equity Interests of any such Person; and

(e) Restricted Payments in an aggregate amount not to exceed \$25,000,000.

Section 7.

EVENTS OF DEFAULT

Section 7.01. Events of Default. In the case of the happening of any of the following events and the continuance thereof beyond the applicable grace period if any (each, an “Event of Default”):

(a) any representation or warranty made by the Borrower in this Agreement or in any other Loan Document shall prove to have been false or misleading in any material respect when made and such representation, to the extent capable of being corrected, is not corrected within thirty (30) days after the earlier of (A) a Responsible Officer of the Borrower obtaining knowledge of such default or (B) receipt by the Borrower of notice from the Administrative Agent of such default; or

(b) default shall be made in the payment of any (i) Fees or interest on the Revolving Loans and such default shall continue unremedied for more than five (5) Business Days, (ii) other amounts payable hereunder when due (other than amounts set forth in clauses (i) and (iii) hereof), and such default shall continue unremedied for more than ten (10) Business Days, or (iii) principal of the Revolving Loans or reimbursement obligations or cash collateralization in respect of Letters of Credit, when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise; or

(c) default shall be made by the Borrower in the due observance or performance of any covenant, condition or agreement contained in Section 6 hereof (subject to the Borrower’s right to cure non-compliance with the covenant contained in Section 6.03 as described therein); or

(d) default shall be made by the Borrower in the due observance or performance of any other covenant, condition or agreement to be observed or performed pursuant to the terms of this Agreement or any of the other Loan Documents and such default shall continue unremedied for more than thirty (30) days from the earlier of (i) a Responsible Officer having knowledge of such default and (ii) written notice to the Borrower from the Administrative Agent of such default; or

(e) (i) failure by the Borrower or any Material Subsidiary to pay any principal of or interest on any Material Indebtedness when due (or, where permitted, within any applicable grace period), whether by scheduled maturity, required prepayment, acceleration, demand or otherwise and such default continues unremedied for five (5) Business Days after such due date or applicable grace period or (ii) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity; provided, however, that if any such failure, breach or default shall be waived or cured (as evidenced by a writing from such holder or trustee) then, to the extent of such waiver or cure, the Event of

Default hereunder by reason of such failure, breach or default shall be deemed likewise to have been thereupon waived or cured; or

(f) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any 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 the Borrower or any Material Subsidiary for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(g) the Borrower or any 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 (f) of this Section 7.01, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any 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; or

(h) the Borrower or any Material Subsidiary admits in writing its inability to pay its debts; or

(i) [reserved]; or

(j) any material provision of any Loan Document shall, for any reason, cease to be valid and binding on the Borrower, or the Borrower shall so assert in any pleading filed in any court; or

(k) any final judgment in excess of \$200,000,000 (exclusive of any judgment or order the amounts of which are fully covered by insurance less any applicable deductible and as to which the insurer has been notified of such judgment and has not denied coverage) shall be rendered against the Borrower or any of its Material Subsidiaries and the enforcement thereof shall not have been stayed, vacated, satisfied, discharged or bonded pending appeal within sixty (60) consecutive days; or

(l) any Termination Event that could reasonably be expected to result in a Material Adverse Effect shall have occurred;

then, and in every such event and at any time thereafter during the continuance of such event, the Administrative Agent may (with the consent of the Required Lenders), and at the request of the Required Lenders, the Administrative Agent shall, by written notice to the Borrower, take one or more of the following actions, at the same or different times: (i) terminate forthwith the Revolving Commitments; (ii) declare the Revolving Loans or any portion thereof then outstanding to be forthwith due and payable, whereupon the principal of the Revolving Loans and other Obligations ([other than Designated Hedging Obligations and Designated Banking Product Obligations](#)) together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower, anything contained herein or in any other Loan Document to the contrary notwithstanding; (iii) require the Borrower promptly upon written demand to Cash Collateralize the LC Exposure; and (iv) exercise any and all remedies under the

Loan Documents and under applicable law available to the Administrative Agent, Collateral Agent and the Lenders. In case of any event with respect to the Borrower described in clause (f) or (g) of this Section 7.01, the actions and events described in (i), (ii) and (iii) above shall be required or taken automatically, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. Any payment received as a result of the exercise of remedies hereunder shall be applied in accordance with Section 2.17(b).

Section 8.

THE AGENTS

Section 8.01. Administration by Agents. (a) Each of the Lenders and each Issuing Lender hereby irrevocably appoints the Administrative Agent as its agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Each of the Lenders and each Issuing Lender hereby irrevocably appoints the Collateral Agent to act on its behalf as the collateral agent hereunder and under the Collateral Documents and authorizes the Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) Each of the Lenders and each Issuing Lender hereby authorizes each of the Administrative Agent, ~~in its~~ and the Collateral Agent, as applicable, and in their sole discretion ~~to~~:

(i) in connection with (x) the sale or other disposition of any Collateral or (y) any release of a Lien, in each case, to the extent permitted by the express terms of this Agreement, to release a Lien granted to the Collateral Agent, for the benefit of the Secured Parties, on such asset;

(ii) with respect to the Administrative Agent only, to determine that the cost to the Borrower is disproportionate to the benefit to be realized by the Secured Parties by perfecting a Lien in a given asset or group of assets included in the Collateral and that should not be required to perfect such Lien in favor of the Collateral Agent, for the benefit of the Secured Parties; and

(iii) to enter into the other Loan Documents on terms acceptable to the Administrative Agent and to perform its respective obligations thereunder; to enter into any other agreements reasonably satisfactory to the Administrative Agent granting Liens to the Collateral Agent, for the benefit of the Secured Parties, on any assets of the Borrower to secure the Obligations; and

(iv) to enter into intercreditor and/or subordination agreements in accordance with Section 6.01 on terms reasonably acceptable to the Collateral Agent and to perform its obligations thereunder and to take such action and to exercise the powers, rights and remedies granted to it thereunder and with respect thereto.

(c) Each of the parties hereto agrees that upon the date that the Discharge of Secured Obligations occurs, each of the Liens granted to the Collateral Agent, for the benefit of the Secured Parties, hereunder shall automatically be discharged and released without any further action by any Person.

(d) It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to

connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 8.02. Rights of Administrative Agent and Collateral Agent. Any institution serving as the Administrative Agent or the Collateral Agent hereunder shall have the same rights and powers in ~~its capacity~~ their respective capacities as a Lender as any other Lender and may exercise the same as though it were not an Administrative Agent; or Collateral Agent and such bank and its respective Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if it were not an Administrative Agent or Collateral Agent hereunder.

Section 8.03. Liability of Agents.

(a) ~~The~~ Each of the Administrative Agent and the Collateral Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder and thereunder shall be administrative in nature. Without limiting the generality of the foregoing, (i) the Administrative Agent and the Collateral Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii) the Administrative Agent and the Collateral Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that each such agent is required to exercise in writing 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 10.08 or in the other Loan Documents) and (iii) except as expressly set forth herein and in the other Loan Documents, the Administrative Agent and the Collateral Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the institution serving as an Administrative Agent or Collateral 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 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 10.08) or in the absence of its own gross negligence, bad faith or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for, or have any duty to ascertain or inquire into, (A) any statement, warranty or representation made in or in connection with this Agreement, (B) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (C) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (D) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (E) the satisfaction of any condition set forth in Section 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent, and (iv) each of the Administrative Agent and the Collateral Agent will not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent, or the Collateral Agent, as applicable, to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect.

(b) The Administrative Agent and the Collateral 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 believed by it to be genuine and to have been signed or sent by the proper Person. ~~The~~Each of the Administrative Agent and the Collateral Agent also may rely upon 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. ~~The~~Each of the Administrative Agent and the Collateral 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.

(c) ~~The~~Each of the Administrative Agent and the Collateral Agent may perform any and all of its respective duties and exercise its respective rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by ~~it~~such agent. The Administrative Agent and the Collateral Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers through its Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and the Collateral 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 and Collateral Agent.

Section 8.04. Reimbursement and Indemnification. Each Lender agrees (a) to reimburse on demand the Administrative Agent (and the Collateral Agent) for such Lender's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Lenders under this Agreement and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Borrower and (b) to indemnify and hold harmless the Administrative Agent and the Collateral Agent and any of ~~its~~their Related Parties, on demand, in the amount equal to such Lender's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement or any of the Loan Documents to the extent not reimbursed by the Borrower (except such as shall result from its gross negligence or willful misconduct).

Section 8.05. Successor Agents. Subject to the appointment and acceptance of a successor agent as provided in this paragraph, each of the Administrative Agent and Collateral Agent may resign at any time by notifying the Lenders, the Issuing Lenders and the Borrower. Upon any such resignation by the Administrative Agent or the Collateral Agent, the Required Lenders shall have the right, with the consent (provided no Event of Default has occurred or is continuing) of the Borrower (such consent not to be unreasonably withheld or delayed), to appoint a successor. If no 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 or Collateral Agent gives notice of its resignation, then the retiring Administrative Agent or Collateral Agent may, in consultation with the Borrower, on behalf of the Lenders and the Issuing Lenders, appoint a successor Administrative Agent or Collateral Agent which shall be a bank institution with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent or Collateral 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 or Collateral Agent, as applicable, and the retiring Administrative Agent or shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent or Collateral 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 or Collateral Agent's resignation hereunder, the provisions of this Article

and Section 10.04 shall continue in effect for the benefit of such retiring Administrative Agent, ~~its~~ or Collateral Agent, their respective sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as an Administrative Agent or Collateral Agent, as applicable.

Section 8.06. Independent Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or the Collateral Agent 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 upon the Administrative Agent 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 upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

Section 8.07. Advances and Payments.

(a) On the date of each Revolving Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each of the Lenders, the amount of the Revolving Loan to be made by it in accordance with its 3-Year Revolving Commitment or 5-Year Revolving Commitment, as applicable, hereunder. Should the Administrative Agent do so, each of the Lenders agrees forthwith to reimburse the Administrative Agent in immediately available funds for the amount so advanced on its behalf by the Administrative Agent, together with interest at the NYFRB Rate if not so reimbursed on the date due from and including such date but not including the date of reimbursement.

(b) Any amounts received by the Administrative Agent in connection with this Agreement (other than amounts to which the Administrative Agent is entitled pursuant to Sections 2.18, 2.19, 8.04 and 10.04), the application of which is not otherwise provided for in this Agreement, shall be applied in accordance with Section 2.17(b). All amounts to be paid to a Lender by the Administrative Agent shall be credited to that Lender, after collection by the Administrative Agent, in immediately available funds either by wire transfer or deposit in that Lender's correspondent account with the Administrative Agent, as such Lender and the Administrative Agent shall from time to time agree.

Section 8.08. Sharing of Setoffs. Each Lender agrees that, except to the extent this Agreement expressly provides for payments to be allocated to a particular Lender or to the Lenders under a particular Revolving Facility, if it shall, through the exercise either by it or any of its banking Affiliates of a right of banker's lien, setoff or counterclaim against the Borrower, including, but not limited to, a secured claim under Section 506 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim and received by such Lender (or any of its banking Affiliates) under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Revolving Loans or LC Exposure under such Revolving Facility as a result of which the unpaid portion of its Revolving Loans or LC Exposure thereunder is proportionately less than the unpaid portion of the Revolving Loans or LC Exposure thereunder of any other Lender (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lender a participation in the Revolving Loans or LC Exposure thereunder of such other Lender, so that the aggregate unpaid principal amount of each Lender's Revolving Loans and LC Exposure under such Revolving Facility and its participation in Revolving Loans and LC Exposure under such Revolving Facility of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all Revolving Loans then outstanding and LC Exposure, in each case under such Revolving Facility, as the principal amount of its Revolving Loans and LC Exposure under such Revolving Facility prior to the obtaining of such payment

was to the principal amount of all Revolving Loans outstanding and LC Exposure, in each case under such Revolving Facility, prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders under such Revolving Facility share such payment pro-rata, provided that if any such non-pro-rata payment is thereafter recovered or otherwise set aside, such purchase of participations shall be rescinded (without interest). The Borrower expressly consents to the foregoing arrangements and agrees, to the fullest extent permitted by law, that any Lender holding (or deemed to be holding) a participation in a Revolving Loan or LC Exposure acquired pursuant to this Section or any of its banking Affiliates may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by the Borrower to such Lender as fully as if such Lender was the original obligee thereon, in the amount of such participation.

Section 8.09. Other Agents. No Agent (other than the Administrative Agent and the Collateral Agent) shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, no such Agent shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any such Agent in deciding to enter into this Agreement or in taking or not taking action hereunder.

Section 8.10. Withholding Taxes. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any withholding tax applicable to such payment. 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 for any reason, or the Administrative Agent has paid over to the Internal Revenue Service applicable withholding tax relating to a payment to a Lender but no deduction has been made from such payment, without duplication of any indemnification obligations set forth in Section 8.04, 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 any expenses incurred.

Section 8.11. Appointment by Secured Parties. Each existing and future Secured Party shall be deemed to have appointed the Administrative Agent as its agent and the Collateral Agent as its collateral agent under the Loan Documents in accordance with the terms of this Section 8 and to have acknowledged that the provisions of this Section 8 apply to such Secured Party mutatis mutandis as though it were a party hereto (and any acceptance by such Secured Party of the benefits of this Agreement or any other Loan Document shall be deemed an acknowledgment of the foregoing).

Section 8.12. ~~SECTION 8.11~~ Certain ERISA Matters.

~~(a)~~ (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 Agents and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower ~~or any other Loan Party~~, that at least one of the following is and will be true:

(i) ~~(i)~~ such Lender is not using "plan assets" (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Revolving Loans, the Letters of Credit or the Revolving Commitments,

(ii) ~~(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, and the conditions for exemptive relief thereunder are and will continue to be satisfied in connection therewith,

(iii) ~~(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) ~~(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) ~~(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 Agents and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower ~~or any other Loan Party~~, that:

(i) ~~(i)~~ none of the Agents or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (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),

(ii) ~~(ii)~~ the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21, as amended from time to time) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least \$50,000,000, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

(iii) ~~(iii)~~ the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the obligations),

(iv) ~~(iv)~~ -the Person making the investment decision on behalf of such Lender

with respect to the entrance into, participation in, administration of and performance of the Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

~~(v) (v+)~~ no fee or other compensation is being paid directly to the Agents or any their respective Affiliates for investment advice (as opposed to other services) in connection with the Revolving Loans, the Letters of Credit, the Revolving Commitments or this Agreement.

~~(c) (c+)~~ The Agents hereby inform the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement, (ii) may recognize a gain if it extended the Revolving Loans, the Letters of Credit or the Revolving Commitments for an amount less than the amount being paid for an interest in the Revolving Loans, the Letters of Credit or the Revolving Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

Section 9.

[RESERVED]

Section 10.

MISCELLANEOUS

Section 10.01. Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile or electronic mail (other than to the Borrower, unless agreed) pursuant to procedures approved by the Administrative Agent), and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to the Borrower, to it at Delta Air Lines, Inc., 1030 Delta Boulevard, Atlanta, GA 30354, Attention of: (x) Treasurer, Dept. 856, Telecopier No.: (404) 715-3110, Telephone No.: (404) 715-5993 and (y) Chief Legal Officer, Dept. 971, Telecopier No.: (404) 715-2233, Telephone No.: (404) 715-2191;

(ii) if to JPMCB as Administrative Agent, to it at JPMorgan Chase Bank, N.A., Loan and Agency Services Group, 500 Stanton Christiana Road, 1/NCC5, Newark, Delaware 19713, Attention of: Nicole C. Reilly (Email Address: nicole.c.reilly@jpmorgan.com), with a copy to JPMorgan Chase Bank, N.A., 383 Madison Avenue, New York, New York 10179, Attention of: Cristina Caviness (Email Address: cristina.caviness@jpmorgan.com);

(iii) if to an Issuing Lender, to it at the address most recently specified by it in notice delivered by it to the Administrative Agent and the Borrower, with a copy to the Administrative Agent as provided in clause (ii) above; and

(iv) if to any other Lender, to it at its address (or telecopy number) set forth on Schedule 2.01 hereto or, if subsequently delivered, an administrative questionnaire in a form as the Administrative Agent may require.

(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 Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its reasonable 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.

(c) Any party hereto may change its address or telecopy number 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.

Section 10.02. Successors and Assigns. (a) 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 (including any Affiliate of an Issuing Lender that issues any Letter of Credit), except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder (other than as permitted by Section 6.02(a)) without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower 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 10.02. 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 an Issuing Lender that issues any Letter of Credit), Participants (to the extent provided in paragraph (d) of this Section 10.02) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent, the Issuing Lenders and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(a) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may 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 the Revolving Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Administrative Agent; provided that no consent of the Administrative Agent shall be required if the assignee is a Lender or an Affiliate of a Lender;

(B) the Borrower; provided that no consent of the Borrower shall be required for an assignment (1) if an Event of Default under Section 7.01(b), Section 7.01(f) or Section 7.01(g) has occurred and is continuing or (2) if the assignee is a Lender or an Eligible Affiliate Assignee; and

(C) each Issuing Lender; provided that no consent of any Issuing Lender shall be required if the assignee is a Lender or an Affiliate of a Lender;

(ii) Assignments shall be subject to the following additional conditions:

(A) any assignment of any portion of the Total Revolving Commitment, Revolving Loans and LC Exposure shall be made to an Eligible Assignee;

(B) 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 Revolving Commitment or Revolving Loans, the amount of such Revolving Commitment or Revolving Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000, and after giving effect to such assignment, the portion of the Revolving Loan or Revolving Commitment held by the assigning Lender of the same tranche as the assigned portion of the Revolving Loan or Revolving Commitment shall not be less than \$5,000,000, in each case unless the Borrower and the Administrative Agent otherwise consent, provided that any such assignment shall be in increments of \$500,000 in excess of the minimum amount described above;

(C) 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, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one (1) Class of Revolving Commitments or Revolving Loans;

(D) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of \$3,500 for the account of the Administrative Agent (unless otherwise agreed); and

(E) the assignee, if it was not a Lender immediately prior to such assignment, shall deliver to the Administrative Agent an administrative questionnaire in a form as the Administrative Agent may require.

The Administrative Agent shall not be responsible for monitoring the Disqualified Institutions list and shall have no liability for non-compliance by any Lender. The Disqualified Institutions list shall be made available to any Lender upon request to the Administrative Agent.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 10.02, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance 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, 2.16 and 10.04). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.02 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 paragraph (d) of this Section.

(iv) The Administrative Agent shall maintain at its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Revolving Commitments of, and principal amount (and stated interest) of the

Revolving Loans and LC Disbursements under each Revolving Facility 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, the Issuing Lenders 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, the Issuing Lenders and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Notwithstanding anything to the contrary contained herein, no assignment may be made hereunder to any Defaulting Lender or any of its subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (v).

(vi) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment will be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Revolving Loans under each applicable Revolving Facility previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Borrower, Administrative Agent, the Issuing Lender and each other Lender under each applicable Revolving Facility (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Revolving Loans and participations in Letters of Credit in accordance with its Aggregate Exposure Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder becomes effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest will be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(c) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee’s completed administrative questionnaire in a form as the Administrative Agent may require (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Acceptance 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 2.02(d) or (e), 2.04(a), 8.04 or 10.04(c), the Administrative Agent shall have no obligation to accept such Assignment and Acceptance and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) (i) Any Lender may, without the consent of the Borrower, the Administrative Agent or any Issuing Lender, sell participations to one or more banks or other entities (other than a Disqualified Institution to the extent the Disqualified Institutions list is made available to any Lender upon request to the Administrative Agent) (a “Participant”) in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Revolving Commitment and the

Revolving Loans); 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 Borrower, the Administrative Agent, the Issuing Lenders 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, modification or waiver described in the first proviso to Section 10.08(a) that affects such Participant. Subject to paragraph (d)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.14 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.08 as though it were a Lender, provided such Participant agrees to be subject to the requirements of Section 8.08 as though it were a Lender. 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 Revolving 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 Revolving Commitments, Revolving Loans, Letters of Credit or its other obligations under this Agreement or any Loan Document) except to the extent that such disclosure is necessary to establish that such Revolving Commitment, Revolving Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender, the Borrower 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 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant. 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 such Participant agrees, for the benefit of the Borrower, to comply with Sections 2.16(f), 2.16(g), 2.16(h) and 2.18 as though it were a Lender.

(e) 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 any central bank having jurisdiction over such Lender, and this Section 10.02 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.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.02, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that prior to any such disclosure, each such assignee or participant or proposed assignee or participant are advised of and agree to be bound by either the provisions of Section 10.03 or other provisions at least as restrictive as Section 10.03.

Section 10.03. Confidentiality. Each Lender and each Agent agrees to keep any information delivered or made available by or on behalf of the Borrower to it confidential, in accordance with its customary procedures, from anyone other than persons employed or retained by such Lender or Agent who are or are expected to become engaged in evaluating, approving, structuring or administering the Revolving Loans, and who are advised by such Lender or Agent of the confidential nature of such information; provided that nothing herein shall prevent any Lender or Agent from disclosing such information (a) to any of its Related Parties and their respective agents, legal counsel, auditors and other advisors (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, and the applicable Lender or Agent shall be responsible for compliance by such Persons with such obligation) or to any other Lender, (b) upon the order of any court or administrative agency, (c) upon the request or demand of any regulatory agency or authority (including in connection with any audit or examination by a bank examiner exercising examination or regulatory authority over such Lender or Agent), (d) which has been publicly disclosed other than as a result of a disclosure by any Lender or Agent which is not permitted by this Agreement, (e) in connection with any litigation to which any Lender or Agent, or their respective Affiliates may be a party to the extent reasonably required, (f) to the extent reasonably required in connection with the exercise of any remedy hereunder, (g) with the Borrower's consent, (h) to any nationally recognized rating agency that requires access to information about a Lender or Agent's investment portfolio in connection with ratings issued with respect to such Lender or Agent and (i) to any actual or proposed participant or assignee of all or part of its rights hereunder or to any direct or indirect contractual counterparty (or the professional advisors thereto) to any swap or derivative transaction relating to the Borrower and its obligations, in each case, (i) other than a Disqualified Institution and (ii) subject to the proviso in Section 10.02(f) (with any reference to any assignee or participant set forth in such proviso being deemed to include a reference to such contractual counterparty for purposes of this Section 10.03(g)). If any Lender or Agent is in any manner requested or required to disclose any of the information delivered or made available to it by the Borrower under clauses (b) or (e) of this Section, such Lender or Agent will, to the extent permitted by law, provide the Borrower with prompt notice, to the extent reasonable, so that the Borrower may seek, at its sole expense, a protective order or other appropriate remedy or may waive compliance with this Section. In addition, any Lender or Agent may disclose information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry.

Section 10.04. Expenses; Indemnity; Damage Waiver. (a)(i) The Borrower shall pay or reimburse: (b) all reasonable fees and reasonable out-of-pocket expenses of the Administrative Agent and the Arrangers (limited in the case of legal fees and expenses, to the reasonable fees, disbursements and other charges of Simpson Thacher & Bartlett LLP, as counsel to the Administrative Agent) associated with the syndication of the credit facilities provided for herein, and the preparation, execution, delivery and administration of the Loan Documents and (in the case of the Administrative Agent) any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated); and (c) all fees and out-of-pocket expenses of the Administrative Agent and the Lenders (limited in the case of legal fees and expenses, to one (1) outside counsel to the Administrative Agent and the Lenders, taken as a whole (and, in the case of an actual or perceived conflict of interest, an additional counsel to all such similarly situated affected parties)) in connection with the enforcement of the Loan Documents.

(ii) The Borrower shall pay or reimburse (A) all reasonable fees and reasonable expenses of the Administrative Agent and the Appraisers incurred in connection with the Administrative Agent's (x) periodic appraisals and (y) other monitoring of ~~Pool~~ Assets Collateral as allowed hereunder and (B) all reasonable fees and reasonable expenses of the Issuing Lenders in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand or any payment thereunder.

(iii) All payments or reimbursements pursuant to the foregoing clauses (a)(i) and (ii) shall be paid within thirty (30) days of written demand together with back-up documentation supporting such reimbursement request.

(b) The Borrower shall indemnify each Agent, the Issuing Lenders and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (limited in the case of legal fees and expenses, to one (1) outside counsel to all Indemnitees, taken as a whole (and, in the case of an actual or perceived conflict of interest, an additional counsel to all such similarly situated affected Indemnitees)) incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Revolving Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by any Issuing Lender to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) in connection with clauses (i) and (ii) above, any Release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related to or asserted against the Borrower 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 and regardless of whether any Indemnitee is a party thereto and whether or not the same are brought by the Borrower, its equity holders, affiliates or creditors or any other Person; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to (x) have resulted from the material breach of the obligations of such Indemnitee under the Loan Documents or the bad faith, gross negligence or willful misconduct of such Indemnitee or (y) arise from disputes solely among the Indemnitees (other than any dispute involving claims against any Person in its capacity as an Agent or similar role hereunder) that do not involve an act or omission by the Borrower or any of its Subsidiaries. For the avoidance of doubt, no Indemnitee shall be liable for any damages arising from the use by others of information or other materials obtained through electronic, telecommunications or other information transmission systems, except to the extent any such damages are found by a final non-appealable judgment of a court of competent jurisdiction to arise from the gross negligence or willful misconduct of such Indemnitee. This Section 10.04(b) shall not apply with respect to Taxes other than Taxes that represent losses or damages arising from any non-Tax claim.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent or an Issuing Lender under paragraph (a) or (b) of this Section 10.04, each Lender severally agrees to pay to the Administrative Agent or the applicable Issuing Lender, as the case may be, such portion of the unpaid amount equal to such Lender’s Aggregate Exposure Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought); provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the applicable Issuing Lender in its capacity as such.

(d) To the extent permitted by applicable law, neither the Borrower 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 or any agreement or instrument contemplated hereby, the Transactions, any Revolving Loan or Letter of Credit or the use of the proceeds thereof (other than in respect of such damages incurred or paid by an Indemnitee to a third party).

Section 10.05. 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 party hereto hereby 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 of the Southern District of New York sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby 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 of the parties hereto agrees that a final judgment in any such action or proceeding shall, to the extent permitted by law, be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each party hereto hereby 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 this Agreement in any court referred to in paragraph (b) of this Section 10.05. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 10.06. No Waiver. No failure on the part of the Administrative Agent or the Collateral Agent or any of the Lenders to exercise, and no delay in exercising, any right, power or remedy hereunder or any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

Section 10.07. Extension of Maturity. Should any payment of principal of or interest or any other amount due hereunder become due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of principal, interest shall be payable thereon at the rate herein specified during such extension.

Section 10.08. Amendments, etc.

(a) Except as set forth in Section 2.09 or as otherwise set forth in this Agreement, no modification, amendment or waiver of any provision of this Agreement, and no consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders (or signed by the Administrative Agent with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given; provided, however, that no such modification or amendment shall without the prior written consent of:

(i) each Lender directly and adversely affected thereby (A) increase the Revolving Commitment of any Lender or extend the termination date of the Revolving Commitment of any Lender (it being understood that a waiver of an Event of Default shall not constitute an increase in or extension of the termination date of the Revolving Commitment of a Lender), or (B) reduce

the principal amount of any Revolving Loan, any reimbursement obligation in respect of any Letter of Credit, or the rate of interest payable thereon (provided that only the consent of the Required Lenders shall be necessary for a waiver of default interest referred to in Section 2.08), or extend any date for the payment of principal, interest or Fees hereunder or reduce any Fees payable hereunder or extend the final maturity of the Borrower's obligations hereunder or (C) amend, modify or waive any provision of Sections 2.17(b) or (e);

(ii) all of the Lenders (A) amend or modify any provision of this Agreement which provides for the unanimous consent or approval of the Lenders or (B) amend this Section 10.08 that has the effect of changing the number or percentage of Lenders that must approve any modification, amendment, waiver or consent or modify the percentage of the Lenders required in the definition of Required Lenders;

(iii) (x) the Required 3-Year Lenders in addition to the Required Lenders to change the definition of the term "Required 3-Year Lenders" and (y) the Required 5-Year Lenders in addition to the Required Lenders to change the definition of the term "Required 5-Year Lenders"; and

provided further, that any waiver, amendment or modification of this Agreement that by its terms affects the rights or duties under this Agreement of one (1) Class of Lenders (but not of any other Class of Lenders) may be effected by an agreement or agreements in writing entered into by the Borrower and the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto under this section if such Class of Lenders were the only Class of Lenders hereunder at the time.

(b) No such amendment or modification shall adversely affect the rights and obligations of the Administrative Agent or any Issuing Lender hereunder without its prior written consent.

(c) No notice to or demand on the Borrower shall entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances. Each assignee under Section 10.02(b) shall be bound by any amendment, modification, waiver, or consent authorized as provided herein, and any consent by a Lender shall bind any Person subsequently acquiring an interest on the Revolving Loans held by such Lender. No amendment to this Agreement shall be effective against the Borrower unless signed by the Borrower.

(d) Notwithstanding anything to the contrary contained in Section 10.08(a), (i) in the event that the Borrower requests that this Agreement be modified or amended in a manner which would require the unanimous consent of all of the Lenders or the consent of all Lenders directly and adversely affected thereby and, in each case, such modification or amendment is agreed to by the Required Lenders or the Required 3-Year Lenders or Required 5-Year Lenders, as applicable, then the Borrower may replace any non-consenting Lender in accordance with Section 10.02; provided that such amendment or modification can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrower to be made pursuant to this clause (i)); (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Revolving Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that the Revolving Commitment and the outstanding Revolving Loans or other extensions of credit held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders), (iii) notwithstanding anything to the contrary herein, any Extension Agreement effected in accordance with Section 2.29 may be made without the consent of the Required Lenders and (iv) if the Administrative Agent and the Borrower shall have jointly identified any ambiguity, mistake, typographical error or other obvious error

or any error or omission of a technical or immaterial nature in any provision of the Loan Documents (including the exhibits and schedules thereto), then the Administrative Agent and the Borrower shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document.

(e) In addition, notwithstanding anything to the contrary contained in Section 10.08(a), with the written consent of the Administrative Agent (not to be unreasonably withheld or delayed), the Borrower and the lenders providing the relevant Refinancing Revolving Facility, this Agreement and, as appropriate, the other Loan Documents, may be amended as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, (x) to permit the creation hereunder of any such Refinancing Revolving Facility and the incurrence of the related Refinancing Debt (any such amendment, a “Refinancing Amendment”) and (y) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders, Required 3-Year Lenders and/or Required 5-Year Lenders, as applicable. The effectiveness of any Refinancing Amendment shall be subject to the satisfaction on the date thereof of each of the conditions set forth in Section 4.02 (other than, with respect to Section 4.02(b), the representations and warranties set forth in Sections 3.04(b) and 3.06(a)) (it being understood that all references to the making or borrowing of Revolving Loans or the issuance of Letters of Credit or similar language in such Section 4.02 shall be deemed to refer to the effective date of such Refinancing Amendment) and such other conditions as the parties thereto shall agree.

(f) In addition, notwithstanding anything to the contrary contained in Section 10.08, the Borrower may from time to time deliver to the Administrative Agent an updated Schedule 6.05 to replace the then-existing Schedule 6.05 in connection with (x) any disposition, transfer or removal by the Borrower or any Subsidiary of the Borrower of any Pool Asset pursuant to Section 6.05 or (y) any designation of Additional Pool Assets as Pool Assets as contemplated by the definition of Additional Pool Assets set forth in Section 1.01 hereof.

Section 10.09. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.10. Headings. Section headings used herein are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Agreement.

Section 10.11. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Revolving 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 the Administrative Agent, any Issuing Lender or any Lender may have had notice or knowledge of any Event of 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 the principal of or any accrued interest on any Revolving Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Revolving Commitments have not expired or terminated. The provisions of Sections 2.14, 2.15, 2.16 and 10.04 and Section 8 shall survive and remain in full force and effect regardless of the consummation of the transactions

contemplated hereby, the repayment of the Revolving Loans, the expiration or termination of the Letters of Credit and the Revolving Commitments, or the termination of this Agreement or any provision hereof.

Section 10.12. Execution in 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. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. 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 .pdf copy shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.13. USA Patriot Act. Each Lender that is subject to the requirements of the Patriot Act hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

Section 10.14. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY 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 OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). 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 10.15. No Fiduciary Duty. Each 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 Borrower, its stockholders and/or its affiliates. The Borrower agrees that nothing in the Loan Documents or otherwise related to the Transactions 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 the Borrower, its stockholders or its affiliates, on the other hand. The parties hereto 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 Borrower and its Subsidiaries, on the other hand, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of the Borrower, 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 the Borrower, its stockholders or its affiliates on other matters) or any other obligation to the Borrower 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 the Borrower, its management, stockholders,

affiliates, creditors or any other Person. The Borrower acknowledges and agrees that the Borrower 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. The Borrower 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 the Borrower, in connection with such transaction or the process leading thereto.

Section 10.16. Acknowledgement and Consent to Bail-In of ~~EEA~~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 ~~EEA~~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 ~~an EEA~~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 EEA~~the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an ~~EEA~~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 ~~EEA~~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 ~~any EEA~~the applicable Resolution Authority.

Section 10.17. Registrations with International Registry. Each of the parties hereto (i) consents to the registrations with the International Registry of the International Interest constituted by the Aircraft Mortgage, and (ii) covenants and agrees that it will take all such action reasonably requested by Borrower or Administrative Agent in order to make any registrations with the International Registry, including without limitation establishing a valid and existing account with the International Registry and appointing an Administrator and/or a Professional User reasonably acceptable to the Administrative Agent to make registrations with respect to the Aircraft Collateral and providing consents to any registration as may be contemplated by the Loan Documents.

[Remainder of Page Intentionally Left Blank]

~~N WITNESS WHEREOF~~, the parties hereto have caused this Agreement to be duly executed as of the day and the year first written.

~~BORROWER:~~
~~DELTA AIR LINES, INC.~~, a Delaware corporation
By: _____
Name:
Title:

~~{Signature Page to Delta Credit Agreement — 2018 Refinancing}~~

~~JPMORGAN CHASE BANK, N.A.,~~
~~as Administrative Agent and as a Lender~~
By: _____
Name:
Title:

[NAME OF LENDER], as a Lender

By: _____

Name:

Title:

[for Lenders requiring two signature blocks]

By: _____

Name:

Title:

TERMS OF 2020 RESTRICTED STOCK AWARD¹

Participants: All members of Delta’s Board of Directors (the “**Board**”) who are not employees of Delta (“**Non-Employee Directors**”), which includes the Chairman of the Board (the “**Chairman**”). These directors are:

Francis S. Blake (Chairman)	Jeanne P. Jackson
Ashton B. Carter	George N. Mattson
David G. DeWalt	Sergio A. L. Rial
William H. Easter III	David S. Taylor
Michael P. Huerta	Kathy N. Waller

Type of Award: Restricted Stock, as defined and granted under the Delta Air Lines, Inc. Performance Compensation Plan (the “**Performance Compensation Plan**”).

Grant Date: June 18, 2020

Number of

Shares: The number of shares of Restricted Stock granted to each Non-Employee Director other than the Chairman equals the result of the following formula: \$175,000 divided by Y, where

Y = the closing price of Delta Common Stock, par value \$0.0001 per share, on the New York Stock Exchange on the Grant Date.

The number of shares of Restricted Stock granted to the Chairman equals the result of the following formula: \$305,000 divided by Y.

Partial Shares: Any partial shares resulting from the above formula will be ignored and the aggregate shares of Restricted Stock for each Non-Employee Director will be rounded up to the nearest whole ten shares.

Vesting: Each grant awarded to a Non-Employee Director under the terms of this Attachment A (a “**2020 Grant**”) will vest (the “**Vesting Date**”) on the earlier of (1) June 18, 2021 and (2) the date of Delta’s 2021 Annual Meeting of Stockholders, subject to such Non-Employee Director’s continued service as a member of the Board on the Vesting Date.

¹ In accordance with these terms, each Non-Employee Director other than the Chairman of the Board received 5,690 shares of Restricted Stock on June 18, 2020. This is equal to \$175,000 divided by \$30.79 (the closing price of Delta Common Stock on the New York Stock Exchange (“**NYSE**”) on June 18, 2020), rounded up to the nearest whole ten shares. The Chairman of the Board received 9,910 shares of Restricted Stock on June 18, 2020. This is equal to \$305,000 divided by \$30.79 (the closing price of Delta Common Stock on the NYSE on June 18, 2020), rounded up to the nearest whole ten shares.

Accelerated

Vesting: Notwithstanding the foregoing, accelerated vesting will occur prior to the Vesting Date as follows: individual 2020 Grants will immediately vest on the date such Non-Employee Director ceases to be a member of the Board due to death, Disability or Retirement. For purposes of the 2020 Grant, (1) “**Disability**” means the Non-Employee Director’s inability to perform his or her duties as a member of the Board for a period of 180 or more days as a result of a demonstrable injury or disease and (2) “**Retirement**” means retiring from the Board (i) at or after age 52 with at least ten years of service as a director; (ii) at or after age 68 with at least five years of service as a director; or (iii) at the Non-Employee Director’s mandatory retirement date.

Forfeiture: Except as expressly set forth above, a Non-Employee Director will immediately forfeit any unvested Restricted Stock on the date such Non-Employee Director ceases to be a member of the Board for any reason, other than due to death, Disability or Retirement.

Dividends: In the event a cash dividend is paid with respect to shares of Delta Common Stock at a time during which the 2020 Grant is unvested, the Non-Employee Director will be eligible to receive the dividend when the 2020 Grant vests.

July 14, 2020

The Board of Directors and Stockholders of
Delta Air Lines, Inc.

We are aware of the incorporation by reference in the Registration Statements (Form S-3 No.'s 333-229720, 333-230087, and 333-238725 and Form S-8 No.'s 333-142424, 333-149308, 333-154818, 333-151060, and 333-212525) of Delta Air Lines, Inc. for the registration of its securities of our report dated July 14, 2020 relating to the unaudited condensed consolidated interim financial statements of Delta Air Lines, Inc. that are included in its Form 10-Q for the quarter ended June 30, 2020.

/s/ Ernst & Young LLP

I, Edward H. Bastian, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delta Air Lines, Inc. ("Delta") for the quarterly period ended June 30, 2020;
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 Delta as of, and for, the periods presented in this report;
4. Delta's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for Delta 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 Delta, 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 Delta'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 Delta's internal control over financial reporting that occurred during Delta's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, Delta's internal control over financial reporting; and
5. Delta's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to Delta's auditors and the Audit Committee of Delta'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 Delta'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 Delta's internal control over financial reporting.

July 14, 2020

/s/ Edward H. Bastian

Edward H. Bastian

Chief Executive Officer

I, Paul A. Jacobson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delta Air Lines, Inc. ("Delta") for the quarterly period ended June 30, 2020;
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 Delta as of, and for, the periods presented in this report;
4. Delta's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for Delta 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 Delta, 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 Delta'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 Delta's internal control over financial reporting that occurred during Delta's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, Delta's internal control over financial reporting; and
5. Delta's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to Delta's auditors and the Audit Committee of Delta'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 Delta'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 Delta's internal control over financial reporting.

July 14, 2020

/s/ Paul A. Jacobson

Paul A. Jacobson

Executive Vice President and Chief Financial Officer

July 14, 2020
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Ladies and Gentlemen:

The certifications set forth below are hereby submitted to the Securities and Exchange Commission pursuant to, and solely for the purpose of complying with, Section 1350 of Chapter 63 of Title 18 of the United States Code in connection with the filing on the date hereof with the Securities and Exchange Commission of the quarterly report on Form 10-Q of Delta Air Lines, Inc. ("Delta") for the quarterly period ended June 30, 2020 (the "Report").

Each of the undersigned, the Chief Executive Officer and the Executive Vice President and Chief Financial Officer, respectively, of Delta, hereby certifies that, as of the end of the period covered by the Report:

1. such Report fully complies with the requirements of Section 13(a) 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 Delta.

/s/ Edward H. Bastian

Edward H. Bastian
Chief Executive Officer

/s/ Paul A. Jacobson

Paul A. Jacobson
Executive Vice President and Chief Financial Officer