

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 September 30, 2017

OR

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

Commission file number 1-6961

**TEGNA INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**7950 Jones Branch Drive, McLean, Virginia**

(Address of principal executive offices)

**16-0442930**

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

**22107-0150**

(Zip Code)

Registrant's telephone number, including area code: (703) 873-6600.

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

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

The total number of shares of the registrant's Common Stock, \$1 par value, outstanding as of September 30, 2017 was 215,205,823.

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**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****TEGNA Inc.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS***In thousands of dollars*

	<b>Sept. 30, 2017</b>	<b>Dec. 31, 2016</b>
	(Unaudited)	(Recast)
<b>ASSETS</b>		
<i>Current assets</i>		
Cash and cash equivalents	\$ 383,354	\$ 15,879
Accounts receivable, net of allowances of \$3,222 and \$3,404, respectively	382,791	386,074
Other receivables	20,384	20,685
Prepaid expenses and other current assets	80,201	62,090
Current discontinued operations assets	—	305,960
<i>Total current assets</i>	<u>866,730</u>	<u>790,688</u>
<i>Property and equipment</i>		
Cost	801,791	805,349
Less accumulated depreciation	(456,768)	(430,028)
<i>Net property and equipment</i>	<u>345,023</u>	<u>375,321</u>
<i>Intangible and other assets</i>		
Goodwill	2,579,417	2,579,417
Indefinite-lived and amortizable intangible assets, less accumulated amortization	1,278,667	1,294,839
Investments and other assets	173,219	180,616
Noncurrent discontinued operations assets	—	3,321,844
<i>Total intangible and other assets</i>	<u>4,031,303</u>	<u>7,376,716</u>
<b>Total assets</b>	<u><u>\$ 5,243,056</u></u>	<u><u>\$ 8,542,725</u></u>

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

**TEGNA Inc.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*In thousands of dollars, except par value and share amounts*

	<b>Sept. 30, 2017</b>	<b>Dec. 31, 2016</b>
	(Unaudited)	(Recast)
<b>LIABILITIES AND EQUITY</b>		
<i>Current liabilities</i>		
Accounts payable	\$ 102,758	\$ 99,568
Accrued liabilities	219,701	200,417
Dividends payable	15,190	30,178
Income taxes	14,304	11,448
Current portion of long-term debt	280,646	646
Current discontinued operations liabilities	—	276,924
<i>Total current liabilities</i>	<u>632,599</u>	<u>619,181</u>
<i>Noncurrent liabilities</i>		
Income taxes	19,711	22,644
Deferred income taxes	585,173	648,920
Long-term debt	3,035,166	4,042,749
Pension liabilities	168,024	187,290
Other noncurrent liabilities	96,508	75,438
Noncurrent discontinued operations liabilities	—	347,233
<i>Total noncurrent liabilities</i>	<u>3,904,582</u>	<u>5,324,274</u>
<i>Total liabilities</i>	<u>4,537,181</u>	<u>5,943,455</u>
Redeemable noncontrolling interests related to discontinued operations	—	46,265
<i>Equity</i>		
<i>TEGNA Inc. shareholders' equity</i>		
Common stock of \$1 par value per share, 800,000,000 shares authorized, 324,418,632 shares issued	324,419	324,419
Additional paid-in capital	390,886	473,742
Retained earnings	5,777,443	7,384,556
Accumulated other comprehensive loss	(121,073)	(161,573)
Less treasury stock at cost, 109,212,809 shares and 109,930,832 shares, respectively	(5,665,800)	(5,749,726)
<i>Total TEGNA Inc. shareholders' equity</i>	<u>705,875</u>	<u>2,271,418</u>
Noncontrolling interests related to discontinued operations	—	281,587
<i>Total equity</i>	<u>705,875</u>	<u>2,553,005</u>
<b>Total liabilities, redeemable noncontrolling interests and equity</b>	<u>\$ 5,243,056</u>	<u>\$ 8,542,725</u>

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

**TEGNA Inc.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
*Unaudited, in thousands of dollars, except per share amounts*

	Quarter ended Sept. 30,		Nine months ended Sept. 30,	
	2017	2016 (recast)	2017	2016 (recast)
<b>Revenues</b>	\$ 464,264	\$ 519,617	\$ 1,412,703	\$ 1,457,233
<b>Operating expenses:</b>				
Cost of revenues, exclusive of depreciation	235,474	200,495	696,565	590,058
Business units - Selling, general and administrative expenses, exclusive of depreciation	70,914	83,039	214,645	246,280
Corporate - General and administrative expenses, exclusive of depreciation	12,881	16,027	42,462	43,865
Depreciation	15,186	13,212	41,721	42,653
Amortization of intangible assets	5,395	5,775	16,172	17,542
Asset impairment and facility consolidation charges	7,553	15,218	11,086	18,946
<b>Total</b>	<b>347,403</b>	<b>333,766</b>	<b>1,022,651</b>	<b>959,344</b>
<b>Operating income</b>	<b>116,861</b>	<b>185,851</b>	<b>390,052</b>	<b>497,889</b>
<b>Non-operating income (expense):</b>				
Equity income (loss) in unconsolidated investments, net	866	(1,198)	(1,549)	(2,763)
Interest expense	(51,855)	(57,601)	(162,113)	(175,444)
Other non-operating items	(3,671)	(11,874)	(26,853)	(16,029)
<b>Total</b>	<b>(54,660)</b>	<b>(70,673)</b>	<b>(190,515)</b>	<b>(194,236)</b>
<b>Income before income taxes</b>	<b>62,201</b>	<b>115,178</b>	<b>199,537</b>	<b>303,653</b>
Provision for income taxes	11,447	38,441	54,855	92,038
Net Income from continuing operations	50,754	76,737	144,682	211,615
(Loss) income from discontinued operations, net of tax	(10,803)	56,698	(233,261)	132,141
<b>Net income (loss)</b>	<b>39,951</b>	<b>133,435</b>	<b>(88,579)</b>	<b>343,756</b>
Net loss (income) attributable to noncontrolling interests from discontinued operations	2,806	(14,752)	58,698	(40,178)
<b>Net income (loss) attributable to TEGNA Inc.</b>	<b>\$ 42,757</b>	<b>\$ 118,683</b>	<b>\$ (29,881)</b>	<b>\$ 303,578</b>
Earnings from continuing operations per share - basic	\$ 0.24	\$ 0.36	\$ 0.67	\$ 0.98
(Loss) earnings from discontinued operations per share - basic	(0.04)	0.19	(0.81)	0.42
<b>Net income (loss) per share - basic</b>	<b>\$ 0.20</b>	<b>\$ 0.55</b>	<b>\$ (0.14)</b>	<b>\$ 1.40</b>
Earnings from continuing operations per share - diluted	\$ 0.23	\$ 0.35	\$ 0.66	\$ 0.96
(Loss) earnings from discontinued operations per share - diluted	(0.04)	0.19	(0.80)	0.42
<b>Net income (loss) per share - diluted</b>	<b>\$ 0.19</b>	<b>\$ 0.54</b>	<b>\$ (0.14)</b>	<b>\$ 1.38</b>
<b>Weighted average number of common shares outstanding:</b>				
<b>Basic shares</b>	215,863	214,813	215,558	216,865
<b>Diluted shares</b>	218,095	218,099	217,827	220,511
<b>Dividends declared per share</b>	<b>\$ 0.07</b>	<b>\$ 0.14</b>	<b>\$ 0.28</b>	<b>\$ 0.42</b>

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

**TEGNA Inc.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
*Unaudited, in thousands of dollars*

	Quarter ended Sept. 30,		Nine months ended Sept. 30,	
	2017	2016	2017	2016
Net income (loss)	\$ 39,951	\$ 133,435	\$ (88,579)	\$ 343,756
Redeemable noncontrolling interests (earnings not available to shareholders)	36	(1,353)	(2,797)	(3,628)
Other comprehensive income (loss), before tax:				
Foreign currency translation adjustments	24,764	(1,973)	34,126	(7,934)
Recognition of previously deferred post-retirement benefit plan costs	2,201	1,763	6,603	6,085
Unrealized (losses) gains on available for sale investment during the period	—	(3,743)	1,776	(8,017)
Other comprehensive income (loss), before tax	26,965	(3,953)	42,505	(9,866)
Income tax effect related to components of other comprehensive income (loss)	(752)	(688)	(2,445)	(2,368)
Other comprehensive income (loss), net of tax	26,213	(4,641)	40,060	(12,234)
Comprehensive income (loss)	66,200	127,441	(51,316)	327,894
Comprehensive income (loss) attributable to noncontrolling interests, net of tax	1,360	(12,470)	55,676	(32,813)
Comprehensive income attributable to TEGNA Inc.	<u>\$ 67,560</u>	<u>\$ 114,971</u>	<u>\$ 4,360</u>	<u>\$ 295,081</u>

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

TEGNA Inc.  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*Unaudited, in thousands of dollars*

	Nine months ended Sept. 30,	
	2017	2016
<b>Cash flows from operating activities:</b>		
Net (loss) income	\$ (88,579)	\$ 343,756
Adjustments to reconcile net income to net cash flow from operating activities:		
Depreciation and amortization	117,762	153,197
Stock-based compensation	14,189	13,216
Loss on sale of CareerBuilder	342,900	—
Other losses on sales of assets and impairment charges	19,803	24,082
Equity losses in unconsolidated investments, net	1,488	6,530
Pension (contributions), net of expense	(12,547)	2,135
Spectrum channel share agreement proceeds	32,588	—
Change in other assets and liabilities, net	(76,421)	(88,153)
<b>Net cash flow from operating activities</b>	<b>351,183</b>	<b>454,763</b>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(63,846)	(68,577)
Payments for acquisitions of businesses, net of cash acquired	—	(196,751)
Payments for investments	(2,778)	(19,132)
Proceeds from sale of CareerBuilder, net of \$36,581 cash transferred	198,342	—
Proceeds from investments	15,122	10,127
Proceeds from sale of assets	5,659	1,024
<b>Net cash flow from (used for) investing activities</b>	<b>152,499</b>	<b>(273,309)</b>
<b>Cash flows from financing activities:</b>		
(Payments) proceeds of borrowings under revolving credit facilities, net	(635,000)	10,000
Proceeds from Cars.com borrowings	675,000	—
Proceeds from other borrowings	—	300,000
Debt repayments	(99,185)	(249,592)
Payments of debt issuance costs	(6,208)	(1,684)
Dividends paid	(75,109)	(91,627)
Repurchases of common stock	(8,453)	(150,917)
Distributions to noncontrolling membership interests	(22,980)	—
Cash transferred to the Cars.com business	(20,133)	—
Other, net	(5,180)	(19,505)
<b>Net cash flow used for financing activities</b>	<b>(197,248)</b>	<b>(203,325)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>306,434</b>	<b>(21,871)</b>
Cash and cash equivalents from continuing operations, beginning of period	15,879	26,096
Cash and cash equivalents from discontinued operations, beginning of period	61,041	103,104
<b>Balance of cash and cash equivalents, beginning of period</b>	<b>76,920</b>	<b>129,200</b>
Cash and cash equivalents from continuing operations, end of period	383,354	19,185
Cash and cash equivalents from discontinued operations, end of period	—	88,144
<b>Balance of cash and cash equivalents, end of period</b>	<b>\$ 383,354</b>	<b>\$ 107,329</b>
<b>Supplemental cash flow information:</b>		
Cash paid for income taxes, net of refunds	\$ 104,422	\$ 145,052
Cash paid for interest	\$ 133,752	\$ 153,510

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

**NOTE 1 – Basis of presentation**

**Basis of presentation:** Our accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial reporting, the instructions for Form 10-Q and Article 10 of the U.S. Securities and Exchange Commission (SEC) Regulation S-X. Accordingly, they do not include all information and footnotes which are normally included in the Form 10-K and annual report to shareholders. In our opinion, the condensed consolidated financial statements reflect all adjustments of a normal recurring nature necessary for a fair presentation of results for the interim periods presented. The condensed consolidated financial statements should be read in conjunction with our (or “TEGNA’s”) audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2016.

The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Actual results could differ from these estimates. Significant estimates include, but are not limited to, evaluation of goodwill and other intangible assets for impairment, fair value measurements, post-retirement benefit plans, income taxes including deferred taxes, and contingencies. The condensed consolidated financial statements include the accounts of subsidiaries we control and variable interest entities (VIEs) if we are the primary beneficiary. We eliminate all intercompany balances, transactions, and profits in consolidation. Investments in entities over which we have significant influence, but do not have control, are accounted for under the equity method. Our share of net earnings and losses from these ventures is included in “Equity (loss) income in unconsolidated investments, net” in the Consolidated Statements of Income. In addition, certain reclassifications have been made to prior years’ consolidated Statements of Income to conform to the current year’s presentation.

On May 31, 2017, we completed the spin-off of our digital automotive marketplace business, Cars.com. In addition, on July 31, 2017, we completed the sale of our majority ownership stake in CareerBuilder. Our digital marketing services (DMS) business is now reported within our Media business. As a result of these strategic actions, we have disposed of substantially all of our Digital Segment business and have therefore classified its historical financial results as discontinued operations. See Note 12, “Discontinued Operations”, for further details regarding the spin-off of Cars.com and the sale of CareerBuilder and the impact of each transaction on our condensed consolidated financial statements.

**Accounting guidance adopted in 2017:** In March 2017, the Financial Accounting Standards Board (FASB) issued new guidance that changes the presentation of net periodic pension and other post-retirement benefit costs (post-retirement benefit costs) in the Consolidated Statements of Income. Under this new guidance, the service cost component of the post-retirement benefit expense will continue to be presented as an operating expense while all other components of post-retirement benefit expense will be presented as non-operating expense. Previously, all components of post-retirement benefit expense were presented as operating expense in the Consolidated Statements of Income. The FASB permitted early adoption of this guidance, and we elected to early adopt in the first quarter of 2017. We believe the new guidance provides enhanced financial reporting by limiting operating expense classification to the service cost component of post-retirement benefit expense. Service cost is the component of the expense that relates to services provided by employees in the current period and thus better reflects the current continuing operating costs. Changes to the classification of Consolidated Statements of Income amounts resulting from the new guidance were made on a retrospective basis, wherein each period presented was adjusted to reflect the effects of applying the new guidance. We utilized amounts previously disclosed in our retirement plan footnote to retrospectively apply the guidance. As a result of adopting this guidance, operating expenses in the third quarter and for the first nine months of 2017 were lower by \$1.7 million and \$4.9 million, respectively, while non-operating expenses were higher by the same amounts. In 2016, operating expenses in the third quarter and first nine months were reduced by \$1.8 million and \$5.8 million, respectively, with corresponding increases in non-operating expenses as a result of adopting this new guidance. Net income, earnings per share, and retained earnings were not impacted by the new guidance.

In January 2017, the FASB issued guidance that eliminates the requirement to calculate the implied fair value of goodwill (i.e., Step 2 of the goodwill impairment test) to measure a goodwill impairment charge. Instead, companies will record an impairment charge based on the excess of a reporting unit’s carrying amount over its fair value (i.e., measure the charge based on Step 1 of the impairment test). The FASB permitted early adoption of this guidance, and we elected to early adopt in the second quarter of 2017 in connection with the calculation of CareerBuilder’s goodwill impairment charge, discussed in Note 12.

**New accounting pronouncements not yet adopted:** In May 2014, the FASB issued new guidance related to revenue recognition. Under the new guidance, recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. In addition, the guidance requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

We will adopt the guidance beginning January 1, 2018. The two permitted transition methods are the full retrospective method, in which case the guidance would be applied to each prior reporting period presented and the cumulative effect of applying the guidance would be recognized at the earliest period shown; and the modified retrospective method, in which case



the cumulative effect of applying the guidance would be recognized at the date of initial application. We will adopt the guidance using the modified retrospective method.

While we continue to evaluate the full impact of the guidance, we do not believe that it will have a material impact on our consolidated financial statements. We are in the process of evaluating the other requirements of the new standard, which may result in additional revenue related disclosures.

Based on our evaluation performed to date, we believe that 90% of our revenues will not be materially impacted by the new guidance. Specifically, our television spot advertising contracts, which comprised approximately 60% of 2016 revenue are short-term in nature with transaction price consideration agreed upon in advance. We expect revenue will continue to be recognized when commercials are aired. Further, we expect that subscription revenue earned under retransmission agreements will be recognized under the licensing of intellectual property guidance in the standard, which will not have a material change to our current revenue recognition. Subscription revenue comprised approximately 30% of 2016 revenue. We continue to evaluate the impact to our online digital and other services revenue (which represents approximately 10% of our revenues).

In February 2016, the FASB issued new guidance related to leases which will require lessees to recognize assets and liabilities on the balance sheet for leases with lease terms of more than 12 months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a finance or operating lease. However, unlike current GAAP—which requires only capital leases to be recognized on the balance sheet—the new guidance will require both types of leases to be recognized on the balance sheet. The new guidance is effective for us beginning in the first quarter of 2019 and will be adopted using a modified retrospective approach. We are currently evaluating the effect it is expected to have on our consolidated financial statements and related disclosures.

In June 2016, the FASB issued new guidance related to the measurement of credit losses on financial instruments. The new guidance changes the way credit losses on accounts receivable are estimated. Under current GAAP, credit losses on accounts receivable are recognized once it is probable that such losses will occur. Under the new guidance, we will be required to estimate credit losses based on the expected amount of future collections which may result in earlier recognition of allowance for doubtful accounts. The new guidance is effective for public companies beginning in the first quarter of 2020 and will be adopted using a modified retrospective approach. We are currently evaluating the effect this new guidance will have on our consolidated financial statements and related disclosures.

In August 2016, the FASB issued new guidance which clarifies several specific cash flow classification issues. The objective of the new guidance is to reduce the existing diversity in practice in how these cash flows are presented in the statement of cash flows. The standard is effective for us beginning in the first quarter of 2018 and early adoption is permitted. One classification change we will make when we adopt the standard relates to payments made for premiums, fees paid to lenders and other related third party costs when debt is repaid early. Under the new guidance these payments will be classified as financing cash outflows (we have historically classified these types of cash payments as operating outflows).

## NOTE 2 – Goodwill and other intangible assets

The following table displays goodwill, indefinite-lived intangible assets, and amortizable intangible assets as of September 30, 2017 and December 31, 2016 (in thousands):

	Sept. 30, 2017		Dec. 31, 2016	
	Gross	Accumulated Amortization	Gross (recast)	Accumulated Amortization (recast)
Goodwill	\$ 2,579,417	\$ —	\$ 2,579,417	\$ —
Indefinite-lived intangibles:				
Television station FCC licenses	1,191,950	—	1,191,950	—
Amortizable intangible assets:				
Retransmission agreements	110,191	(58,586)	110,191	(47,280)
Network affiliation agreements	43,485	(18,139)	43,485	(14,445)
Other	15,763	(5,997)	15,763	(4,825)
Total indefinite-lived and amortizable intangible assets	\$ 1,361,389	\$ (82,722)	\$ 1,361,389	\$ (66,550)

Our retransmission agreements and network affiliation agreements are amortized on a straight-line basis over their estimated useful lives. Other intangibles primarily include customer relationships which are amortized on a straight-line basis over their useful lives. During the second quarter of 2017, we recorded a goodwill impairment charge within discontinued operations related to our former CareerBuilder reporting unit. See Note 12 for further discussion.

### NOTE 3 – Investments and other assets

Our investments and other assets consisted of the following as of September 30, 2017, and December 31, 2016 (in thousands):

	Sept. 30, 2017	Dec. 31, 2016
		(recast)
Cash value life insurance	\$ 60,873	\$ 64,134
Deferred compensation investments	28,593	23,715
Equity method investments	35,599	18,016
Available for sale investment	—	16,744
Deferred debt issuance cost	7,008	9,856
Other long term assets	41,146	48,151
Total	<u>\$ 173,219</u>	<u>\$ 180,616</u>

*Deferred compensation investments:* Employee compensation-related investments consist of debt and equity securities which are classified as trading securities and fund our deferred compensation plan liabilities.

*Equity method investments:* Investments over which we have the ability to exercise significant influence but do not control, are accounted for under the equity method of accounting. Significant influence typically exists when we own between 20% and 50% of the voting interests in a corporation, own more than a minimal investment in a limited liability company, or hold substantial management rights in the investee. Under this method of accounting, our share of the net earnings or losses of the investee is included in non-operating income on our Consolidated Statements of Income. We evaluate our equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may be impaired. If a decline in the value of an equity method investment is determined to be other than temporary, a loss equal to the excess of carrying value over fair value is recorded in earnings in the current period. Certain differences exist between our investment carrying value and the underlying equity of the investee companies, principally due to fair value measurement at the date of investment acquisition and due to impairment charges we recorded for certain investments. As part of the agreement to sell the majority of CareerBuilder, we retained an investment of approximately 17% (or approximately 12% on a fully-diluted basis) in the entity. Our ownership stake provides us with two seats on CareerBuilder's board of directors and thus we concluded that we have significant influence over the entity and have classified our investment as an equity method investment. In the third quarter of 2017, we recorded \$0.5 million of equity earnings from our CareerBuilder investment.

On October 18, 2017, we closed on the sale of our equity investment in Livestream, a business specializing in live video streaming. Our share of the sale proceeds was \$21.4 million.

*Available for sale investment:* Our investment in Gannett Co., Inc., common stock, was sold in its entirety during the third quarter of 2017. Proceeds from the sale were \$14.6 million and for the three months and nine months ended September 30, 2017 we recorded losses of \$0.4 million and \$3.9 million, respectively. These losses are reflected in the Other non-operating items, in the accompanying Consolidated Statements of Income.

*Other long term assets:* During the second quarter of 2017, we recognized a \$5.8 million loss associated with a write-off of a note receivable from one of our equity method investments. This loss is reflected in Other non-operating items, in the accompanying Consolidated Statements of Income. The loss was a result of a decision made during the second quarter of 2017 by the investee's board of directors to discontinue the business, and the investee not having sufficient funds to repay the full note at that time.

*Cost method investments:* The carrying value of cost method investments was \$15.3 million as of September 30, 2017 and \$14.8 million as of December 31, 2016, and is included within other long term assets in the table above.

### NOTE 4 – Income taxes

The total amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate was approximately \$9.7 million as of September 30, 2017, and \$10.8 million as of December 31, 2016. The amount of accrued interest and penalties payable related to unrecognized tax benefits was \$1.2 million as of September 30, 2017, and \$1.5 million as of December 31, 2016.

It is reasonably possible that the amount of unrecognized benefits with respect to certain of our unrecognized tax positions will increase or decrease within the next 12 months. These changes may be the result of settlement of ongoing audits, lapses of statutes of limitations or other regulatory developments. At this time, we estimate the amount of gross unrecognized tax positions may be reduced by up to approximately \$3.5 million within the next 12 months primarily due to lapses of statutes of limitations and settlement of ongoing audits in various jurisdictions.

**NOTE 5 – Long-term debt**

Our long-term debt is summarized below (in thousands):

	<u>Sept. 30, 2017</u>	<u>Dec. 31, 2016</u>
Unsecured floating rate term loan due quarterly through August 2018	\$ 28,400	\$ 52,100
VIE unsecured floating rate term loans due quarterly through December 2018	808	1,292
Unsecured floating rate term loan due quarterly through June 2020	110,000	140,000
Unsecured floating rate term loan due quarterly through September 2020	240,000	285,000
Borrowings under revolving credit agreement expiring June 2020	—	635,000
Unsecured notes bearing fixed rate interest at 5.125% due October 2019	600,000	600,000
Unsecured notes bearing fixed rate interest at 5.125% due July 2020	600,000	600,000
Unsecured notes bearing fixed rate interest at 4.875% due September 2021	350,000	350,000
Unsecured notes bearing fixed rate interest at 6.375% due October 2023	650,000	650,000
Unsecured notes bearing fixed rate interest at 5.50% due September 2024	325,000	325,000
Unsecured notes bearing fixed rate interest at 7.75% due June 2027	200,000	200,000
Unsecured notes bearing fixed rate interest at 7.25% due September 2027	240,000	240,000
<b>Total principal long-term debt</b>	<b>3,344,208</b>	<b>4,078,392</b>
Debt issuance costs	(23,462)	(27,615)
Other (fair market value adjustments and discounts)	(4,934)	(7,382)
<b>Total long-term debt</b>	<b>3,315,812</b>	<b>4,043,395</b>
Less current portion of long-term debt maturities	280,646	646
<b>Long-term debt, net of current portion</b>	<b>\$ 3,035,166</b>	<b>\$ 4,042,749</b>

In connection with and prior to the completion of the spin-off, Cars.com borrowed an aggregate principal amount of approximately \$675.0 million under a revolving credit facility agreement. The proceeds were used to make a tax-free distribution of \$650.0 million from Cars.com to TEGNA. In the second quarter of 2017, TEGNA used \$609.9 million of the tax-free distribution proceeds to fully pay down our then-outstanding revolving credit agreement borrowings plus accrued interest. As of September 30, 2017, we had an unused borrowing capacity of \$1.5 billion under our revolving credit facility.

As a result of the sale of our majority ownership stake in CareerBuilder we received cash proceeds of \$198.3 million, net of cash transferred of \$36.6 million. Additionally, during the third quarter of 2017 and prior to the closing of the sale, CareerBuilder issued a final cash dividend to its selling shareholders, of which \$25.8 million was retained by TEGNA.

On October 16, 2017, we used the net proceeds from the CareerBuilder sale, as well as the remaining cash distribution from Cars.com and other cash on hand to retire \$280.0 million of principal of our unsecured notes due in October 2019 on an accelerated basis. This principal amount was classified as current debt at the end of the third quarter of 2017 due to our intention to retire it in October 2017.

On August 1, 2017, we amended our Amended and Restated Competitive Advance and Revolving Credit Agreement. Under the amended terms, our maximum total leverage ratio will remain at 5.0x through June 30, 2018, after which, as amended, it will be reduced to 4.75x through June 2019 and then to 4.5x until the expiration date of the credit agreement on June 29, 2020.

**NOTE 6 – Retirement plans**

Our principal defined benefit pension plan is the TEGNA Retirement Plan (TRP). The disclosure table below includes the pension expenses of the TRP and the TEGNA Supplemental Retirement Plan (SERP). The total net pension obligations, both current and non-current liabilities, as of September 30, 2017, were \$199.0 million (\$31.0 million is recorded as a current obligation within accrued liabilities on the Condensed Consolidated Balance Sheet).

Our pension costs, which include costs for the qualified TRP plan and the nonqualified SERP plan, are presented in the following table (in thousands):

	<u>Quarter ended Sept. 30,</u>		<u>Nine months ended Sept. 30,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Service cost-benefits earned during the period	\$ 218	\$ 204	\$ 654	\$ 612
Interest cost on benefit obligation	5,990	6,449	17,971	19,636
Expected return on plan assets	(6,580)	(6,691)	(19,741)	(20,073)
Amortization of prior service cost	159	165	476	505
Amortization of actuarial loss	2,081	1,846	6,242	5,740
Expense for company-sponsored retirement plans	<u>\$ 1,868</u>	<u>\$ 1,973</u>	<u>\$ 5,602</u>	<u>\$ 6,420</u>

The service cost component of our pension expense is recorded within the operating expense line items Cost of revenue, Business units - Selling, general and administrative, and Corporate - General and administrative within the Consolidated Statements of Income. All other components of the pension expense are included within the Other non-operating items line item of the Consolidated Statements of Income.

During the nine months ended September 30, 2017 we made \$10.9 million in cash contributions to the TRP, and plan to make additional contributions of \$1.7 million to the TRP during the fourth quarter of 2017. We did not make any contributions to the TRP in 2016. During the nine months ended September 30, 2017 and 2016, we made benefit payments to participants of the SERP of \$7.2 million and \$4.2 million, respectively.

**NOTE 7 – Supplemental equity information**

The following table summarizes equity account activity for the nine months ended September 30, 2017 and 2016 (in thousands):

	TEGNA Inc. Shareholders' Equity	Noncontrolling Interests	Total Equity
Balance at Dec. 31, 2016	\$ 2,271,418	\$ 281,587	\$ 2,553,005
Comprehensive income:			
Net loss	(29,881)	(58,698)	(88,579)
Redeemable noncontrolling interests (income not available to shareholders)	—	(2,797)	(2,797)
Other comprehensive income	34,241	5,819	40,060
Total comprehensive income (loss)	4,360	(55,676)	(51,316)
Dividends declared	(60,121)	—	(60,121)
Stock-based compensation	14,189	—	14,189
Treasury shares acquired	(8,453)	—	(8,453)
Spin-off of Cars.com	(1,510,851)	—	(1,510,851)
Deconsolidation of CareerBuilder	—	(225,911)	(225,911)
Other activity, including shares withheld for employee taxes	(4,667)	—	(4,667)
Balance at Sept. 30, 2017	<u>\$ 705,875</u>	<u>\$ —</u>	<u>\$ 705,875</u>
Balance at Dec. 31, 2015	\$ 2,191,971	\$ 264,773	\$ 2,456,744
Comprehensive income:			
Net income	303,578	40,178	343,756
Redeemable noncontrolling interests (income not available to shareholders)	—	(3,628)	(3,628)
Other comprehensive (loss)	(8,497)	(3,737)	(12,234)
Total comprehensive income	295,081	32,813	327,894
Dividends declared	(90,755)	—	(90,755)
Stock-based compensation	13,216	—	13,216
Treasury shares acquired	(150,917)	—	(150,917)
Spin-off of Publishing businesses	(39,456)	—	(39,456)
Other activity, including shares withheld for employee taxes	(17,645)	(2,923)	(20,568)
Balance at Sept. 30, 2016	<u>\$ 2,201,495</u>	<u>\$ 294,663</u>	<u>\$ 2,496,158</u>

The following table summarizes the components of, and the changes in, Accumulated Other Comprehensive Loss (AOCL), net of tax and noncontrolling interests (in thousands):

	Retirement Plans	Foreign Currency Translation (1)	Other	Total
<b>Quarters Ended:</b>				
Balance at June 30, 2017	\$ (124,632)	\$ (23,608)	\$ 2,364	\$ (145,876)
Other comprehensive income before reclassifications	—	1,428	—	1,428
Amounts reclassified from AOCL	1,351	22,024	—	23,375
Other comprehensive income	1,351	23,452	—	24,803
Balance at Sept. 30, 2017	<u>\$ (123,281)</u>	<u>\$ (156)</u>	<u>\$ 2,364</u>	<u>\$ (121,073)</u>
<b>Quarters Ended:</b>				
Balance at June 30, 2016	\$ (113,854)	\$ (23,282)	\$ 1,400	\$ (135,736)
Other comprehensive loss before reclassifications	—	(1,043)	(3,743)	(4,786)
Amounts reclassified from AOCL	1,075	—	—	1,075
Other comprehensive income (loss)	1,075	(1,043)	(3,743)	(3,711)
Balance at Sept. 30, 2016	<u>\$ (112,779)</u>	<u>\$ (24,325)</u>	<u>\$ (2,343)</u>	<u>\$ (139,447)</u>

	Retirement Plans	Foreign Currency Translation (1)	Other	Total
<b>Nine Months Ended:</b>				
Balance at Dec. 31, 2016	\$ (127,341)	\$ (28,560)	\$ (5,672)	\$ (161,573)
Other comprehensive income (loss) before reclassifications	—	6,380	(1,707)	4,673
Amounts reclassified from AOCL	4,060	22,024	9,743	35,827
Other comprehensive income	4,060	28,404	8,036	40,500
Balance at Sept. 30, 2017	<u>\$ (123,281)</u>	<u>\$ (156)</u>	<u>\$ 2,364</u>	<u>\$ (121,073)</u>
<b>Nine Months Ended:</b>				
Balance at Dec. 31, 2015	\$ (116,496)	\$ (20,129)	\$ 5,674	\$ (130,951)
Other comprehensive loss before reclassifications	—	(4,196)	(8,017)	(12,213)
Amounts reclassified from AOCL	3,717	—	—	3,717
Other comprehensive income (loss)	3,717	(4,196)	(8,017)	(8,496)
Balance at Sept. 30, 2016	<u>\$ (112,779)</u>	<u>\$ (24,325)</u>	<u>\$ (2,343)</u>	<u>\$ (139,447)</u>

(1) Our entire foreign currency translation adjustment is related to our CareerBuilder investment. As a result of deconsolidating the investment due to the sale of our majority ownership, we reclassified the translation adjustment from AOCL to the Consolidated Statement of Income as of the date of sale, July 31, 2017. Due to the noncontrolling stake that we retained in CareerBuilder, we will continue to record our ownership share of foreign currency translation adjustments through our equity method investment.

Reclassifications from AOCL to the Statement of Income are comprised of pension and other post-retirement components and a loss on our available for sale investment. Pension and other post retirement reclassifications are related to the amortization of prior service costs and amortization of actuarial losses. The loss on our available for sale investments represents an other than temporary impairment (OTTI) recognized on our investment in shares of common stock of Gannett Co., Inc. in the second quarter of 2017. The OTTI loss represents the amount of loss previously recorded to AOCL which was recognized as a non-operating expense on the Consolidated Statement of Income due to the fact that we did not expect the investment to fully recover the losses prior to our sale of it. We sold the entirety of our investment in Gannett Co., Inc. common stock in the third quarter of 2017. Amounts reclassified out of AOCL are summarized below (in thousands):

	Quarter ended Sept. 30,		Nine months ended Sept. 30,	
	2017	2016	2017	2016
Amortization of prior service (credit) cost	\$ 16	\$ (22)	\$ 48	\$ 108
Amortization of actuarial loss	2,185	1,785	6,555	5,977
Reclassification of CareerBuilder foreign currency translation	22,024	—	22,024	—
Reclassification of available for sale investment	—	—	9,743	—
Total reclassifications, before tax	24,225	1,763	38,370	6,085
Income tax effect	(850)	(688)	(2,543)	(2,368)
Total reclassifications, net of tax	\$ 23,375	\$ 1,075	\$ 35,827	\$ 3,717

#### NOTE 8 – Earnings per share

Our earnings per share (basic and diluted) are presented below (in thousands of dollars, except per share amounts):

	Quarter ended Sept. 30,		Nine months ended Sept. 30,	
	2017	2016	2017	2016
Net income from continuing operations	\$ 50,754	\$ 76,737	\$ 144,682	\$ 211,615
(Loss) income from discontinued operations, net of tax	(10,803)	56,698	(233,261)	132,141
Net loss (income) attributable to noncontrolling interests from discontinued operations	2,806	(14,752)	58,698	(40,178)
Net income (loss) attributable to TEGNA Inc.	\$ 42,757	\$ 118,683	\$ (29,881)	\$ 303,578
Weighted average number of common shares outstanding - basic	215,863	214,813	215,558	216,865
<i>Effect of dilutive securities:</i>				
Restricted stock units	828	1,630	880	1,662
Performance share units	721	775	674	1,049
Stock options	683	881	715	935
Weighted average number of common shares outstanding - diluted	218,095	218,099	217,827	220,511
Earnings from continuing operations per share - basic	\$ 0.24	\$ 0.36	\$ 0.67	\$ 0.98
(Loss) earnings from discontinued operations per share - basic	(0.04)	0.19	(0.81)	0.42
Net income (loss) per share - basic	\$ 0.20	\$ 0.55	\$ (0.14)	\$ 1.40
Earnings from continuing operations per share - diluted	\$ 0.23	\$ 0.35	\$ 0.66	\$ 0.96
(Loss) earnings from discontinued operations per share - diluted	(0.04)	0.19	(0.80)	0.42
Net income (loss) per share - diluted	\$ 0.19	\$ 0.54	\$ (0.14)	\$ 1.38

Our calculation of diluted earnings per share includes the impact of the assumed vesting of outstanding restricted stock units, performance share units, and the exercise of outstanding stock options based on the treasury stock method when dilutive. The diluted earnings per share amounts exclude the effects of approximately 96,000 and 142,000 stock awards for the three and nine months ended September 30, 2017, respectively; and 192,000 and 292,000 for the three and nine months ended September 30, 2016, respectively, as their inclusion would be accretive to earnings per share.

## NOTE 9 – Fair value measurement

We measure and record in the accompanying condensed consolidated financial statements certain assets and liabilities at fair value. U.S. GAAP establishes a hierarchy for those instruments measured at fair value that distinguishes between market data (observable inputs) and our own assumptions (unobservable inputs). The hierarchy consists of three levels:

Level 1 - Quoted market prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than Level 1 inputs that are either directly or indirectly observable; and

Level 3 - Unobservable inputs developed using our own estimates and assumptions, which reflect those that a market participant would use.

The following table summarizes our assets and liabilities measured at fair value in the accompanying Condensed Consolidated Balance Sheets as of September 30, 2017, and December 31, 2016 (in thousands):

	Fair Value Measurements as of Sept. 30, 2017			
	Level 1	Level 2	Level 3	Total
Available for sale investment	—	—	—	—
Total	\$ —	\$ —	\$ —	\$ —
Deferred compensation investments valued using net asset value as a practical expedient:				
Interest in registered investment companies				\$ 14,921
Fixed income fund				13,672
Total investments at fair value				\$ 28,593

	Fair Value Measurements as of Dec. 31, 2016 (recast)			
	Level 1	Level 2	Level 3	Total
Available for sale investment	16,744	—	—	16,744
Total	\$ 16,744	\$ —	\$ —	\$ 16,744
Deferred compensation investments valued using net asset value as a practical expedient:				
Interest in registered investment companies				\$ 10,140
Fixed income fund				13,575
Total investments at fair value				\$ 40,459

*Available for sale investment:* Our investment previously consisted of shares of common stock of Gannett Co., Inc., which had been classified as a Level 1 asset as the shares are listed on the New York Stock Exchange. During the second quarter of 2017 we recorded an OTTI loss in the non-operating items line item of the Consolidated Statement of Income, and in the third quarter of 2017 we sold the investment in its entirety.

*Interest in registered investment companies:* These investments include one fund which invests in intermediate-term investment grade bonds and a fund which invests in equities listed predominantly on European and Asian exchanges. Funds are valued using the net asset values as quoted through publicly available pricing sources and investments are redeemable on request.

*Fixed income fund investment:* Valued using the net asset value provided monthly by the fund company and shares are generally redeemable on request. There are no unfunded commitments to these investments as of September 30, 2017.

In addition to the financial instruments listed in the table above, we hold other financial instruments, including cash and cash equivalents, receivables, accounts payable and debt. The carrying amounts for cash and cash equivalents, receivables and accounts payable approximated their fair values. The fair value of our total debt, based on the bid and ask quotes for the related debt (Level 2), totaled \$3.49 billion at September 30, 2017, and \$4.19 billion at December 31, 2016.

The sale of the majority of our ownership in CareerBuilder resulted in a \$342.9 million pre-tax loss recorded within discontinued operations (see Note 12). The loss includes a goodwill impairment charge of \$332.9 million. The valuation used in



the Step 1 goodwill impairment test was based on the enterprise value determined in the purchase agreement (which represents a Level 3 input in the fair value hierarchy).

During the third quarter of 2017, a few of our television stations were impacted by hurricanes Harvey and Irma. In particular, Hurricane Harvey caused major damage to our Houston television station (KHOU), and as a result, we recognized \$10.2 million in non-cash charges, writing off destroyed equipment and recording an impairment to the value of the building (fair value of the building was determined using a market based valuation). In addition, we incurred \$8.4 million in cash expenses related to repairing the studio and office and providing for additional staffing and operational needs to keep the station operating during and immediately following these weather emergencies. Partially offsetting these expenses, we received initial insurance proceeds of \$11.0 million (\$5.0 million was received as of September 30, 2017 and \$6.0 million was received in October 2017). The net expense impact from the hurricane of \$7.6 million has been recorded in asset impairment and facility consolidation charges on our Consolidated Statements of Income.

We also recorded a non-cash impairment charge of \$5.8 million in the second quarter of 2017 associated with the write-off of a note receivable from one of our equity method investments (see Note 3).

## NOTE 10 – Business segment information

Our reportable segment determination is based on our management and internal reporting structure, the nature of products and services offered by the segments, and the financial information that is evaluated regularly by our chief operating decision maker.

Immediately following the spin-off of Cars.com and the sale of our majority stake in CareerBuilder, we began classifying our operations as one operating and reportable segment, Media, which consists of our 46 television stations operating in 38 markets, offering high-quality television programming and digital content. Also now included in the Media Segment is our DMS business which was previously reported in our Digital Segment.

As a result of classifying the former Digital Segment's historical financial results as discontinued operations there is no remaining activity in 2017 as shown in the tables below. The 2016 activity shown below for our Digital Segment relates to our former Cofactor business which did not meet the criteria for discontinued operation reporting when the business was sold in December 2016. The historical periods below have also been updated to restate the historical results of our DMS business within our Media business.

Segment operating results are summarized as follows (in thousands):

	Quarter ended Sept. 30,		Nine months ended Sept. 30,	
	2017	2016 (recast)	2017	2016 (recast)
<b>Revenues:</b>				
Media	\$ 464,264	\$ 517,021	\$ 1,412,703	\$ 1,449,202
Digital	—	2,596	—	8,031
<i>Total</i>	<u>\$ 464,264</u>	<u>\$ 519,617</u>	<u>\$ 1,412,703</u>	<u>\$ 1,457,233</u>
<b>Operating Income (net of depreciation, amortization, asset impairment and facility consolidation charges):</b>				
Media <sup>(a)</sup>	\$ 130,338	\$ 219,766	\$ 433,629	\$ 568,163
Digital	—	(17,832)	—	(23,300)
Corporate <sup>(a)</sup>	(13,477)	(16,083)	(43,577)	(46,974)
<i>Total</i>	<u>\$ 116,861</u>	<u>\$ 185,851</u>	<u>\$ 390,052</u>	<u>\$ 497,889</u>
<b>Depreciation, amortization, asset impairment and facility consolidation charges:</b>				
Media	\$ 27,538	\$ 18,583	\$ 67,864	\$ 59,735
Digital	—	15,565	—	16,297
Corporate	596	57	1,115	3,109
<i>Total</i>	<u>\$ 28,134</u>	<u>\$ 34,205</u>	<u>\$ 68,979</u>	<u>\$ 79,141</u>

(a) In the first quarter of 2017, we adopted new accounting guidance that changed the classification of certain components of net periodic pension and other post-retirement benefit expense (post-retirement benefit expense). The service cost component of the post-retirement benefit expense will continue to be presented as an operating expense while all other components of post-retirement benefit expense will be presented as non-operating expense. The prior year period was adjusted to reflect the effects of applying the new guidance. This resulted in an increase to operating income in third quarter of 2017 and 2016 of \$1.7 million and \$1.8 million and for the nine months ended September 30, 2017 and 2016 of \$4.9 million and \$5.8 million, respectively. Net income, earnings per share, and retained earnings were not impacted by the new standard.

## **NOTE 11 – Other matters**

### **Commitments, contingencies and other matters**

We, along with a number of our subsidiaries, are defendants in judicial and administrative proceedings involving matters incidental to our business. We do not believe that any material liability will be imposed as a result of these matters.

### **Voluntary Retirement Program**

During the first quarter of 2016, we initiated a Voluntary Retirement Program (VRP) at our Media Segment. Under the VRP, Media employees meeting certain eligibility requirements were offered buyout payments in exchange for voluntarily retiring. Eligible non-union employees had until April 7, 2016, to retire under the plan. In 2016, based on acceptances received, we recorded \$16.0 million of severance expense. Upon separation, employees accepting the VRP received salary continuation payments primarily based on years of service, the majority of which occurred evenly over the 12-month period following separation date. As of September 30, 2017, we had less than \$0.4 million of VRP buyout obligation remaining.

### **FCC Broadcast Spectrum Program**

Congress authorized the Federal Communications Commission (FCC) to conduct a voluntary incentive auction to reallocate certain spectrum currently occupied by television broadcast stations to mobile wireless broadband services, along with a related “repacking” of the television spectrum for remaining television stations. The repacking requires that certain television stations move to different channels, and some stations will have smaller service areas and/or experience additional interference. Congress announced the results of the auction, including a list of the stations to be repacked, in April 2017. None of our stations will relinquish any spectrum rights as a result of the auction, and accordingly we will not receive any incentive auction proceeds. The FCC has, however, notified us that 13 of our stations will be repacked to new channels. The repacking process is scheduled to occur over a 39-month period, divided into ten phases. Our stations have been assigned to phases two through nine, and a majority of our capital expenditures in connection with the repack will occur in 2018 and 2019.

We are eligible to seek reimbursement for costs associated with implementing changes to our facilities required by the repack. The legislation authorizing the incentive auction and repacking established a \$1.75 billion fund for reimbursement of costs incurred by stations required to change channels in the repacking. The FCC has reported that the aggregate cost estimated by repacked stations to complete the repack will be almost \$1.9 billion. In October 2017, the FCC announced that it had made an approximately \$1 billion allocation from the fund to repacked stations to allow those stations to begin to be reimbursed for expenses incurred in connection with the construction of facilities on reassigned channels. This allocation represents approximately 52% of the total estimated demand for repack funds. Although we expect the FCC to make additional allocations from the fund, it is not clear at this time whether the FCC ultimately will receive from Congress the additional funds necessary to completely reimburse each repacked station for all amounts incurred in connection with the repack. Beyond the potential for not being reimbursed for all amounts we incur, it is still too early to predict the ultimate impact of the incentive auction and repacking upon our business.

As noted above, while we did not sell any of our spectrum in the auction, we did enter into a channel share agreement with another broadcaster that sold spectrum in the auction. Pursuant to the terms of our channel share agreement we received \$32.6 million in cash proceeds during the third quarter of 2017. These proceeds were deferred and will be amortized on a straight-line basis as other revenue over a 20 year period. The \$32.6 million cash proceeds were reflected as cash flow from operating activities on our Condensed Consolidated Statements of Cash Flow.

## **NOTE 12 – Discontinued operations**

### **Cars.com spin-off**

On May 31, 2017, we completed the previously announced spin-off of Cars.com creating two publicly traded companies: TEGNA, an innovative media company with the largest broadcast group among major network affiliates in the top 25 markets; and Cars.com, a leading digital automotive marketplace. The spin-off was effected through a pro rata distribution of all outstanding common shares of Cars.com to TEGNA stockholders of record at the close of business on May 18, 2017 (the “Record Date”). Stockholders retained their TEGNA shares and received one share of Cars.com for every three shares of TEGNA stock they owned on the Record Date. Cars.com began “regular way” trading on the New York Stock Exchange on June 1, 2017 under the symbol “CARS”. In connection with the Cars.com spin-off, we received a one time tax-free cash distribution from Cars.com of \$650.0 million. In the second quarter of 2017, we used \$609.9 million of the tax-free distribution proceeds to fully pay down outstanding revolving credit agreement borrowings. In October 2017, we used the remainder of the proceeds to pay down a portion of the outstanding principal on unsecured notes due in October 2019 (see Note 5).

### *Separation Agreement*

We entered into a separation agreement with Cars.com which sets forth, among other things, the identified assets transferred, the liabilities assumed and the contracts assigned to each of TEGNA and Cars.com as part of the separation and the conditions related to the distribution of Cars.com outstanding stock to TEGNA stockholders.

### *Transition Services Agreement*

We entered into a transition services agreement with Cars.com prior to the distribution pursuant to which we and our subsidiaries will provide certain services to Cars.com on an interim and transitional basis, not to exceed 24 months. The services to be provided include certain tax, human resource and risk management consulting services, and certain other short term services to complete a limited number of ongoing analysis projects. The agreed upon charges for such services are generally intended to allow us to recover all costs and expenses of providing such services, and such charges are not expected to be material to either us or Cars.com.

The transition services agreement will terminate on the expiration of the term of the last service provided under it, with a minimum service period of 60 days and a maximum service period of 24 months, with most services expected to last for less than the maximum service period following the distribution date. Cars.com generally can terminate a particular service prior to the scheduled expiration date, subject generally to the minimum service period and a minimum notice period of 45 days.

### *Tax Matters Agreement*

Prior to the distribution, we entered into a tax matters agreement that governs the parties' respective rights, responsibilities and obligations with respect to taxes (including taxes arising in the ordinary course of business and taxes, if any, incurred as a result of any failure of the distribution and certain related transactions to qualify as tax-free for U.S. federal income tax purposes), tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and assistance and cooperation in respect of tax matters.

### *Employee Matters Agreement*

We entered into an employee matters agreement with Cars.com prior to the distribution to allocate liabilities and responsibilities relating to employment matters, employee compensation and benefit plans and programs and other related matters. The employee matters agreement governs certain compensation and employee benefit obligations with respect to the current and former employees and non-employee directors of each company.

The employee matters agreement provides that, unless otherwise specified, Cars.com will be responsible for liabilities associated with employees who will be employed by Cars.com following the spin-off and former employees whose last employment was with the Cars.com businesses, and we will be responsible for all other current and former TEGNA employees. Cars.com will retain sponsorship of 401(k) retirement plans, deferred compensation plans and other incentive plans maintained for the exclusive benefit of Cars.com employees as well as various welfare plans applicable to the Cars.com employees.

### **CareerBuilder Sale**

On July 31, 2017, we sold our majority ownership interest in CareerBuilder to an investor group led by investment funds managed by affiliates of Apollo Global Management, LLC, a leading global alternative investment manager, and the Ontario Teachers' Pension Plan Board. Our share of the pre-tax net cash proceeds from the sale was \$198.3 million. These net proceeds were used in October 2017 to pay down existing debt (see Note 5). Additionally, during the third quarter of 2017 and prior to the closing of the sale, CareerBuilder issued a final dividend to its selling shareholders, of which \$25.8 million was retained by TEGNA. As part of the agreement, we remain an ongoing partner in CareerBuilder, reducing our 53% controlling interest to approximately 17% interest (or approximately 12% on a fully-diluted basis) and two seats on CareerBuilder's 10 person board. As a result, subsequent to the sale, CareerBuilder is no longer consolidated within our reported operating results. Our remaining ownership interest will be accounted for as an equity method investment. Subsequent to the date of sale we recorded \$0.5 million of equity earnings during the remainder of the third quarter of 2017 from our remaining interest in CareerBuilder.

### *Financial Statement Presentation of Digital Segment*

As a result of the Cars.com and CareerBuilder transactions described above, the operating results and financial position of our former Digital Segment have been included in discontinued operations in the Condensed Consolidated Balance Sheet and Consolidated Statements of Income for all applicable periods presented. The results of discontinued operations for the nine months ended September 2017 include a \$342.9 million pre-tax loss related to the sale of CareerBuilder (after noncontrolling interest, \$271.7 million of the pre-tax loss is attributable to TEGNA). The pre-tax loss includes a goodwill impairment charge of \$332.9 million and costs to sell the business of \$10.9 million. Fair value used for the pre-tax loss was based on the enterprise value of CareerBuilder as determined in the definitive purchase agreement.

The carrying value of the assets and liabilities of our former Digital Segment's discontinued operations as of December 31, 2016 were as follows (in thousands):

<b>Dec. 31, 2016</b>	
<b>ASSETS</b>	
Cash and cash equivalents	\$ 61,041
Accounts receivable, net	214,171
Property and equipment, net	74,695
Goodwill	1,488,112
Other Intangibles, net	1,718,592
Other assets	71,193
<b>Total assets</b>	<b>\$ 3,627,804</b>
<b>LIABILITIES</b>	
Accounts payable	\$ 166,853
Deferred revenue	110,071
Deferred tax liability	280,264
Other liabilities	66,969
<b>Total liabilities</b>	<b>\$ 624,157</b>

The financial results of discontinued operations in the third quarter and the nine months ended September 30, 2017 and 2016 are presented as a loss (income) from discontinued operations, net of tax, on our Consolidated Statements of Income. The following table presents the financial results of discontinued operations (in thousands):

	<b>Quarter ended Sept. 30,</b>		<b>Nine months ended Sept. 30,</b>	
	<b>2017 (1)</b>	<b>2016</b>	<b>2017 (1)</b>	<b>2016 (2)</b>
<b>Operating revenues</b>	\$ 54,874	\$ 340,649	\$ 647,021	\$ 999,929
Cost of revenue and SG&A expenses	60,301	228,152	522,287	708,815
Depreciation	—	9,421	19,569	24,843
Amortization	—	23,385	40,300	68,159
Loss on sale of CareerBuilder	(1,872)	—	342,900	—
<b>Total operating expenses</b>	<b>58,429</b>	<b>260,958</b>	<b>925,056</b>	<b>801,817</b>
<b>Total operating (loss) income</b>	<b>(3,555)</b>	<b>79,691</b>	<b>(278,035)</b>	<b>198,112</b>
<b>Non-operating income (expense)</b>	<b>647</b>	<b>(3,304)</b>	<b>(1,078)</b>	<b>(8,989)</b>
<b>(Loss) income from discontinued operations, before income taxes</b>	<b>(2,908)</b>	<b>76,387</b>	<b>(279,113)</b>	<b>189,123</b>
Provision for income taxes	(7,895)	(19,689)	45,852	(56,982)
<b>(Loss) income from discontinued operations, net of tax</b>	<b>\$ (10,803)</b>	<b>\$ 56,698</b>	<b>\$ (233,261)</b>	<b>\$ 132,141</b>

(1) The quarter and nine months ended September 30, 2017 include CareerBuilder's operations through the date of sale on July 31, 2017. Cars.com operations are included in the nine months ended September 30, 2017 through the date of spin-off on May 31, 2017.

(2) The nine months ended September 30, 2016 include approximately \$7.5 million of net loss from discontinued operations related to the operations of our former Sightline business through the date of sale on March 18, 2016.

In our Consolidated Statements of Cash Flows, the cash flows from discontinued operations are not separately classified. As such, major categories of discontinued operation cash flows for the nine months ended September 30, 2017 and 2016 are presented below (in thousands):

	Nine months ended Sept. 30,	
	2017 (1)	2016
Depreciation	\$ 19,569	\$ 24,843
Amortization	40,300	68,159
Capital expenditures	37,441	38,825
Payments for acquisitions, net of cash acquired	\$ —	\$ 196,750

(1) The nine months ended September 30, 2017 includes Cars.com through the spin-off date of May 31, 2017 and CareerBuilder's operations through the date of sale on July 31, 2017.

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

### Company Overview

We are an innovative media company that serves the greater good of our communities. With 46 television stations in 38 markets, we are the largest owner of top four network affiliates in the top 25 markets, reaching approximately one-third of all television households nationwide. Each television station also has a robust digital presence across online, mobile and social platforms, reaching consumers whenever, wherever they are. Each month, we reach 50 million adults on-air and 35 million across our digital platforms. We have been consistently honored with the industry's top awards, including Edward R. Murrow, George Polk, Alfred I. DuPont and Emmy Awards. We deliver results for advertisers through unparalleled and innovative solutions including our Over the Top ("OTT") local advertising network, Premion, centralized marketing resource, Hatch; and our digital marketing services (DMS) business, a one-stop shop for local businesses to connect with consumers through digital marketing. Across platforms, we tell empowering stories, conduct impactful investigations and deliver innovative marketing solutions.

We continue to make innovative programming a priority and invest in local news and other special programming to ensure we stay connected to our audiences and empower them throughout the day. For example, we recently launched VERIFY news, a fact-checking segment across platforms, and HeartThreads, a new national digital content vertical. Additionally, in September 2017 we premiered our TEGNA-owned daily live syndicated program "Daily Blast LIVE," which airs on 36 TEGNA stations and nationally on Facebook and YouTube. Also in September, we launched a daily talk show, "Sister Circle," produced out of WATL in Atlanta, which airs in 12 TEGNA markets and nationally live on TV One, reaching 60% of U.S. television households. Finally, our KXTV station in Sacramento partnered with Cheddar network to launch "Cheddar Local," which provides KXTV with local business and technology segments relevant to the Sacramento community.

After completing the strategic actions discussed below, we now have one operating and reportable segment. The primary sources of our revenues are: 1) advertising & marketing services revenues, which include local and national non-political advertising as well as DMS (including Premion), and advertising on the stations' websites and tablet and mobile products; 2) political advertising revenues, which are driven by elections and peak in even years (e.g. 2016, 2014) and particularly in the second half of those years; 3) subscription revenues, representing fees primarily paid by satellite and cable operators and telecommunications companies to carry our television signals on their systems and OTT revenues; and 4) other services, such as production of programming from third parties and production of advertising material.

Our corporate costs are separated from our business expenses and are recorded as general and administrative expenses in our Consolidated Income Statement. These costs include activities that are not directly attributable or allocable to our media business operations. This category primarily consists of broad corporate management functions including legal, human resources, and finance, as well as activities and costs not directly attributable to the operations of our media business.

### Strategic Actions

On May 31, 2017, we completed the previously announced spin-off of Cars.com. The spin-off was achieved through a pro rata distribution of all outstanding common shares of Cars.com to TEGNA stockholders of record at the close of business on May 18, 2017 (the "Record Date"). Stockholders retained their TEGNA shares and received one share of Cars.com for every three shares of TEGNA stock they owned on the Record Date. Cars.com began "regular way" trading on the New York Stock Exchange on June 1, 2017 under the symbol "CARS". In connection with the Cars.com spin-off we received a one time cash distribution from Cars.com of \$650.0 million.

On July 31, 2017, we completed the sale of our majority ownership interest in CareerBuilder to an investor group led by investments funds managed by affiliates of Apollo Global Management, LLC, a leading global alternative investment manager,

and the Ontario Teachers' Pension Plan Board. Our share of the pre-tax net cash proceeds from the sale was \$198.3 million. These net proceeds were used in October 2017 to pay down existing debt (see Note 5). Additionally, prior to the sale, CareerBuilder issued a final dividend to its selling shareholders, \$25.8 million of which was retained by TEGNA.

As part of the sale agreement, we remain an ongoing partner in CareerBuilder, reducing our 53% controlling interest to approximately 17% equity interest (or approximately 12% on a fully-diluted basis) and two seats on CareerBuilder's 10 member board. As a result, CareerBuilder is no longer consolidated within our reported operating results. Our remaining ownership interest is accounted for as an equity method investment.

## Consolidated Results from Operations

The following discussion is a period-to-period comparison of our consolidated results from continuing operations on a GAAP basis. On May 31, 2017, we completed the spin-off of Cars.com and on July 31, 2017, we completed the sale of our majority ownership interest in CareerBuilder. Results for Cars.com and CareerBuilder are now reflected as Discontinued Operations in our Consolidated Statements of Income for all applicable periods presented. As a result, we will report one segment going forward which will include the results for Media and a remaining DMS contract that was previously reported in the Digital Segment. The historical financial results also include our former Cofactor business through the date of its sale in December 2016.

The period-to-period comparison of financial results is not necessarily indicative of future results. In addition, see the section on page 26 titled 'Results from Operations - Non-GAAP Information' for additional tables presenting information which supplements our financial information provided on a GAAP basis. Our consolidated results of continuing operations on a GAAP basis were as follows (in thousands, except per share amounts):

	Quarter ended Sept. 30,			Nine months ended Sept. 30,		
	2017	2016	Change	2017	2016	Change
		(recast)			(recast)	
<b>Revenues</b>	\$ 464,264	\$ 519,617	(11%)	\$ 1,412,703	\$ 1,457,233	(3%)
<b>Operating expenses:</b>						
Cost of revenues, exclusive of depreciation	235,474	200,495	17%	696,565	590,058	18%
Business units - selling, general and administrative expenses, exclusive of depreciation	70,914	83,039	(15%)	214,645	246,280	(13%)
Corporate - General and administrative expenses, exclusive of depreciation	12,881	16,027	(20%)	42,462	43,865	(3%)
Depreciation	15,186	13,212	15%	41,721	42,653	(2%)
Amortization of intangible assets	5,395	5,775	(7%)	16,172	17,542	(8%)
Asset impairment and facility consolidation charges	7,553	15,218	(50%)	11,086	18,946	(41%)
<b>Total operating expenses</b>	\$ 347,403	\$ 333,766	4%	\$ 1,022,651	\$ 959,344	7%
<b>Total operating income</b>	\$ 116,861	\$ 185,851	(37%)	\$ 390,052	\$ 497,889	(22%)
Non-operating expense	(54,660)	(70,673)	(23%)	(190,515)	(194,236)	(2%)
Provision for income taxes	11,447	38,441	(70%)	54,855	92,038	(40%)
<b>Net income from continuing operations</b>	\$ 50,754	\$ 76,737	(34%)	\$ 144,682	\$ 211,615	(32%)
Earnings from continuing operations per share - basic	\$ 0.24	\$ 0.36	(33%)	\$ 0.67	\$ 0.98	(32%)
Earnings from continuing operations per share - diluted	\$ 0.23	\$ 0.35	(34%)	\$ 0.66	\$ 0.96	(31%)

## Revenues

During the second quarter of 2017, we changed the way we present certain revenues, which we now call Advertising and Marketing Services (AMS), to better reflect our sales transformation strategy that focuses on customer needs versus specific products. This category includes all sources of our traditional and digital revenues including Premion, DMS and other digital advertising and marketing revenues across our platforms.

Also, the "Retransmission" revenue category was renamed "Subscription" to better reflect changes in that revenue stream, including the distribution of TEGNA stations on OTT streaming services.

As a result of these changes, revenues are grouped into the following categories: Advertising & Marketing Services, Political, Subscription, Other, and our former business unit Cofactor (sold in December 2016).

The following table summarizes the year-over-year changes in these select revenue categories (in thousands):

	Quarter ended Sept. 30,			Nine months ended Sept. 30,		
	2017	2016	Change	2017	2016	Change
Advertising & Marketing Services <sup>(a)</sup>	\$ 277,817	\$ 330,589	(16%)	\$ 843,175	\$ 934,977	(10%)
Political	3,783	38,060	(90%)	13,387	64,050	(79%)
Subscription	177,692	143,676	24%	540,344	436,292	24%
Other	4,972	4,696	6%	15,797	13,883	14%
Cofactor	—	2,596	***	—	8,031	***
Total	\$ 464,264	\$ 519,617	(11%)	\$ 1,412,703	\$ 1,457,233	(3%)

(a) Includes traditional television advertising, digital advertising as well as revenue from our DMS business.

Revenues decreased \$55.4 million, or 11%, in the third quarter of 2017 compared to the same period in 2016. This net decrease was primarily due to a decline in AMS revenue of \$52.8 million, or 16%, in the third quarter of 2017. This decline was primarily due to the absence of Olympic revenue in 2017 as compared to \$57.3 million in 2016 and lower DMS revenue due to the conclusion of a transition services agreement with Gannett. Partially offsetting the overall AMS decline was an increase in digital revenue, including Premion revenue. Political revenue was down by \$34.3 million, due to an expected decrease reflecting the absence of 2016 politically related advertising spending. Partially offsetting these decreases was an increase in subscription revenue of \$34.0 million, or 24%, due to the recent renewal of certain retransmission agreements as well as annual rate increases under other existing retransmission agreements.

In the first nine months of 2017, operating revenue decreased \$44.5 million, or 3%, compared to the same period in 2016. The net decrease was due to a net decline in AMS revenue of \$91.8 million, or 10%, for the first nine months of 2017. The third quarter decline in AMS revenue, described above, drove most of the year-to-date decline. In addition we had lower Super Bowl revenue due to the shift in coverage from our larger CBS station footprint to smaller FOX station footprint (which impacted 2017 results by \$9.1 million). These AMS declines were partially offset by an increase in digital revenue, including our Premion revenue. Additionally, political revenue was down \$50.7 million for the nine months ended September 30, 2017 due to an expected decrease reflecting the absence of 2016 Presidential election year political spending. Partially offsetting these decreases was an increase in subscription revenue of \$104.1 million, or 24%, in the first nine months of 2017 due to the recent renewal of certain retransmission agreements as well as annual rate increases under other existing retransmission agreements.

#### Cost of Revenues

Cost of revenues increased \$35.0 million, or 17%, in the third quarter of 2017 compared to the same period in 2016. The increase was primarily due to a \$42.6 million increase in programming costs (primarily driven by 11 of our NBC stations paying reverse compensation payments for first time in 2017). This increase was partially offset by a decline in DMS costs of \$7.4 million driven by the conclusion of the transition service agreement with Gannett.

In the first nine months of 2017, cost of revenues increased \$106.5 million, or 18%, compared to the same period in 2016. The increase was primarily due to a \$135.1 million increase in programming costs (primarily driven by 11 of our NBC stations paying reverse compensation payments for first time in 2017). This increase was partially offset by the absence of \$10.8 million of expenses associated with our 2016 voluntary retirement program and a decline in DMS costs of \$11.8 million associated with the conclusion of the transition service agreement with Gannett.

#### Business Units - Selling, General and Administrative Expenses

Business unit selling, general and administrative expenses decreased \$12.1 million, or 15%, in the third quarter of 2017 compared to the same period in 2016. The decrease was primarily the result of a \$6.0 million decline in DMS selling and advertising expense related to the transition service agreement conclusion. Also contributing to the decline was the absence of \$2.6 million of Cofactor expenses, due to its disposition in December 2016.

In the first nine months of 2017, business unit selling, general and administrative expenses decreased \$31.6 million, or 13%, compared to the same period in 2016. This decrease was due to a \$14.7 million decline in DMS selling and advertising expenses, the absence of \$6.5 million of expenses associated with Cofactor, and the absence of \$4.0 million of expenses associated with our 2016 voluntary retirement program. These decreases were partially offset by \$1.6 million of severance expenses for broadcast employees in 2017.



## Corporate General and Administrative Expenses

Corporate general and administrative expenses decreased \$3.1 million, or 20%, in the third quarter of 2017 compared to the same period in 2016. The decrease was primarily due to the absence of \$1.6 million of severance expenses from the third quarter of 2016, as well as the continued right sizing of the corporate function in connection with the strategic actions impacting our former Digital Segment.

During the first nine months of 2017, corporate general and administrative expenses decreased \$1.4 million, or 3%, compared to the same period in 2016. This change was primarily due to the absence of \$1.6 million of severance expenses from the third quarter of 2016, partially offset by severance expense incurred in the first nine months of 2017 of approximately \$1.1 million. The remaining difference is attributable to the continued right sizing of the corporate function in connection with the strategic actions impacting our former Digital Segment.

## Depreciation Expense

Depreciation expense increased \$2.0 million, or 15%, in the third quarter of 2017 compared to the same period in 2016. The increase was primarily due to \$1.4 million of additional depreciation related to a change in useful lives of certain broadcasting assets in connection with the FCC channel reassignment process.

In the first nine months of 2017, depreciation expense decreased \$0.9 million, or 2%, as compared to the same period in 2016. The decrease was primarily due to recent declines in the purchase of property and equipment, offset by accelerated depreciation related to a change in useful lives of certain broadcasting assets.

## Amortization Expense

Amortization expense decreased by \$0.4 million and \$1.4 million in the third quarter and first nine months of 2017, respectively, compared to the same periods in 2016. The decreases were a result of certain assets associated with previous acquisitions reaching the end of their useful lives.

## Asset Impairment and Facility Consolidation Charges

Asset impairment and facility consolidation charges were \$7.6 million in the third quarter of 2017 compared to \$15.2 million in the third quarter of 2016. In the third quarter of 2017, a few television stations were impacted by hurricanes Harvey and Irma. In particular, Hurricane Harvey caused significant damage to our Houston television station (KHOU); as a result, we recognized \$10.2 million in non-cash charges, writing off destroyed equipment and recording an impairment to the value of the building. In addition, we incurred \$8.4 million in cash expenses related to repairing the studio and office and providing for additional staffing and operational needs to keep the stations operating during and immediately following these weather emergencies. Partially offsetting these expenses, we received initial insurance proceeds of \$11.0 million (\$5.0 million was received as of September 30, 2017 and \$6.0 million was received in October 2017). The net expense impact from the hurricane of \$7.6 million has been recorded in asset impairment and facility consolidation charges. The 2016 charge relates to a goodwill impairment at Cofactor.

During the first nine months of 2017, asset impairment and facility consolidation charges were \$11.1 million, compared to \$18.9 million in the same period in 2016. The 2017 charges primarily consisted of net \$7.6 million in expenses related to Hurricane Harvey, \$1.4 million related to the consolidation of office space at corporate headquarters and at our DMS business unit, and \$2.2 million of non-cash impairment charges incurred by our broadcast stations. The 2016 charges were comprised of the third quarter goodwill impairment charge of \$15.2 million at Cofactor and a \$3.7 million impairment charge related to a long-lived-asset.

## Operating Income

Our operating income decreased \$69.0 million, or 37%, in the third quarter of 2017 and \$107.8 million, or 22%, in the first nine months of 2017, compared to the same periods in 2016. The decreases were driven by the changes in revenue and expenses discussed above. As a result, our consolidated operating margins were 25% in the third quarter of 2017 and 28% in the first nine months of 2017, compared to 36% in the third quarter of 2016 and 34% in the first nine months of 2016.

## Non-Operating Income (Expense)

Non-operating expense decreased \$16.0 million, or 23%, in the third quarter of 2017 compared to the same period in 2016. The decrease was primarily due to a reduction in transaction costs of \$10.9 million primarily associated with costs incurred in the prior year period related to the Cars.com spin-off. Also contributing to the decrease was a decline in interest expense of \$5.7 million driven by lower average debt outstanding, due to the pay down of the drawn amounts on the revolving line of credit. The total average outstanding debt was \$3.38 billion for the third quarter of 2017, compared to \$4.31 billion in the same period of 2016. The weighted average interest rate on total outstanding debt was 5.75% for the third quarter of 2017, compared to 5.21% in the same period of 2016.

During the first nine months of 2017, non-operating expenses decreased \$3.7 million, or 2%, compared to the same period in 2016. The decrease was primarily due to lower interest expense of \$13.3 million, partially offset by increased costs associated with the strategic actions of \$3.4 million (primarily the Cars.com spin-off) and a \$5.8 million loss associated with the write-off of a note receivable from one of our equity method investments. The lower interest expense was due to lower average debt outstanding. The total average outstanding debt was \$3.75 billion during the first nine months of 2017, compared to \$4.28 billion in the same period of 2016. The weighted average interest rate on total outstanding debt was 5.51% for the first nine months of 2017, compared to 5.32% in the same period of 2016.

### **Income Tax Expense**

Income tax expense decreased \$27 million, or 70%, in the third quarter of 2017 as compared to the same period in 2016, and decreased \$37.2 million, or 40%, in the first nine months of 2017 compared to the same period in 2016. The decrease in Income tax expense is primarily due to a decline in net income before tax, as well as a favorable deferred tax adjustment related to a previously-disposed business. Our reported effective income tax rate was 18.4% in the third quarter of 2017, compared to 33.4% for continuing operations for the third quarter of 2016. The reported effective income tax rate was 27.5% for the first nine months of 2017, compared to 30.3% for the same period in 2016. The tax rates for the third quarter and first nine months of 2017 are lower than the comparable 2016 rates primarily due to the reduction in net income before tax and the deferred tax adjustment mentioned above.

### **Income from continuing operations**

Income from continuing operations was \$50.8 million, or \$0.23 per diluted share, in the third quarter of 2017 compared to \$76.7 million or \$0.35 per diluted share during the same period in 2016. For the first nine months of 2017, we reported net income from continuing operations of \$144.7 million, or \$0.66 per diluted share, compared to \$211.6 million, or \$0.96 per diluted share, for the same period in 2016. Both income from continuing operations and earnings per share were affected by the factors discussed above.

The weighted average number of diluted shares outstanding in the both the third quarter of 2017 and 2016 was 218.1 million. The weighted average number of diluted shares outstanding in the first nine months quarter of 2017 decreased by 2.7 million shares to 217.8 million from 220.5 million in the same period in 2016.

### **Results from Operations - Non-GAAP Information**

#### **Presentation of Non-GAAP information**

We use non-GAAP financial performance and liquidity measures to supplement the financial information presented on a GAAP basis. These non-GAAP financial measures should not be considered in isolation from, or as a substitute for, the related GAAP measures, nor should they be considered superior to the related GAAP measures, and should be read together with financial information presented on a GAAP basis. Also, our non-GAAP measures may not be comparable to similarly titled measures of other companies.

Management and our Board of Directors use the non-GAAP financial measures for purposes of evaluating business unit and consolidated company performance. Furthermore, the Executive Compensation Committee of our Board of Directors uses non-GAAP measures such as Adjusted EBITDA, non-GAAP net income, non-GAAP EPS and free cash flow to evaluate management's performance. Therefore, we believe that each of the non-GAAP measures presented provides useful information to investors and other stakeholders by allowing them to view our business through the eyes of management and our Board of Directors, facilitating comparisons of results across historical periods and focus on the underlying ongoing operating performance of our business. We discuss in this Form 10-Q non-GAAP financial performance measures that exclude from our reported GAAP results the impact of "special items" consisting of severance expense, charges related to asset impairment and facility consolidations, costs associated with the Cars.com spin-off transaction, and certain tax benefits associated with the Cars.com spin-off and sale of CareerBuilder. We believe that such expenses, charges and gains are not indicative of normal, ongoing operations. Such items vary from period to period and are significantly impacted by the timing and nature of these events. Therefore, while we may incur or recognize these types of expenses, charges and gains in the future, we believe that removing these items for purposes of calculating the non-GAAP financial measures provides investors with a more focused presentation of our ongoing operating performance.

We discuss Adjusted EBITDA (with and without corporate expenses), a non-GAAP financial performance measure that we believe offers a useful view of the overall operation of our businesses. We define Adjusted EBITDA as net income from continuing operations before (1) interest expense, (2) income taxes, (3) equity income (losses) in unconsolidated investments, net, (4) other non-operating items such as spin-off transaction expenses and investment income, (5) severance expense, (6) facility consolidation charges, (7) impairment charges, (8) depreciation and (9) amortization. The most directly comparable GAAP financial measure to Adjusted EBITDA is Net income from continuing operations. Users should consider the limitations of using Adjusted EBITDA, including the fact that this measure does not provide a complete measure of our operating performance. Adjusted EBITDA is not intended to purport to be an alternative to net income as a measure of operating performance or to cash

flows from operating activities as a measure of liquidity. In particular, Adjusted EBITDA is not intended to be a measure of free cash flow available for management's discretionary expenditures, as this measure does not consider certain cash requirements, such as working capital needs, capital expenditures, contractual commitments, interest payments, tax payments and other debt service requirements.

We also consider adjusted revenues to be an important non-GAAP financial measure. Our adjusted revenue is calculated by taking total company revenues on a GAAP basis and adjusting it to exclude (1) estimated incremental Olympic and Super Bowl revenue, (2) Political revenues, (3) revenues from a previously sold business (Cofactor), and (4) revenues associated with a discontinued portion of our DMS business. These adjustments are made to our reported revenue on a GAAP basis in order to evaluate and assess our core operations on a comparable basis, and it represents the ongoing operations of our broadcast business.

We also discuss free cash flow, a non-GAAP liquidity measure. Free cash flow is defined as "net cash flow from operating activities" as reported on the statement of cash flows reduced by "purchase of property and equipment". We believe that free cash flow is a useful measure for management and investors to evaluate the level of cash generated by operations and the ability of its operations to fund investments in new and existing businesses, return cash to shareholders under the company's capital program, repay indebtedness, add to our cash balance, or use in other discretionary activities. We use free cash flow to monitor cash available for repayment of indebtedness and in discussions with the investment community. Like Adjusted EBITDA, free cash flow is not intended to be a measure of cash flow available for management's discretionary use.

#### Discussion of special charges and credits affecting reported results

Our results for the quarter and first nine months ended September 30, 2017 included the following items we consider "special items" and are not indicative of our normal ongoing operations:

- Operating asset impairment and facility consolidation charges related to damage caused by Hurricane Harvey and the consolidation of office space at corporate headquarters and at our DMS business unit;
- Other non-operating items associated with costs of the spin-off of our Cars.com business unit, charitable donations made to the TEGNA Foundation, non-cash asset impairment charges associated with write off of a note receivable from an equity method investment;
- A special tax benefit related to deferred tax remeasurement attributable to the spin-off of our Cars.com business unit and a deferred tax adjustment related to a previously-disposed business; and
- Severance charges which included payroll and related benefit costs.

Our results for the quarter and first nine months ended September 30, 2016 included the following special items:

- Severance charges primarily related to a voluntary retirement program at our broadcast stations (which includes payroll and related benefit costs);
- Non-cash asset impairment charges associated with goodwill, an operating asset, and equity method investments; and
- Non-operating costs associated with the spin-off of our Cars.com business unit and acquisition-related costs.

Reconciliations of certain line items impacted by special items to the most directly comparable financial measure calculated and presented in accordance with GAAP on our consolidated statements of income follow (in thousands, except per share amounts):

Quarter ended September 30, 2017	GAAP measure	Special Items			Non-GAAP measure
		Operating asset impairment and facility consolidation	Other non-operating items	Tax benefits	
Operating expenses	\$ 347,403	\$ (7,553)	\$ —	\$ —	\$ 339,850
Operating income	116,861	7,553	—	—	124,414
Other non-operating items	(3,671)	—	2,688	—	(983)
Total non-operating expense	(54,660)	—	2,688	—	(51,972)
Income before income taxes	62,201	7,553	2,688	—	72,442
Provision for income taxes	11,447	2,780	629	8,086	22,942
Income from continuing operations	50,754	4,773	2,059	(8,086)	49,500
Earnings from continuing operations per share - diluted (a)	\$ 0.23	\$ 0.02	\$ 0.01	\$ (0.04)	\$ 0.23

(a) Per share amounts do not sum due to rounding.

Quarter ended September 30, 2016	GAAP measure	Special Items			Non-GAAP measure
		Severance expense	Operating asset impairment and facility consolidation	Other non-operating items	
Operating expenses	\$ 333,766	\$ (2,870)	\$ (15,218)	\$ —	\$ 315,678
Operating income	185,851	2,870	15,218	—	203,939
Other non-operating items	(11,874)	—	—	13,161	1,287
Total non-operating expense	(70,673)	—	—	13,161	(57,512)
Income before income taxes	115,178	2,870	15,218	13,161	146,427
Provision for income taxes	38,441	1,112	5,900	3,515	48,968
Income from continuing operations	76,737	1,758	9,318	9,646	97,459
Earnings from continuing operations per share - diluted (a)	\$ 0.35	\$ 0.01	\$ 0.04	\$ 0.04	\$ 0.45

(a) Per share amounts do not sum due to rounding.

Nine Months Ended September 30, 2017	GAAP measure	Special Items				Non-GAAP measure
		Severance expense	Operating asset impairment	Other non-operating items	Tax benefits	
Operating expenses	\$ 1,022,651	\$ (3,053)	\$ (11,086)	\$ —	\$ —	\$ 1,008,512
Operating income	390,052	3,053	11,086	—	—	404,191
Other non-operating items	(26,853)	—	—	31,991	—	5,138
Total non-operating expense	(190,515)	—	—	31,991	—	(158,524)
Income before income taxes	199,537	3,053	11,086	31,991	—	245,667
Provision for income taxes	54,855	1,174	4,104	6,921	11,724	78,778
Income from continuing operations	144,682	1,879	6,982	25,070	(11,724)	166,889
Earnings from continuing operations per share - diluted	\$ 0.66	\$ 0.01	\$ 0.03	\$ 0.12	\$ (0.05)	\$ 0.77

Nine Months Ended September 30, 2016	GAAP measure	Special Items				Non-GAAP measure
		Severance expense	Operating asset impairment	Equity investment impairment	Other non-operating items	
Operating expenses	\$ 959,344	\$ (20,118)	\$ (18,946)	\$ —	\$ —	\$ 920,280
Operating income	497,889	20,118	18,946	—	—	536,953
Equity (loss) income in unconsolidated charges	(2,763)	—	—	1,869	—	(894)
Other non-operating items	(16,029)	—	—	—	16,324	295
Total non-operating expense	(194,236)	—	—	1,869	16,324	(176,043)
Income before income taxes	303,653	20,118	18,946	1,869	16,324	360,910
Provision for income taxes	92,038	7,799	7,345	725	4,583	112,490
Income from continuing operations	211,615	12,319	11,601	1,144	11,741	248,420
Earnings from continuing operations per share - diluted	\$ 0.96	\$ 0.06	\$ 0.05	\$ 0.01	\$ 0.05	\$ 1.13

## Adjusted Revenues

Reconciliations of adjusted revenues to our revenues presented in accordance with GAAP on our Consolidated Statements of Income are presented below (in thousands):

	Quarter ended Sept. 30,			Nine months ended Sept. 30,		
	2017	2016	Change	2017	2016	Change
Advertising & Marketing Services <sup>(a)</sup>	\$ 277,817	\$ 330,589	(16.0%)	\$ 843,175	\$ 934,977	(9.8%)
Political	3,783	38,060	(90.1%)	13,386	64,050	(79.1%)
Subscription	177,692	143,676	23.7%	540,345	436,292	23.8%
Other	4,972	4,696	5.9%	15,797	13,883	13.8%
Cofactor	—	2,596	***	—	8,031	***
Total company revenues (GAAP basis)	\$ 464,264	\$ 519,617	(10.7%)	\$ 1,412,703	\$ 1,457,233	(3.1%)
Factors impacting comparisons:						
Estimated incremental Olympic and Super Bowl	\$ —	\$ (28,300)	***	\$ —	\$ (37,210)	***
Political	(3,783)	(38,060)	(90.1%)	(13,386)	(64,050)	(79.1%)
CoFactor (sold in December 2016)	—	(2,596)	***	—	(8,031)	***
Discontinued digital marketing services	—	(13,893)	***	(16,673)	(40,509)	(58.8%)
Total company adjusted revenues	\$ 460,481	\$ 436,768	5.4%	\$ 1,382,644	\$ 1,307,433	5.8%

(a) Includes traditional advertising, digital advertising as well as revenue from our DMS businesses.

Excluding the impacts of Political revenue, impacts from the discontinued DMS transition services agreement, the absence of Cofactor revenue, and estimated prior year incremental Olympic and Super Bowl revenue, total company adjusted revenues on a comparable basis increased five percent in the third quarter and six percent in the first nine months of 2017 compared to the same periods in 2016.

## Adjusted EBITDA - Non-GAAP

Reconciliations of Adjusted EBITDA to net income from continuing operations attributable to TEGNA Inc. presented in accordance with GAAP on our Consolidated Statements of Income are presented below (in thousands):

	Quarter ended Sept. 30,			Nine months ended Sept. 30,		
	2017	2016	Change	2017	2016	Change
Net income from continuing operations (GAAP basis)	\$ 50,754	\$ 76,737	(34%)	\$ 144,682	\$ 211,615	(32%)
Provision for income taxes	11,447	38,441	(70%)	54,855	92,038	(40%)
Interest expense	51,855	57,601	(10%)	162,113	175,444	(8%)
Equity loss in unconsolidated investments, net	(866)	1,198	***	1,549	2,763	(44%)
Other non-operating items	3,671	11,874	(69%)	26,853	16,029	68%
Operating income (GAAP basis)	116,861	185,851	(37%)	390,052	497,889	(22%)
Severance expense	—	2,870	***	3,053	20,118	(85%)
Asset impairment and facility consolidation charges	7,553	15,218	(50%)	11,086	18,946	(41%)
Adjusted operating income (non-GAAP basis)	124,414	203,939	(39%)	404,191	536,953	(25%)
Depreciation	15,186	13,212	15%	41,721	42,653	(2%)
Amortization of intangible assets	5,395	5,775	(7%)	16,172	17,542	(8%)
Adjusted EBITDA (non-GAAP basis)	144,995	222,926	(35%)	462,084	597,148	(23%)
Corporate - General and administrative expense, exclusive of depreciation (non-GAAP basis)	12,881	14,470	(11%)	41,402	42,308	(2%)
Adjusted EBITDA, excluding Corporate (non-GAAP basis)	\$ 157,876	\$ 237,396	(33%)	\$ 503,486	\$ 639,456	(21%)

Third quarter 2017 adjusted EBITDA margin was 34% without corporate or 31% with corporate. Our total Adjusted EBITDA decreased \$77.9 million or 35% in the third quarter of 2017 compared to 2016 and decreased \$135.1 million or 23% for the first nine months of 2017 from the prior year comparable period. The decrease was primarily driven by higher programming costs (due to 11 of our NBC stations which began making reverse compensation payments for the first time), the absence of Olympic revenue in 2017 and the expected decline in political revenue in 2017.

## Certain Matters Affecting Future Operating Results

The following items will affect year-over-year comparisons for 2017 results:

- **Revenues** - In the fourth quarter of 2017 revenue will be impacted primarily due to the absence of \$82 million in net political revenues compared to the fourth quarter of 2016, and the absence of \$16 million of DMS revenue due to the conclusion of a transition services agreement with Gannett.

Based on current trends, we expect total company revenues on a GAAP basis compared to the prior year quarter to be down in the high-single to low double-digits. Adjusting to remove political revenue and revenue related to the terminated transition services agreement, we expect our fourth quarter adjusted company revenues to be up in the high single-digit to low double-digits year-over-year.

- **Programming Costs** - Beginning in January 2017, 11 of our NBC stations began making reverse compensation payments for the first time. As such, 2017 is an unusual year as there will be an unfavorable gap between the increase in subscription revenue we earn from multichannel video programming distributors (MVPD), compared to the increase in fees we will pay our affiliates. At the end of 2016, we renegotiated several new subscriptions agreements with major MVPD carriers, and as a result, we have reduced our net retransmission gap in 2017 to approximately \$31 million to \$34 million. Further, we expect our strategic initiatives launched in 2016 (including Premion, centralized pricing initiatives, and Hatch) will more than offset the remaining net retransmission gap in 2017.
- **Income Taxes** - After the spin-off of Cars.com and disposition of CareerBuilder, the recurring effective income tax rate for 2018 is anticipated to be approximately 35%. This estimated effective income tax rate is higher than that for the third quarter and the first nine months of 2017 due to tax benefits associated with the spin-off of Cars.com and other non-recurring items realized in 2017.

## Liquidity, Capital Resources and Cash Flows

Our strong cash generation capability and financial condition, together with our significant borrowing capacity under our revolving credit agreement, are sufficient to fund our capital expenditures, interest, dividends, share repurchases, investments in strategic initiatives and other operating requirements. Over the longer term, we expect to continue to fund debt maturities, acquisitions and investments through a combination of cash flows from operations, borrowings under our revolving credit agreement and funds raised in the capital markets. As we summarize below, during 2017 we have completed several strategic actions that have positioned us to be able to pursue strategic acquisition opportunities that may develop in our sector, invest in new content and revenue initiatives, and grow revenue in fiscal year 2018.

During the second quarter we completed our spin-off of Cars.com which resulted in a one-time tax-free cash distribution of \$650.0 million to TEGNA. We used \$609.9 million of the tax-free distribution proceeds to fully pay down our then outstanding revolving credit agreement borrowings.

On July 31, 2017, we sold our majority ownership interest in CareerBuilder. Our share of the pre-tax net cash proceeds from the sale was \$198.3 million, net of cash transferred of \$36.6 million. Additionally, prior to the sale, CareerBuilder issued a final dividend to its selling shareholders, of which \$25.8 million was retained by TEGNA. On October 16 2017, we used the net proceeds from the CareerBuilder sale, the remaining cash distribution proceeds from Cars.com of \$40.1 million, and cash on hand to early retire \$280.0 million of principal of unsecured notes due in October 2019.

On August 1, 2017, we amended our Amended and Restated Competitive Advance and Revolving Credit Agreement. Under the amended terms, our maximum total leverage ratio will remain at 5.0x through June 30, 2018, after which, as amended, it will be reduced to 4.75x through June 2019 and then to 4.5x until the expiration of the credit agreement on June 29, 2020. Lastly, on September 19, 2017, we announced that our Board of Directors authorized a new share repurchase program for up to \$300 million of our common stock over the next three years.

At the end of the third quarter of 2017, our total debt was \$3.32 billion and cash and cash equivalents totaled \$383.4 million. As of September 30, 2017, we had unused borrowing capacity of \$1.5 billion under our revolving credit facility. We intend to continue to invest in organic and strategic growth opportunities and also intend to maintain the financial flexibility to pursue strategic acquisitions when appropriate. Our financial and operating performance, as well as our ability to generate sufficient cash flow to maintain compliance with credit facility covenants, are subject to certain risk factors; see the Part II. Other Information, Item 1A. Risk Factors discussion below.

## Cash Flows

The following table provides a summary of our cash flow information followed by a discussion of the key elements of our cash flow (in thousands):

	Nine months ended Sept. 30,	
	2017	2016
Cash and cash equivalents from continuing operations, beginning of period	\$ 15,879	\$ 26,096
Cash and cash equivalents from discontinued operations, beginning of period	61,041	103,104
<b>Balance of cash and cash equivalents, beginning of the period</b>	<b>76,920</b>	<b>129,200</b>
<b>Operating activities:</b>		
Net (loss) income	(88,579)	343,756
Loss on write down of CareerBuilder	342,900	—
Depreciation, amortization and other non-cash adjustments	153,242	197,025
Pension (contributions), net of expense	(12,547)	2,135
Spectrum channel share agreement proceeds	32,588	—
Other, net	(76,421)	(88,153)
Net cash flows from operating activities	351,183	454,763
Net cash from (used for) investing activities	152,499	(273,309)
Net cash used for financing activities	(197,248)	(203,325)
Increase (decrease) in cash and cash equivalents	306,434	(21,871)
Cash and cash equivalents from continuing operations, end of period	383,354	19,185
Cash and cash equivalents from discontinued operations, end of period	—	88,144
<b>Balance of cash and cash equivalents, end of the period</b>	<b>\$ 383,354</b>	<b>\$ 107,329</b>

**Operating Activities** - Cash flow from operating activities was \$351.2 million for the nine months ended September 30, 2017, compared to \$454.8 million for the nine months ended September 30, 2016. The decrease in net cash flow from operating activities was primarily due to higher programming costs of \$135.1 million (primarily due to the NBC affiliation agreement), the decline in political revenue of \$50.7 million, and the absence of operating cash flow Cars.com and CareerBuilder following their spin-off and sale, respectively. These decreases were partially offset by declines in tax payments of \$40.6 million and interest payments of \$19.8 million. Also partially offsetting the net operating cash flow decrease was a cash inflow received in 2017 of \$32.6 million from a spectrum channel sharing agreement.

**Investing Activities** - Cash flow from investing activities totaled \$152.5 million for the nine months ended September 30, 2017, compared to cash used for investing activities of \$273.3 million for the same period 2016. The 2017 net cash inflow was primarily a result of the sale of the majority of our ownership in CareerBuilder, which provided \$198.3 million of proceeds, net of cash transferred. Additionally, we had cash inflow of \$15.1 million from the sale of assets, primarily comprised of proceeds of \$14.6 million from the sale of Gannett Co., Inc., common stock. These inflows were partially offset by purchases of property and equipment of \$63.8 million in 2017.

The 2016 net cash used for investing activities of \$273.3 million was primarily comprised of \$196.8 million paid for the acquisitions of businesses (net of cash acquired) and purchase of property and equipment in the amount of \$68.6 million.

**Financing Activities** - Cash used for financing activities totaled \$197.2 million for the nine months ended September 30, 2017, compared to \$203.3 million net outflow for the same period in 2016. The 2017 net outflow of cash for financing activities was primarily due to debt activity and dividends. With regards to 2017 debt activity, prior to the completion of the spin-off, Cars.com borrowed approximately \$675.0 million under a revolving credit facility agreement, while incurring \$6.2 million of debt issuance costs. The proceeds were used to make a one time tax-free cash distribution of \$650.0 million from Cars.com to TEGNA. We used most of the cash received to pay down our then outstanding revolving credit balance of \$609.9 million. Total net payments on the revolving credit facility in the first nine months of 2017 were \$635.0 million. We used an additional \$99.2 million to pay down other existing debt. Additionally, in 2017 we made dividend payments of \$75.1 million, paid a final dividend to the noncontrolling owners of CareerBuilder of \$23.0 million, and transferred \$20.1 million to Cars.com in connection with the spin-off.



The 2016 net financing outflow of \$203.3 million was primarily a result of stock repurchases of \$150.9 million and dividend payments of \$91.6 million. These outflows were partially offset by a net debt inflow of \$58.7 million primarily comprised of \$310.0 million of borrowings which were partially offset by debt repayments of \$249.6 million.

### Non-GAAP Liquidity Measure

Our free cash flow, a non-GAAP liquidity measure, was \$287.3 million for the first nine months of 2017 compared to \$386.2 million for the same period in 2016. Our free cash flow for the first nine months of 2017 was lower than the first nine months of 2016 because of the same factors affecting cash flow from operating activities discussed above. Free cash flow, which we reconcile to “Net cash flow from operating activities,” is cash flow from operating activities reduced by “Purchase of property and equipment.” We believe that free cash flow is a useful measure for management and investors to evaluate the level of cash generated by operations and the ability of our operations to fund investments in new and existing businesses, return cash to shareholders under our capital program, repay indebtedness or to use in other discretionary activities.

Reconciliations from “Net cash flow from operating activities” to “Free cash flow” follow (in thousands):

	<b>Nine months ended September 30,</b>	
	<b>2017</b>	<b>2016</b>
Net cash flow from operating activities	\$ 351,183	\$ 454,763
Purchase of property and equipment	(63,846)	(68,577)
Free cash flow	<u>\$ 287,337</u>	<u>\$ 386,186</u>

### Certain Factors Affecting Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q contain forward-looking statements regarding business strategies, market potential, future financial performance and other matters. The words “believe,” “expect,” “estimate,” “could,” “should,” “intend,” “may,” “plan,” “seek,” “anticipate,” “project” and similar expressions, among others, generally identify “forward-looking statements”. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results and events to differ materially from those anticipated in the forward-looking statements, including those described under Item 1A. “Risk Factors” in our 2016 Annual Report on Form 10-K.

Our actual financial results may be different from those projected due to the inherent nature of projections. Given these uncertainties, forward-looking statements should not be relied on in making investment decisions. The forward-looking statements contained in this Form 10-Q speak only as of the date of its filing. Except where required by applicable law, we expressly disclaim a duty to provide updates to forward-looking statements after the date of this Form 10-Q to reflect subsequent events, changed circumstances, changes in expectations, or the estimates and assumptions associated with them. The forward-looking statements in this Form 10-Q are intended to be subject to the safe harbor protection provided by the federal securities laws.

### Item 3. Quantitative and Qualitative Disclosures about Market Risk

For quantitative and qualitative disclosures about market risk, refer to the following section of our 2016 Annual Report on Form 10-K: “Item 7A. Quantitative and Qualitative Disclosures about Market Risk.” Our exposure to market risk has been reduced since December 31, 2016, due to the sale of our majority ownership in CareerBuilder, which has decreased our exposure to changes in foreign exchange rates related to CareerBuilder’s international operations.

As of September 30, 2017, we had \$379.2 million in long-term floating rate obligations outstanding. These obligations fluctuate with market interest rates. By way of comparison, a 50 basis points increase or decrease in the average interest rate for these obligations would result in a change in annualized interest expense of approximately \$1.9 million. The fair value of our total debt, based on bid and ask quotes for the related debt, totaled \$3.49 billion as of September 30, 2017, and \$4.19 billion as of December 31, 2016.

#### **Item 4. Controls and Procedures**

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2017. Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective, as of September 30, 2017, to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 are recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

There have been no material changes in our internal controls or in other factors during the fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

#### **PART II. OTHER INFORMATION**

##### **Item 1. Legal Proceedings**

Other than ordinary, routine litigation incidental to our business, neither we nor any of our subsidiaries currently is party to any material pending legal proceeding.

##### **Item 1A. Risk Factors**

While we attempt to identify, manage and mitigate risks and uncertainties associated with our business, some level of risk and uncertainty will always be present. "Item 1A. Risk Factors" of our 2016 Annual Report on Form 10-K describes the risks and uncertainties that we believe may have the potential to materially affect our business, results of operations, financial condition, cash flows, projected results and future prospects. The information below describes material changes from the risk factors disclosed in our 2016 Form 10-K and should be read in conjunction with the risk factors and information described therein.

***The spin-off of our Cars.com business and sale of our majority ownership interest in CareerBuilder has reduced the size and diversification of our business, which in turn increases our exposure to the changes and highly competitive environment of the broadcast industry.***

We now operate as a single business segment which is more exposed to the increased competition and changing regulatory environment within the broadcast industry. Broadcast companies operate in a highly competitive environment and compete for audiences, advertising & marketing services revenue and quality programming. Lower audience share, declines in advertising & marketing services revenue and increased programming costs would adversely affect our business, financial condition and results of operations.

In addition, the Federal Communications Commission (FCC) and Congress are contemplating several new laws and changes to existing media ownership and other broadcast-related regulations, regarding a wide range of matters (including permitting companies to own more stations in a single market, as well as owning more stations nationwide). Changes to FCC rules may lead to additional opportunities and increased uncertainty in the industry. We cannot be assured that we will be able to compete successfully in the future against existing, new or potential competitors, or that competition and consolidation in the media marketplace will not have a material adverse effect on our business, financial condition or results of operations.

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

On September 19, 2017, we announced that our Board of Directors authorized a new share repurchase program for up to \$300.0 million of our common stock over the next three years. During the third quarter of 2017, no shares were repurchased.

##### **Item 3. Defaults Upon Senior Securities**

None.

##### **Item 4. Mine Safety Disclosures**

None.

##### **Item 5. Other Information**

None.

**Item 6. Exhibits**

<u>Exhibit Number</u>	<u>Description</u>	<u>Location</u>
3-1	Third Restated Certificate of Incorporation of TEGNA Inc.	<a href="#">Incorporated by reference to Exhibit 3-1 to TEGNA Inc.'s Form 10-Q for the fiscal quarter ended April 1, 2007.</a>
3-1-1	Amendment to Third Restated Certificate of Incorporation of TEGNA Inc.	<a href="#">Incorporated by reference to Exhibit 3-1 to TEGNA Inc.'s Form 8-K filed on May 1, 2015.</a>
3-1-2	Amendment to Third Restated Certificate of Incorporation of TEGNA Inc.	<a href="#">Incorporated by reference to Exhibit 3-1 to TEGNA Inc.'s Form 8-K filed on July 2, 2015.</a>
3-2	By-laws, as amended through December 8, 2015.	<a href="#">Incorporated by reference to Exhibit 3-2 to TEGNA Inc.'s Form 8-K filed on December 11, 2015.</a>
10-1	Tenth Amendment, dated as of August 1, 2017, to the Amended and Restated Competitive Advance and Revolving Credit Agreement, dated as of December 13, 2004 and effective as of January 5, 2005, as amended and restated as of August 5, 2013, and as further amended, among TEGNA Inc., JPMorgan Chase Bank, N.A., as administrative agent, and the several banks and other financial institutions from time to time parties thereto.	<a href="#">Attached.</a>
31-1	Rule 13a-14(a) Certification of CEO.	<a href="#">Attached.</a>
31-2	Rule 13a-14(a) Certification of CFO.	<a href="#">Attached.</a>
32-1	Section 1350 Certification of CEO.	<a href="#">Attached.</a>
32-2	Section 1350 Certification of CFO.	<a href="#">Attached.</a>
101	The following financial information from TEGNA Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2017, formatted in XBRL includes: (i) Condensed Consolidated Balance Sheets at September 30, 2017 and December 31, 2016, (ii) Consolidated Statements of Income for the quarter and year-to-date periods ended September 30, 2017 and September 30, 2016, (iii) Consolidated Statements of Comprehensive Income for the quarter and year-to-date periods ended September 30, 2017 and September 30, 2016, (iv) Condensed Consolidated Cash Flow Statements for the year-to-date periods ended September 30, 2017 and September 30, 2016, and (v) the notes to unaudited condensed consolidated financial statements.	<a href="#">Attached.</a>

We agree to furnish to the Commission, upon request, a copy of each agreement with respect to long-term debt not filed herewith in reliance upon the exemption from filing applicable to any series of debt representing less than 10% of our total consolidated assets.

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.

Date: November 8, 2017

TEGNA INC.

/s/ Clifton A. McClelland III

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Clifton A. McClelland III

Senior Vice President and Controller

(on behalf of Registrant and as Chief Accounting Officer)

**TENTH AMENDMENT TO THE AMENDED AND RESTATED COMPETITIVE ADVANCE AND REVOLVING CREDIT AGREEMENT**

This TENTH AMENDMENT, dated as of August 1, 2017 (this "Amendment"), to the Amended and Restated Competitive Advance and Revolving Credit Agreement, dated as of December 13, 2004 and effective as of January 5, 2005, and as amended and restated as of August 5, 2013, as further amended as of June 29, 2015, and as further amended as of September 30, 2016 (as thereafter amended and modified from time to time prior to the date hereof, the "Credit Agreement"), among TEGNA Inc. (f/k/a Gannett Co., Inc.), a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties to the Credit Agreement (the "Lenders"), JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent"), JPMorgan Chase Bank, N.A. and Citibank, N.A., as syndication agents, and Barclays Bank PLC, Mizuho Bank, Ltd., SunTrust Bank, The Bank of Tokyo-Mitsubishi UFJ, Ltd and U.S. Bank, National Association, as documentation agents and JPMorgan Chase Bank, N.A., as the issuing lender (the "Issuing Lender").

**W I T N E S S E T H:**

WHEREAS, the Borrower has requested certain amendments to the Credit Agreement as described herein;

WHEREAS, the parties set forth in Section 3(a) of this Amendment are willing to consent to the requested amendments on the terms and conditions contained herein;

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, terms used herein shall have the meanings given to them in the Credit Agreement.

2. Amendment. The Credit Agreement (excluding the Exhibits thereto) is, effective as of the Tenth Amendment Effective Date (as defined below), 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 Exhibit A hereto.

3. Effectiveness. This Amendment shall become effective as of the date (the "Tenth Amendment Effective Date") on which the following conditions precedent shall have been satisfied:

- (a) the Administrative Agent shall have received counterparts hereof duly executed and delivered by each of (i) the Borrower, (ii) the Guarantors, (iii) the Administrative Agent, (iv) the Issuing Lender and (v) Lenders constituting Required Lenders;
- (b) (i) each of the representations and warranties of the Borrower in the Credit Agreement and this Amendment shall be true and correct in all material respects, as if made on and as of the date hereof (provided that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct

in all respects as so qualified); (ii) since December 31, 2016 there shall have been no Material change in the business or financial condition of the Borrower and its Subsidiaries taken as a whole that has not been publicly disclosed, and (iii) no Default or Event of Default shall have occurred and be continuing;

- (c) the Administrative Agent shall have received an opinion from Nixon Peabody LLP, counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, in form and substance reasonably satisfactory to the Administrative Agent. In rendering the foregoing opinion, such counsel may rely upon certificates of officers of the Loan Parties as to factual matters, including (i) the nature and location of the property of the Loan Parties, (ii) agreements and instruments to which the Loan Parties are a party and (iii) the conduct of the business of the Loan Parties;
- (d) the Administrative Agent shall have received such other closing documents, including legal opinions, documents, certificates and other instruments, as are customary for the transactions described in this Amendment, or as such Administrative Agent may reasonably request; and
- (e) all fees, including reasonable and documented out-of-pocket costs and expenses of the Administrative Agent, including the reasonable fees and disbursements of counsel, shall have been paid or reimbursed.

4. Representations and Warranties. The Borrower hereby represents and warrants that, on and as of the Tenth Amendment Effective Date, after giving effect to this Amendment:

(a) no Default or Event of Default has occurred and is continuing; and

(b) each of the representations and warranties of the Borrower in the Credit Agreement and this Amendment is true and correct in all material respects, as if made on and as of the date hereof (provided that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects as so qualified); and since December 31, 2016, there has been no Material change in the business or financial condition of the Borrower and its Subsidiaries taken as a whole that has not been publicly disclosed.

5. Reaffirmation of Guarantee. Each Guarantor and the Borrower hereby agrees that all of its obligations and liabilities under the Credit Agreement and each other Loan Document to which it is a party remain in full force and effect on a continuous basis after giving effect to this Amendment.

6. Continuing Effect; no novation. Except as expressly amended hereby, the Credit Agreement shall continue to be and shall remain in full force and effect in accordance with its terms. From and after the date hereof, all references in the Credit Agreement thereto shall be to such Credit Agreement as amended hereby. Nothing herein contained shall be construed as a substitution or novation of the obligations outstanding under the Credit Agreement or instruments securing the same, which shall remain in full force and effect, except to any extent modified hereby or by

instruments executed concurrently herewith and except to the extent repaid as provided therein. Nothing implied in this Agreement or in any other document contemplated hereby shall be construed as a release or other discharge of any of the Loan Parties under any Loan Document from any of its obligations and liabilities as a borrower, guarantor or pledgor under any of the Loan Documents.

7. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile or other electronic method of transmission shall be effective as delivery of a manually executed counterpart hereof.

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

9. Integration. This Amendment and the other Loan Documents represent the entire agreement of the Borrower, the Guarantors, the Administrative Agent, and the Lenders party hereto with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender party hereto relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents. Sections 9.12 and 9.14 of the Credit Agreement are incorporated herein by reference and shall apply mutatis mutandis.

10. Headings. Section headings used in this Amendment are for convenience of reference only, are not part of this Amendment and are not to affect the constructions of, or to be taken into consideration in interpreting, this Amendment.

11. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

12. Expenses. The Borrower agrees to pay or reimburse JPMorgan Chase Bank, N.A., in its capacities as Administrative Agent and as Arranger, for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees and disbursements of counsel to JPMorgan Chase Bank, N.A., in its capacities as Administrative Agent and as the Arranger.

*[Signature page follows]*

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

TEGNA INC.

By: /s/ Michael A. Hart

Name: Michael A. Hart

Title: Senior Vice President & Treasurer

GUARANTORS:

KING BROADCASTING COMPANY  
MULTIMEDIA HOLDINGS CORPORATION  
PACIFIC & SOUTHERN, LLC  
KHOU-TV, INC.  
WFAA-TV, INC.  
WUSA-TV, INC.  
KTVK, INC.  
WWL-TV, INC.  
WKYC-TV, LLC  
MULTIMEDIA KSDK, LLC  
KVUE TELEVISION, INC.  
WCNC-TV, INC.  
KENS-TV, INC.  
KXTV, LLC  
WVEC TELEVISION, INC.  
LSB BROADCASTING, INC.  
MULTIMEDIA ENTERTAINMENT, LLC  
KONG-TV, INC.  
NORTHWEST CABLE NEWS, INC.  
BELO KENTUCKY, INC.

By: /s/ Todd A. Mayman

Name: Todd A. Mayman

Title: Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*



JPMORGAN CHASE BANK, N.A., as Administrative Agent, Issuing Lender and Lender

By: /s/ Davide Migliardi  
Name: Davide Migliardi  
Title: Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*

BARCLAYS BANK PLC, as a Lender

By: /s/ May Huang  
Name: May Huang  
Title: Assistant Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*

CAPITAL ONE, N.A., as a Lender

By: /s/ Ali Zaidi

Name: Ali Zaidi

Title: Duly Authorized Signatory

*[Signature Page to Amendment – TEGNA Credit Agreement]*

CITIBANK, N.A., as a Lender

By: /s/ Elizabeth Minnella Gonzalez

Name: Elizabeth Minnella Gonzalez

Title: Vice President and Managing Director

*[Signature Page to Amendment – TEGNA Credit Agreement]*

CITIZENS BANK, N.A., as a Lender

By: /s/ Barrett D. Bencivenga  
Name: Barrett D. Bencivenga  
Title: Managing Director

*[Signature Page to Amendment – TEGNA Credit Agreement]*

Fifth Third Bank, as a Lender

By: /s/ Suzanne Rode

Name: Suzanne Rode

Title: Managing Director

*[Signature Page to Amendment – TEGNA Credit Agreement]*

First Hawaiian Bank, as a Lender

By: /s/ Derek Chang \_\_\_\_\_  
Name: Derek Chang  
Title: Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*

Mizuho Bank. LTD., as a Lender

By: /s/ Daniel Guevara  
Name: Daniel Guevara  
Title: Authorized Signatory

*[Signature Page to Amendment – TEGNA Credit Agreement]*



The Bank of Tokyo-Mitsubishi UFJ, Ltd., as a Lender

By: /s/ Ola Anderssen  
Name: Ola Anderssen  
Title: Director

*[Signature Page to Amendment – TEGNA Credit Agreement]*

THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*

PNC Bank, National Association, as a Lender

By: /s/ Carolyn L. West  
Name: Carolyn L. West  
Title: Senior Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*

Raymond James Ban, N.A., as a Lender

By: /s/ Mike Pelletier

Name: Mike Pelletier

Title: Senior Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*

Royal Bank of Canada, as a Lender

By: /s/ Alfonse Simone

Name: Alfonse Simone

Title: Authorized Signatory

*[Signature Page to Amendment – TEGNA Credit Agreement]*

Sumitomo Mitsui Banking Corporation, as a Lender

By: /s/ Katsuyuki Kubo

Name: Katsuyuki Kubo

Title: Managing Director

*[Signature Page to Amendment – TEGNA Credit Agreement]*

SUNTRUST BANK, as a Lender

By: /s/ Brian Guffin  
Name: Brian Guffin  
Title: Director

*[Signature Page to Amendment – TEGNA Credit Agreement]*

TD Bank, N.A., as a Lender

By: /s/ Jason Siewert

Name: Jason Siewert

Title: Senior Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*



U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Steven L. Sawyer  
Name: Steven L. Sawyer  
Title: Senior Vice President

*[Signature Page to Amendment – TEGNA Credit Agreement]*

Wells Fargo Bank, N.A., as a Lender

By: /s/ David M. Mallett

Name: David M. Mallett

Title: Managing Director

*[Signature Page to Amendment – TEGNA Credit Agreement]*

**Exhibit A**

Conformed Credit Agreement

[Attached.]

AMENDED AND RESTATED  
COMPETITIVE ADVANCE AND REVOLVING CREDIT AGREEMENT

among

TEGNA INC.,  
as the Borrower

The Several Lenders  
from Time to Time Parties Hereto,

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

BARCLAYS BANK PLC, MIZUHO BANK, LTD., SUNTRUST BANK, THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. and  
U.S. BANK, NATIONAL ASSOCIATION  
as Documentation Agents

and

JPMORGAN CHASE BANK, N.A. and CITIBANK, N.A.  
as Syndication Agents

Dated as of December 13, 2004 and effective as of January 5, 2005,  
as amended and restated as of August 5, 2013

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JPMORGAN CHASE BANK, N.A. and CITIGROUP GLOBAL MARKETS INC.  
as Joint Lead Arrangers and Joint Bookrunners

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- D-1 Form of New Lender Supplement
- D-2 Form of Incremental Facility Activation Notice
- E Form of Exemption Certificate
- F [Reserved]
- G Form of Compliance Certificate



COMPETITIVE ADVANCE AND REVOLVING CREDIT AGREEMENT, dated as of December 13, 2004 and effective as of January 5, 2005, as amended by the Amendments (as defined below) and as amended and restated as of August 5, 2013, among TEGNA Inc. (f/k/a GANNETT CO., INC.), a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties to this Agreement (the "Lenders"), JPMORGAN CHASE BANK, N.A., as administrative agent for the Lenders hereunder (in such capacity, together with its successors, the "Administrative Agent") and JPMORGAN CHASE BANK, N.A. and CITIBANK, N.A., as syndication agents (the "Syndication Agents").

WHEREAS, the Borrower is a party to each of the Existing Credit Agreements (as defined below); and

WHEREAS, the parties to each of the Existing Credit Agreements have agreed to amend and restate the Existing Credit Agreements in their entirety pursuant to the Amendment and Restatement (as defined below) in the form of this Agreement;

NOW, THEREFORE, the parties agree that each Existing Credit Agreement is hereby amended and restated pursuant to the Amendment and Restatement to read in its entirety as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.1. Defined Terms.** The following words and terms shall have the following meanings in this Agreement:

"ABR": for any day, a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) 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 Eurodollar Rate on such day (or, if such day is not a Business Day, the immediately preceding Business Day) for a deposit in Dollars with a maturity of one month plus 1.0%; provided, that for the purpose of this definition, the Eurodollar Rate for any day shall be based on the LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one-month Interest Period, the Interpolated Rate) at approximately 11:00 a.m., London time, on such day. Any change in the ABR due to a change in the Prime Rate, the NYFRB Rate or the Eurodollar Rate shall be effective as of the opening of business on the effective day of such change in the Prime Rate, the NYFRB Rate or such Eurodollar Rate, respectively.

"ABR Loans": Loans the rate of interest applicable to which is based upon the ABR.

"Adjustment Date": as defined in the Applicable Margin.

"Aggregate Commitment Percentage": as to any Lender at any time, the percentage which such Lender's Commitment then constitutes of the aggregate Commitments (or, at any time after the Commitments shall have expired or terminated, the percentage which the aggregate principal amount of such Lender's Loans and Letters of Credit then outstanding

constitutes of the aggregate principal amount of the Loans and Letters of Credit then outstanding).

“Agreement”: this Competitive Advance and Revolving Credit Agreement, as amended, amended and restated, supplemented or otherwise modified from time to time.

“Amendments”: the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment and Waiver, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment and the Ninth Amendment.

“Amendment and Restatement”: the Amendment and Restatement Agreement to this Agreement, dated as of August 5, 2013 among the Borrower, the Lenders, the Administrative Agent and the Issuing Lender.

“Amendment and Restatement Effective Date”: the date on which the conditions precedent set forth in Section 6 of the Amendment and Restatement shall have been satisfied or waived.

“Anti-Corruption Laws”: all laws, rules, and regulations of any jurisdiction applicable to the Borrower or any of its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Applicable Margin”: (a) for each Type of Loan (including, without limitation, Term Loans, New Term Loans and New Term III Loans) other than Incremental Loans and with respect to the Commitment Fee Rate, the appropriate rate per annum set forth in the table below:

	<b>Applicable Margin (payable pursuant to Section 2.9) for:</b>		<b>Commitment Fee Rate (payable pursuant to Section 2.10(b))</b>
	ABR Loans	Eurodollar Loans	
Total Leverage Ratio			
>3.00 to 1.00	150.0 Basis Points	250.0 Basis Points	40.0 Basis Points
≤ 3.00 to 1.00 and > 2.00 to 1.00	125.0 Basis Points	225.0 Basis Points	35.0 Basis Points
≤ 2.00 to 1.00 and > 1.00 to 1.00	100.0 Basis Points	200.0 Basis Points	30.0 Basis Points
≤ 1.00 to 1.00	75.0 Basis Points	175.0 Basis Points	25.0 Basis Points

; provided, however, that if the Borrower achieves an Investment Grade Rating, and for so long as the Borrower maintains an Investment Grade Rating, each rate of Applicable Margin set forth above (as payable pursuant to Section 2.9) shall be reduced by 25 Basis Points solely in respect of the Five-Year Loans, the New Term Loans and the New Term III Loans.

The Applicable Margin on the Ninth Amendment Effective Date shall be 150.0 Basis Points for ABR Loans and 250.0 Basis Points for Eurodollar Loans, subject to the final paragraph of this definition.

(b) for Incremental Loans, such per annum rates as shall be agreed to by the Borrower and the applicable Incremental Facility Lenders as shown in the applicable Incremental Facility Activation Notice.

For the purposes of the foregoing, on and after the Ninth Amendment Effective Date, changes in the Applicable Margin resulting from changes in the Total Leverage Ratio shall become effective on the date (the “Adjustment Date”) that is five Business Days after the date on which financial statements are delivered to the Lenders pursuant to Section 5.1(a) or (b) and shall remain in effect until the next change to be effected pursuant to this paragraph. If any financial statements referred to above are not delivered within the time periods specified in Section 5.1(a) or (b), then, until the date that is five Business Days after the date on which such financial statements are delivered, the highest rate set forth in each column of the Applicable Margin grid above shall apply. Each determination of the Total Leverage Ratio pursuant to the Applicable Margin grid above shall be made in a manner consistent with the determination thereof pursuant to Section 6.3.

“Application”: an application, in such form as the Issuing Lender may specify from time to time, requesting the Issuing Lender to open a Letter of Credit.

“Arrangers”: JPMorgan Chase Bank, N.A. and Citigroup Global Markets Inc., each in its capacity as a joint lead arranger and joint bookrunner.

“Assignee”: as defined in Section 9.6(c).

“Assignment and Acceptance”: an Assignment and Acceptance, substantially in the form of Exhibit B.

“Bail-In Action”: the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation”: 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 for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Basis Point”: 1/100th of one percent.

“Board”: the Board of Governors of the Federal Reserve System, or any successor thereto.

“Borrower”: TEGNA Inc. (f/k/a Gannett Co., Inc.), a Delaware corporation.

“Borrowing”: a group of Loans of a single Type made by the Lenders (or, in the case of a Competitive Borrowing, by the Lender or Lenders whose Competitive Bids have been accepted pursuant to Section 2.3) on a single date and as to which a single Interest Period is in effect or, where applicable, the issuance of a Letter of Credit.

“Borrowing Date”: any Business Day specified by the Borrower as a date on which the Borrower requests the relevant Lenders to make Loans hereunder.

“Broadcasting Assets”: the property of the Borrower and its Subsidiaries the income and revenues of which are reported under the “Broadcasting Segment” of the financial statements of the Borrower and its Subsidiaries mostly recently delivered pursuant to Section 5.1(a) or (b).

“Business Day”: each Monday, Tuesday, Wednesday, Thursday and Friday which is not a legal holiday for banks in the State of New York; provided, that with respect to notices and determinations in connection with, and payments of principal and interest on, Eurodollar Loans, such day is also a day for trading by and between banks in Dollar deposits in the interbank Eurodollar market.

“Capital Stock”: any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing, but excluding any debt securities convertible into any of the foregoing.

“Change in Control”: (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), of shares representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding capital stock of the Borrower or (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were neither (i) nominated by the board of directors of the Borrower nor (ii) appointed with the approval of a majority of directors so nominated (either by a specific vote or by approval by the board of directors of the Borrower’s proxy statement in which such member was named as a nominee for election as a director).

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

“Commitment”: as to any Lender, the sum of its Five-Year Commitment, its Term Commitment, its New Term Commitment, its New Term III Commitment and its commitment under any Incremental Facility, if any.

“Commitment Fee Rate”: an amount determined from the table set forth in the definition of Applicable Margin.

“Commodity Exchange Act”: the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“Competitive Bid”: an offer by a Lender to make a Competitive Loan pursuant to Section 2.3.

“Competitive Bid Accept/Reject Letter”: a notification made by the Borrower pursuant to Section 2.3(f) in the form of Exhibit C-4.

“Competitive Bid Rate”: as to any Competitive Bid made by a Lender pursuant to Section 2.3, (i) in the case of a Eurodollar Competitive Loan, the Eurodollar Rate plus (or minus) the Margin, and (ii) in the case of a Fixed Rate Loan, the fixed rate of interest offered by the Lender making such Competitive Bid.

“Competitive Bid Request”: a request made pursuant to Section 2.3(b) in the form of Exhibit C-1.

“Competitive Borrowing”: a Borrowing consisting of a Competitive Loan or concurrent Competitive Loans from the Lender or Lenders whose Competitive Bids for such Borrowing have been accepted by the Borrower under the bidding procedure described in Section 2.3.

“Competitive Loan”: a Loan (which shall be a Eurodollar Competitive Loan or a Fixed Rate Loan) made by a Lender pursuant to the bidding procedure described in Section 2.3.

“Conduit Lender”: any special purpose corporation organized and administered by any Lender for the purpose of making Loans hereunder otherwise required to be made by such Lender and designated by such Lender in a written instrument, subject to the consent of the Administrative Agent and the Borrower; provided, that the designation by any Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations to fund a Loan under this Agreement if, for any reason, its Conduit Lender fails to fund any such Loan, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender, and provided, further, that no Conduit Lender shall (a) be entitled to receive any greater amount pursuant to Section 2.14, 2.15, 2.16 or 9.5 than the designating Lender would have been entitled to receive in respect of the extensions of credit made by such Conduit Lender or (b) be deemed to have any Commitment hereunder.

“Consolidated EBITDA”: for any Test Period, Consolidated Net Income for such Test Period:

plus without duplication and to the extent already deducted (and not added back) in determining Consolidated Net Income for such Test Period, the sum of (a) Consolidated Interest Expense, (b) provisions for federal, state, local and foreign taxes based on income or gains, (c) total depreciation expense, (d) total amortization expense, including, without limitation, amortization of intangibles and Indebtedness issuance costs, (e) earn-out payments pursuant to any acquisitions or investments, (f) any loss (or minus any gain) from early extinguishments of any hedge agreement and (g) all other non-cash charges, expenses and other items including, without limitation, restructuring costs, severance costs, facility closures, stock-based compensation expense, non-cash charges arising from impairments and write-offs of assets (including investments) and foreign currency translation losses pertaining to intercompany activity; provided that if any such non-cash charges are reflected in Consolidated EBITDA and represent an accrual of or reserve for potential cash expenditures in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA for the period in which such payment is made;

plus the amount of any net run rate cost savings or any increased digital or broadcast contractual revenues (based on amendments or other changes to pricing in existing contracts (including existing cars.com affiliate agreements)) projected by the Borrower in good faith to be realized in connection with any investment, acquisition, disposition, merger or restructuring, in each case permitted under this Agreement (each, a “Specified Arrangement”), taken or initiated prior to or during such period (which shall be calculated on a pro forma basis as though such cost savings or increased revenues had been realized on the first day of such period), net of the amount of actual benefits realized prior to or during such period from such actions; provided that (A) with respect to any such cost savings, an appropriate financial officer of the Borrower shall have certified to the Administrative Agent that (x) such cost savings are reasonably identifiable and factually supportable and (y) such actions to implement such cost savings shall have been taken or will be taken within 12 months of the date of such Specified Arrangement and (B) (x) the aggregate amount of all such cost savings that are included in this paragraph shall not exceed 10% of Consolidated EBITDA in any four quarter period and (y) the aggregate amount of all such cost savings and all increased revenues that are included in this paragraph shall not exceed 15% of Consolidated EBITDA in any four quarter period;

minus, without duplication and to the extent already included in determining Consolidated Net Income for such Test Period, non-cash gains increasing Consolidated Net Income for such Test Period, excluding any non-cash gains to the extent they represent the reversal of an accrual of or reserve for potential cash items that reduced Consolidated EBITDA in any prior period.

Notwithstanding the foregoing, there shall be excluded from the calculation of Consolidated EBITDA: (i) any extraordinary, unusual or non-recurring gains or losses; (ii) any cumulative effect of changes in accounting principles or policies and (iii) the Consolidated Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting; provided that Consolidated EBITDA shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash) by such Person to the Borrower or a Subsidiary thereof.

Notwithstanding the foregoing and solely for purposes of calculating compliance with Section 6.3, for purposes of determining Consolidated EBITDA for any period that includes any of the fiscal quarters ended June 30, 2013 through March 29, 2015, Consolidated EBITDA for such fiscal quarters shall be as set forth in the table below (in thousands of Dollars).

Fiscal quarter ended as of	Consolidated EBITDA
June 30, 2013	\$204,374,000.00
September 29, 2013	\$195,377,000.00
December 29, 2013	\$228,875,000.00
March 30, 2014	\$182,949,000.00

June 29, 2014	\$386,083,000.00
September 28, 2014	\$214,125,000.00
December 28, 2014	\$311,474,000.00
March 29, 2015	\$196,264,000.00

For the purposes of calculating Consolidated EBITDA for any Test Period (i) if at any time during such Test Period, the Borrower or any Subsidiary shall have made any Material Disposition, the Consolidated EBITDA for such Test Period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the property that is the subject of such Material Disposition for such Test Period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such Test Period and (ii) if during such Test Period the Borrower or any Subsidiary shall have made a Material Acquisition or Material Investment, Consolidated EBITDA for such Test Period shall be calculated after giving pro forma effect thereto in accordance with Article 11 of Regulation S-X of the Securities and Exchange Commission and this definition, other than with reference to those portions thereof relating to whether the transaction would be considered significant, as if such Material Acquisition or Material Investment occurred on the first day of such Test Period. As used in this definition, “Material Acquisition” means any acquisition of property or series of related acquisitions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Person and (b) involves the payment of consideration (including the assumption by the Borrower or its Subsidiaries of Indebtedness of the seller) by the Borrower and its Subsidiaries in excess of \$50,000,000; “Material Investment” means any purchase of voting equity securities of a Person which involves the payment of consideration by the Borrower and its Subsidiaries (including contributions of assets) in excess of \$50,000,000; and “Material Disposition” means any disposition of property or series of related dispositions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Subsidiary of the Borrower and (b) yields gross proceeds (including the discharge by the purchaser of Indebtedness of the Borrower or its Subsidiaries) to the Borrower or any of its Subsidiaries in excess of \$50,000,000. Notwithstanding the foregoing, the parties understand and agree that the Borrower’s acquisition on September 2, 2008 of a controlling membership interest in CareerBuilder, LLC shall constitute a Material Acquisition for the purposes of this Agreement.

“Consolidated Interest Expense”: with respect to all outstanding Indebtedness of a Person and its Subsidiaries for any period, the total interest expense of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

“Consolidated Net Income”: for any period, with respect to a Person and its Subsidiaries, the consolidated net income (or loss) of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

“Consolidated Tangible Assets”: for any period, with respect to the Borrower and its Domestic Subsidiaries, all property, plant and equipment, inventories and trade receivables of the Borrower and its Domestic Subsidiaries on a consolidated basis in accordance with GAAP.

“Contractual Obligation”: as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Credit Status”: any of Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5. In determining whether Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5 shall apply in any circumstance, if the applicable ratings by S&P and Moody’s differ, the higher of the two ratings will be determinative, unless the applicable ratings by S&P and Moody’s are more than one level apart, in which case the Credit Status one level above the lower rating will be determinative. In the event that the Borrower’s senior unsecured long-term debt is rated by only one of S&P and Moody’s, then that single rating shall be determinative.

“Credit Status 1”: shall exist upon the occurrence of the higher of a rating by S&P of the Borrower’s senior unsecured long-term debt of at least A- or a rating by Moody’s of the Borrower’s senior unsecured long-term debt of at least A3.

“Credit Status 2”: shall exist upon the occurrence of the higher of a rating by S&P of the Borrower’s senior unsecured long-term debt of at least BBB+ but lower than A- or a rating by Moody’s of the Borrower’s senior unsecured long-term debt of at least Baa1 but lower than A3.

“Credit Status 3”: shall exist upon the occurrence of the higher of a rating by S&P of the Borrower’s senior unsecured long-term debt of at least BBB but lower than BBB+ or a rating by Moody’s of the Borrower’s senior unsecured long-term debt of at least Baa2 but lower than Baa1.

“Credit Status 4”: shall exist upon the occurrence of the higher of a rating by S&P of the Borrower’s senior unsecured long-term debt of at least BBB- but lower than BBB or a rating by Moody’s of the Borrower’s senior unsecured long-term debt of at least Baa3 but lower than Baa2.

“Credit Status 5”: shall exist upon the occurrence of the higher of a rating by S&P of the Borrower’s senior unsecured long-term debt of lower than BBB- or a rating by Moody’s of the Borrower’s senior unsecured long-term debt of lower than Baa3.

“Default”: any of the events specified in Section 7.1, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

“Defaulting Lender”: any Lender, as reasonably determined by the Administrative Agent, that has (1) failed to fund its portion of any Borrowing, or any portion of its participation in any Letter of Credit, within three Business Days of the date on which it shall have been required to fund the same, unless the subject of a good faith dispute between the Borrower and such Lender,



(1) notified the Borrower, the Administrative Agent, the Issuing Lender or any other Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement (unless the subject of a good faith dispute between the Borrower and such Lender) or under agreements in which it commits to extend credit generally, (1) failed, within three Business Days after written request by the Administrative Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans (unless the subject of a good faith dispute between the Borrower and such Lender) and participations in then outstanding Letters of Credit; provided that any such Lender shall cease to be a Defaulting Lender under this clause (c) upon receipt of such confirmation by the Administrative Agent, (1) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute, (1) (i) been (or has a parent company that has been) adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent or (ii) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or custodian, appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment, unless, in the case of any Lender referred to in this clause (e), the Borrower, the Administrative Agent and the Issuing Lender shall be satisfied that such Lender intends, and has all approvals required to enable it, to continue to perform its obligations as a Lender hereunder, or (f) become (or has a direct or indirect parent company that has become) the subject of a Bail-In Action. For the avoidance of doubt, a Lender shall not be deemed to be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in such Lender or its parent by a Governmental Authority.

“Dollars” and “\$”: dollars in lawful currency of the United States of America.

“Domestic Subsidiary”: any wholly-owned Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

“EEA Financial Institution”: (a) any institution 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 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”: any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority”: 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.

“Eighth Amendment”: the Eighth Amendment to this Agreement, dated as of June 29, 2015, among the Borrower, the Lenders, the Administrative Agent and the Issuing Lender.

“Eighth Amendment Effective Date”: June 29, 2015.

“Environmental Laws”: any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

“ERISA”: the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate”: any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event”: (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30 day notice period is waived); (b) the failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; (g) the failure by the Borrower or any of its ERISA Affiliates to pay when due (after expiration of any applicable grace period) any installment payment with respect to Withdrawal Liability under Section 4201 of ERISA; or (h) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

“EU Bail-In Legislation Schedule”: the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Eurocurrency Reserve Requirements”: for any day as applied to a Eurodollar Loan, the aggregate (without duplication) of the maximum rates (expressed as a decimal fraction) of reserve requirements in effect on such day (including, without limitation, basic, supplemental, marginal and emergency reserves under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto) dealing with reserve requirements prescribed for Eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

“Eurodollar Base Rate”: with respect to any Eurodollar Loan for any Interest Period, the LIBO Screen Rate at approximately 11:00 A.M., London time, two 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”) with respect to Dollars, then the Eurodollar Base Rate shall be the Interpolated Rate at such time.

“Eurodollar Borrowing”: a Borrowing comprised of Eurodollar Loans.

“Eurodollar Competitive Loan”: any Competitive Loan bearing interest at a rate determined by reference to the Eurodollar Rate.

“Eurodollar Loan”: any Eurodollar Competitive Loan, Eurodollar Revolving Credit Loan or Eurodollar Term Loan.

“Eurodollar Rate”: with respect to each day during each Interest Period pertaining to a Eurodollar Loan, a rate per annum determined for such day in accordance with the following formula (rounded upward to the nearest 1/100th of 1%):

$$\frac{\text{Eurodollar Base Rate}}{1.00 - \text{Eurocurrency Reserve Requirements}}$$

“Eurodollar Revolving Credit Loan”: any Five-Year Loan bearing interest at a rate determined by reference to the Eurodollar Rate.

“Eurodollar Term Loan”: any Term Loan, New Term Loan or New Term III Loan bearing interest at a rate determined by reference to the Eurodollar Rate.

“Event of Default”: any of the Events of Default specified in Section 7.1 of this Agreement.

“Excluded Swap Obligation”: with respect to any Loan Party, any Swap Obligation, if, and to the extent that, and only for so long as, all or a portion of the guarantee of any Loan Party of, or the grant by such Loan Party of a security interest to secure, as applicable, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity

Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Loan Party's failure to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder, at the time the guarantee of (or grant of such security interest by, as applicable) such Loan Party becomes or would become effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one Swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swaps for which such guarantee or security interest is or becomes illegal.

"Existing Credit Agreements": this Agreement, the 2002 Credit Agreement and the 2004 Credit Agreement, in each case, as in effect immediately prior to the Amendment and Restatement Effective Date.

"Existing Letters of Credit": each letter of credit previously issued pursuant to the Existing Credit Agreements that is outstanding on the Eighth Amendment Effective Date and listed on Schedule 1.1C hereto.

"Facility": each of the Five-Year Facility, the Term Facility, the New Term Facility, the New Term III Facility and any Incremental Facility.

"FATCA": Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Funds Effective Rate": 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 federal funds effective rate; provided, that, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fee Payment Date": (a) the first Business Day following the last day of each March, June, September and December and (b) the 2020 Extended Termination Date.

"Fifth Amendment and Waiver": the Fifth Amendment and Waiver to the Agreement, dated as of September 30, 2010, among the Borrower, the Lenders and the Administrative Agent.

"Fifth Amendment and Waiver Effective Date": the date on which the conditions precedent set forth in Section 3 of the Fifth Amendment and Waiver shall have been satisfied or waived.

"First Amendment": means the First Amendment to the Agreement dated as of March 15, 2007, among the Borrower, the Lenders and the Administrative Agent.

"First Amendment Effective Date": means the date on which the conditions precedent set forth in paragraph 9(b) of the First Amendment shall have been satisfied or waived.

“Five-Year Available Commitment”: as to any Five-Year Lender at any time, the excess, if any, of (a) such Five-Year Lender’s Five-Year Commitment then in effect over (b) such Five-Year Lender’s Five-Year Extensions of Credit then outstanding.

“Five-Year Commitment”: as to any Lender, the obligation of such Lender, if any, to make Five-Year Loans and participate in Letters of Credit in an aggregate principal and/or face amount not to exceed the amount set forth under the heading “Five-Year Commitment” opposite such Lender’s name on Schedule 1.1B or in the Assignment and Acceptance or New Lender Supplement pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof.

“Five-Year Commitment Percentage”: as to any Five-Year Lender at any time, the percentage which such Five-Year Lender’s Five-Year Commitment then constitutes of the aggregate Five-Year Commitments (or, at any time after the Five-Year Commitments shall have expired or terminated, the percentage which the aggregate principal amount of such Five-Year Lender’s Five-Year Extensions of Credit then outstanding constitutes of the aggregate principal amount of the Five-Year Extensions of Credit then outstanding).

“Five-Year Commitment Period”: the period from and including the First Amendment Effective Date to the 2020 Extended Termination Date.

“Five-Year Competitive Loans”: Competitive Loans made under the Five-Year Facility.

“Five-Year Extensions of Credit”: as to any Five-Year Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all Five-Year Loans held by such Five-Year Lender then outstanding and (b) such Five-Year Lender’s Five-Year Commitment Percentage of the L/C Obligations then outstanding.

“Five-Year Facility”: the Five-Year Commitments and the Five-Year Extensions of Credit made thereunder.

“Five-Year Lender”: each Lender that has a Five-Year Commitment or that holds Five-Year Loans.

“Five-Year Loans”: as defined in Section 2.1(b).

“Fixed Rate Borrowing”: a Borrowing comprised of Fixed Rate Loans.

“Fixed Rate Loan”: any Competitive Loan bearing interest at a fixed percentage rate per annum specified by the Lender making such Loan in its Competitive Bid.

“Fourth Amendment”: the Fourth Amendment to the Agreement dated as of August 25, 2010, among the Borrower, the Lenders and the Administrative Agent.

“GAAP”: generally accepted accounting principles in the United States as in effect from time to time and consistent with those used in the preparation of the most recent audited financial statements referred to in Section 3.2. In the event that any “Accounting Change” (as defined below) shall occur and such change results in a material change in the

method of calculation of financial covenants, standards or terms in this Agreement, then the Borrower and the Administrative Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to equitably reflect such Accounting Changes with the desired result 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 been made. Until such time as such an amendment shall have been executed and delivered by the Borrower, the Administrative Agent and the Required Lenders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. "Accounting Changes" refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the Securities and Exchange Commission.

"Governmental Authority": any nation or government, any state or other political subdivision thereof and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government.

"Guarantee": a guarantee or similar contingent payment obligation, direct or indirect, in any manner, of all or any part of any Indebtedness; provided, that "Guarantee" shall not include (a) any endorsement of negotiable instruments for collection or deposit in the ordinary course of business or (b) any liability of the Borrower or its Subsidiaries as a general partner of a partnership (other than a wholly-owned Subsidiary of the Borrower) in respect of the Indebtedness of such partnership.

"Guarantee Agreement": an agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which each Material Domestic Subsidiary party thereto unconditionally guarantees all Obligations.

"Guarantor": each Subsidiary that enters into a Guarantee Agreement.

"Incremental Facility Activation Notice": a notice substantially in the form of Exhibit D-2 hereto.

"Incremental Facility": as defined in Section 2.1(d).

"Incremental Facility Closing Date": any Business Day designated as such in an Incremental Facility Activation Notice.

"Incremental Facility Commitment": as to any Lender, the obligation of such Lender, if any, to make Incremental Loans in an aggregate principal amount not to exceed the amount set forth in the applicable Incremental Facility Activation Notice or in the Assignment and Acceptance or New Lender Supplement pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof.

“Incremental Facility Lenders”: (a) on any Incremental Facility Closing Date relating to Incremental Loans, the Lenders signatory to the relevant Incremental Facility Activation Notice and (b) thereafter, each Lender that is a holder of an Incremental Loan.

“Incremental Facility Maturity Date”: with respect to the Incremental Loans, the maturity date specified in the applicable Incremental Facility Activation Notice, which date shall be a date that is on or after the New Term III Termination Date.

“Incremental Loans”: as defined in Section 2.1(d).

“Indebtedness”: as to any Person at any date, without duplication, (a) all indebtedness for borrowed money, (b) all obligations for the deferred purchase price of property and services (but excluding any (i) current accounts payable incurred in the ordinary course of business, (ii) deferred compensation obligations incurred in the ordinary course of business and (iii) earn-out obligation until such earn-out obligation becomes a liability on the balance sheet of such Person in accordance with GAAP), (c) all obligations evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to acquired property, (e) all capital lease obligations, (f) the liquidation value of all mandatorily redeemable preferred stock, (g) all guarantee obligations of the foregoing and (h) all obligations of any kind referenced in (a) through (g) above secured by any lien on property owned by such Person or any of its Subsidiaries, whether or not such Person or any of its Subsidiaries has assumed or become liable for the payment of such obligation; provided, however, that “Indebtedness” does not include (x) letters of credit, except to the extent of unreimbursed amounts owing in respect of drawings thereunder, (y) net obligations under Swap Agreements, or (z) any liability of such Person as a general partner of a partnership (other than a wholly-owned Subsidiary of such Person) in respect of the Indebtedness of such partnership, except to the extent that such liability appears as indebtedness on the balance sheet of the Borrower; provided, further, that for purposes of this definition, no effect shall be given to changes to GAAP which become effective after the Amendment and Restatement Effective Date and may have the effect of converting certain operating leases into capital leases.

“Information”: as defined in Section 9.15.

“Interest Payment Date”: (a) as to any ABR Loan, the first Business Day following the last day of each March, June, September and December to occur while such Loan is outstanding and on the date such Loan is paid in full, (b) as to any Eurodollar Loan or Fixed Rate Loan, the last day of the Interest Period applicable thereto and (c) as to any Eurodollar Loan or Fixed Rate Loan having an Interest Period longer than three months or 90 days, as the case may be, each day which is three months or 90 days, respectively, after the first day of the Interest Period applicable thereto; provided that, in addition to the foregoing, each of (x) the date upon which both the Commitments have been terminated and the Loans have been paid in full and (y) the 2020 Extended Termination Date with respect to a Revolving Loan shall be deemed to be an “Interest Payment Date” with respect to any interest which is then accrued hereunder.

“Interest Period”: (a) with respect to any Eurodollar Loan:

- (i) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Loan and ending one, two, three or six (or if available to all the Lenders (or, in the case of Eurodollar Competitive Loans, the Lender making such Loans) twelve) months thereafter, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and
- (ii) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Loan and ending one, two, three or six (or if available to all the Lenders (or, in the case of Eurodollar Competitive Loans, the Lender making such Loans) twelve) months thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not less than three Business Days prior to the last day of the then current Interest Period with respect thereto; and
- (b) with respect to any Fixed Rate Loan, the period commencing on the Borrowing Date with respect to such Fixed Rate Loan and ending such number of days thereafter (which shall be not less than seven days or more than 360 days after the date of such borrowing) as selected by the Borrower in its Competitive Bid Request given with respect thereto.

provided that all of the foregoing provisions relating to Interest Periods are subject to the following:

- (A) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless, in the case of an Interest Period pertaining to a Eurodollar Loan, the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day; and
- (B) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

“Interpolated Rate”: 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 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 the LIBO Screen Rate is available) that exceeds the Impacted Interest Period, in each case, at such time.



“Investment Grade Rating”: a rating of Baa3 or higher by Moody’s and BBB- or higher by S&P, in each case with a stable or better outlook.

“Invitation for Competitive Bids”: an invitation made by the Borrower pursuant to Section 2.3(c) in the form of Exhibit C-2.

“IRS”: the United States Internal Revenue Service.

“Issuing Lender”: JPMorgan Chase Bank, N.A. and any other Five-Year Lender selected by the Borrower and approved by the Administrative Agent (not to be unreasonably withheld, delayed or conditioned) that has agreed in its sole discretion to act as an “Issuing Lender” hereunder, or any of their respective affiliates, in each case in its capacity as issuer of any Letter of Credit. Each reference herein to “the Issuing Lender” shall be deemed to be a reference to the relevant Issuing Lender.

“L/C Commitment”: \$100,000,000.

“L/C Obligations”: at any time, an amount equal to the sum of (a) the aggregate then undrawn and unexpired amount of the then outstanding Letters of Credit and (b) the aggregate amount of drawings under Letters of Credit that have not then been reimbursed pursuant to Section 2.20(e).

“L/C Participants”: the collective reference to all the Five-Year Lenders other than the Issuing Lender.

“Lender Affiliate”: (a) any affiliate of any Lender, (b) any Person that is administered or managed by any Lender and that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business and (c) with respect to any Lender which is a fund that invests in commercial loans and similar extensions of credit, any other fund that invests in commercial loans and similar extensions of credit and is managed or advised by the same investment advisor as such Lender or by an affiliate of such Lender or investment advisor.

“Lenders”: as defined in the preamble hereto; provided, that unless the context otherwise requires, each reference herein to the Lenders shall be deemed to include any Conduit Lender.

“Letters of Credit”: as defined in Section 2.20(a).

“LIBO Screen Rate”: 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 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 shall be less than zero, such rate shall be deemed to zero for the purposes of this Agreement.

“Lien”: any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having substantially the same economic effect as any of the foregoing).

“Loan”: any loan made by any Lender pursuant to this Agreement.

“Loan Documents”: this Agreement, any Application, the Guarantee Agreement and all other written agreements whether heretofore, now or hereafter executed by or on behalf of any Loan Party, or any employee of any Loan Party, and delivered to either the Administrative Agent or any Lender in connection with this Agreement or the Facilities contemplated hereby. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to this Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative.

“Loan Party”: the Borrower and any of its Subsidiaries that are party to a Loan Document.

“Majority Facility Lenders”: with respect to any Facility, the holders of more than 50% of the aggregate unpaid principal amount of the Term Loans, the New Term Loans, the New Term III Loans or the Five-Year Extensions of Credit, as the case may be, outstanding under such Facility (or, in the case of the Five-Year Facility, prior to any termination of all of the Five-Year Commitments, the holders of more than 50% of the Five-Year Commitments then outstanding).

“Margin”: as to any Eurodollar Competitive Loan, the margin to be added to or subtracted from the Eurodollar Rate in order to determine the interest rate applicable to such Loan, as specified in the Competitive Bid relating to such Loan.

“Material”: when used to describe an adverse effect or an event on the Borrower or its Subsidiaries, shall mean a condition, event or act which, with the giving of notice or lapse of time or both, will constitute a Default or an Event of Default.

“Material Adverse Effect”: a Material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Borrower and its Subsidiaries taken as a whole or (b) the validity or enforceability of this Agreement or the Guarantee Agreement or the material rights or remedies of the Administrative Agent and the Lenders hereunder or thereunder.

“Material Domestic Subsidiary”: any Domestic Subsidiary (a) whose total assets at the last day of the most recent Test Period were equal to or greater than 3% of the Total Assets at such date or (b) whose gross revenues for such Test Period were equal to or greater than 3% of the consolidated gross revenues of the Borrower and its Subsidiaries for such period, in each case determined in accordance with GAAP; provided that “Material Domestic Subsidiary” shall also

include any of the Borrower's Subsidiaries selected by the Borrower that is required to ensure that all Material Domestic Subsidiaries have in the aggregate (i) total assets at the last day of the most recent Test Period that were equal to or greater than 90% of the Total Assets of the Borrower's Domestic Subsidiaries at such date and (ii) gross revenues for such Test Period that were equal to or greater than 90% of the consolidated gross revenues of the Borrower's Domestic Subsidiaries for such period, in each case determined in accordance with GAAP.

"Moody's": Moody's Investors Service, Inc. and its successors; provided, however, that if Moody's ceases rating securities similar to the senior unsecured long-term debt of the Borrower and its ratings and business with respect to such securities shall not have been transferred to any successor, then "Moody's" shall mean any other nationally recognized rating agency (other than S&P) selected by the Borrower and approved by the Administrative Agent (not to be unreasonably withheld or delayed) that rates any senior unsecured long-term debt of the Borrower.

"Multiemployer Plan": a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Net Cash Proceeds": in connection with any incurrence of Indebtedness, the cash proceeds received from such issuance or incurrence, net of attorneys' fees, investment banking fees, accountants' fees, underwriting discounts (including original issue discount, if any) and commissions and other customary fees and expenses actually incurred in connection therewith.

"Net Property, Plant and Equipment": the amount under that heading on the consolidated balance sheet of the Borrower and its Subsidiaries prepared in accordance with GAAP.

"New Lender": as defined in Section 2.1(e).

"New Lender Supplement": as defined in Section 2.1(e).

"New Term III Commitment": as to any Lender, the obligation of such Lender, if any, to make a New Term III Loan to the Borrower in a principal amount not to exceed the amount set forth under the heading "New Term III Commitment" opposite such Lender's name on Schedule 1.1E hereto. The original aggregate amount of the New Term III Commitments is \$300,000,000.

"New Term III Facility": the New Term III Commitments and the New Term III Loans made thereunder.

"New Term III Lender": each Lender that has a New Term III Commitment or that holds a New Term III Loan.

"New Term III Loan": as defined in Section 2.1A.

"New Term III Percentage": as to any New Term III Lender at any time, the percentage which such Lender's New Term III Commitment then outstanding constitutes of the aggregate New Term III Commitments (or, at any time after the Ninth Amendment Effective

Date, the percentage which the aggregate principal amount of such Lender's New Term III Loans then outstanding constitutes of the aggregate principal amount of the New Term III Loans then outstanding).

"New Term III Termination Date": September 30, 2020.

"New Term Commitment": as to any Lender, the obligation of such Lender, if any, to make a New Term Loan to the Borrower in a principal amount not to exceed the amount set forth under the heading "New Term Commitment" opposite such Lender's name on Schedule 1.1B hereto. The original aggregate amount of the New Term Commitments is \$200,000,000.

"New Term Facility": the New Term Commitments and the New Term Loans made thereunder.

"New Term Lender": each Lender that has a New Term Commitment or that holds a New Term Loan.

"New Term Loan": as defined in Section 2.1A.

"New Term Percentage": as to any New Term Lender at any time, the percentage which such Lender's New Term Commitment then outstanding constitutes of the aggregate New Term Commitments (or, at any time after the Eighth Amendment Effective Date, the percentage which the aggregate principal amount of such Lender's New Term Loans then outstanding constitutes of the aggregate principal amount of the New Term Loans then outstanding).

"Ninth Amendment": the Ninth Amendment to this Agreement, dated as of September 30, 2016, among the Borrower, the Lenders party thereto, the Administrative Agent and the Issuing Lender.

"Ninth Amendment Effective Date": September 30, 2016.

"Non-Consenting Lender": as defined in Section 2.18(b).

"Non-Excluded Taxes": as defined in Section 2.15(a).

"Non-U.S. Lender": as defined in Section 2.15(d).

"NYFRB": the Federal Reserve Bank of New York.

"NYFRB Rate": 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 shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Obligations”: collectively, the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and creation of Reimbursement Obligations and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, of any Loan Party, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of the Loan Parties to the Administrative Agent or to any Lender (or, in the case of Specified Swap Agreements and Specified Cash Management Agreements, any affiliate of any Lender), whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any Guarantee Agreement, the Letters of Credit, any other Loan Document, any Specified Swap Agreement, any Specified Cash Management Agreement or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by any Loan Party pursuant hereto) or otherwise. Notwithstanding the foregoing, “Obligations” shall not include any Excluded Swap Obligations of any applicable Loan Party.

“Other Taxes”: any and all present or future stamp or documentary taxes or any other excise or property 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.

“Overnight Bank Funding Rate”: for any day, the rate comprised of both overnight federal funds and overnight eurocurrency 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 (from and after such date as the NYFRB shall commence to publish such composite rate).

“Pari Passu Indebtedness”: any Indebtedness existing under the 2015 Notes, 2016 Notes, 2018 Notes, 2019 Notes, 2020 Notes, 2021 Notes, 2023 Notes, 2024 Notes, 2027 Notes and any refinancing, refunding, renewals or extensions of any of the foregoing.

“Participant”: as defined in Section 9.6(b).

“Participant Register”: as defined in Section 9.6(b).

“PBGC”: the Pension Benefit Guaranty Corporation established under Section 4002 of ERISA and any successor entity performing similar functions.

“Permitted Commercial Paper”: any commercial paper issued by the Borrower to refinance Indebtedness at any time when the Borrower has Credit Status 1, Credit Status 2, Credit Status 3 or Credit Status 4.

“Person”: an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“Plan”: any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Prime Rate”: the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate in effect at its principal office in New York City (the Prime Rate not being intended to be the lowest rate of interest charged by JPMorgan Chase Bank, N.A. in connection with extensions of credit to debtors).

“Register”: as defined in Section 9.6(d).

“Reimbursement Obligation”: the obligation of the Borrower to reimburse the applicable Issuing Lender pursuant to Section 2.20(e) for amounts drawn under Letters of Credit.

“Replacement Lender”: as defined in Section 2.18.

“Required Lenders”: at any time, the holders of more than 50% of (a) until the Ninth Amendment Effective Date, the sum of (i) the aggregate unpaid principal amount of the Term Loans then outstanding, (ii) the aggregate unpaid principal amount of the New Term Loans then outstanding and (iii) the Total Commitments (other than the Term Commitments and New Term Commitments) then in effect and (b) thereafter, the sum of (i) the aggregate unpaid principal amount of the Term Loans then outstanding, (ii) the aggregate unpaid principal amount of the New Term Loans then outstanding, (iii) the aggregate unpaid principal amount of the New Term III Loans then outstanding and (iv) the Total Commitments (other than the Term Commitments, New Term Commitments and New Term III Commitments) then in effect or, if the Commitments (other than the Term Commitments, New Term Commitments and New Term III Commitments) have been terminated, the Total Extensions of Credit (other than the Term Loans, New Term Loans and New Term III Loans) then outstanding.

“Requirement of Law”: as to any Person, any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“S&P”: Standard & Poor’s Financial Services LLC and its successors; provided, however, that if S&P ceases rating securities similar to the senior unsecured long-term debt of the Borrower and its ratings and business with respect to such securities shall not have been transferred to any successor, then “S&P” shall mean any other nationally recognized rating agency (other than Moody’s) selected by the Borrower and approved by the Administrative Agent (not to be unreasonably withheld or delayed) that rates any senior unsecured long-term debt of the Borrower.

“Sanctions”: all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of Treasury or the U.S. Department of State.

“Sanctioned Country”: at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea, Sudan and Syria).

“Sanctioned Person”: at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“Second Amendment”: the Second Amendment to the Agreement dated as of October 23, 2008, among the Borrower, the Lenders and the Administrative Agent.

“Seventh Amendment”: the Seventh Amendment to the Agreement dated as of February 13, 2015, among the Borrower, the Lenders and the Administrative Agent.

“Seventh Amendment Effective Date”: February 13, 2015.

“Sixth Amendment”: the Sixth Amendment to the Agreement dated as of September 24, 2013, among the Borrower, the Lenders and the Administrative Agent.

“Specified Cash Management Agreement”: any agreement providing for treasury, depository, purchasing card or cash management services, including in connection with any automated clearing house transfers of funds or any similar transactions between the Borrower or any Guarantor and any Person that is a Lender or affiliate thereof at the time such agreement is entered into.

“Specified Change in Control”: a “Change in Control” (or any other defined term having a similar purpose) as defined in any indenture governing the Pari Passu Indebtedness.

“Specified Swap Agreement”: any Swap Agreement in respect of interest rates entered into by the Borrower or any Guarantor and any Person that is a Lender or an affiliate thereof at the time such Swap Agreement is entered into.

“Spin-Off”: the spin-off of the Borrower’s publishing business consummated in accordance with the Form 10 filed with the Securities and Exchange Commission on March 12, 2015, as amended on May 1, 2015 and as further amended on June 8, 2015 and June 12, 2015, which spin-off shall have occurred prior to, or substantially concurrently with, the Eighth Amendment Effective Date.

“Subsidiary”: any corporation, partnership, limited liability company or other entity the majority of the shares of stock or other ownership interests having ordinary voting

power of which at any time outstanding is owned directly or indirectly by the Borrower or by one or more of its other subsidiaries or by the Borrower in conjunction with one or more of its other subsidiaries.

“Swap”: any agreement, contract, or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act.

“Swap Agreement”: any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or any of its Subsidiaries shall be a “Swap Agreement”.

“Swap Obligation”: with respect to any person, any obligation to pay or perform under any Swap.

“Tenth Amendment”: the Tenth Amendment to this Agreement, dated as of August 1, 2017, among the Borrower, the Guarantors, the Lenders party thereto, the Administrative Agent and the Issuing Lender.

“Tenth Amendment Effective Date”: August 1, 2017.

“Term Commitment”: as to any Lender, the obligation of such Lender, if any, to make a Term Loan to the Borrower in a principal amount not to exceed the amount set forth under the heading “Term Commitment” opposite such Lender’s name on Schedule 1.1A hereto (as amended and restated on the Eighth Amendment Effective Date). The original aggregate amount of the Term Commitments is \$144,800,000.

“Term Facility”: the Term Commitments and the Term Loans made thereunder.

“Term Lender”: each Lender that has a Term Commitment or that holds a Term Loan.

“Term Loan”: as defined in Section 2.1A.

“Term Percentage”: as to any Term Lender at any time, the percentage which such Lender’s Term Commitment then constitutes of the aggregate Term Commitments (or, at any time after the Amendment and Restatement Effective Date, the percentage which the aggregate principal amount of such Lender’s Term Loans then outstanding constitutes of the aggregate principal amount of the Term Loans then outstanding).

“Test Period”: a period of four consecutive fiscal quarters ended on the last day of the fourth such fiscal quarter; provided that, solely for purposes of determining the Total



Leverage Ratio at any time, “Test Period” shall mean a period of eight consecutive fiscal quarters ended on the last day of the eighth such fiscal quarter.

“Third Amendment”: the Third Amendment to the Agreement dated as of September 28, 2009, among the Borrower, the Lenders and the Administrative Agent.

“Total Assets”: the total assets of the Borrower and its Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of the Borrower delivered pursuant to Section 5.1(a) or (b).

“Total Commitments”: at any time, the aggregate amount of the Commitments then in effect.

“Total Extensions of Credit”: at any time, the aggregate amount of all Loans and L/C Obligations outstanding at such time.

“Total Leverage Ratio”: as of the time of determination, the ratio of (a) total Indebtedness of the Borrower and its Subsidiaries on such date, minus Unrestricted Cash of the Borrower and its Subsidiaries, to the extent readily distributable to the Borrower, on such date to (b) Consolidated EBITDA for the period of eight consecutive fiscal quarters ended on such date divided by two.

“Total Shareholders’ Equity”: the amount appearing under that heading on the consolidated balance sheet of the Borrower and its Subsidiaries, prepared in accordance with GAAP.

“Transferee”: any Assignee or Participant.

“Withdrawal Liability”: any liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are used in sections 4203 and 4205, respectively, of ERISA.

“Write-Down and Conversion Powers”: 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.

“2002 Credit Agreement”: the Amended and Restated Competitive Advance and Revolving Credit Agreement, dated as of March 11, 2002 and effective as of March 18, 2002 (as further amended, amended and restated, supplemented or otherwise modified through the Amendment and Restatement Effective Date (without giving effect to the Amendment and Restatement)), among the Borrower, the lenders thereto, JPMorgan Chase Bank, N.A., as administrative agent, JPMorgan Chase Bank, N.A. and Citibank, N.A., as syndication agents, and Barclays Bank PLC, as documentation agent.

“2004 Credit Agreement”: the Competitive Advance and Revolving Credit Agreement, dated as of February 27, 2004 and effective as of March 15, 2004 (as further

amended, amended and restated, supplemented or otherwise modified through the Amendment and Restatement Effective Date (without giving effect to the Amendment and Restatement)), among the Borrower, the lenders thereto, JPMorgan Chase Bank, N.A., as administrative agent, JPMorgan Chase Bank, N.A. and Citibank, N.A., as syndication agents, and Barclays Bank PLC and SunTrust Bank, as documentation agents.

“2015 Notes”: collectively, (i) the Borrower’s 10% Notes due June 2015 and (ii) the Borrower’s 6.375% Notes due September 2015.

“2016 Notes”: the Borrower’s 10% Notes due April 2016.

“2018 Notes”: the Borrower’s 7.125% Notes due September 2018.

“2019 Notes”: the Borrower’s 5.125% Notes due October 2019.

“2020 Notes”: the Borrower’s 5.125% Notes due July 2020.

“2021 Notes”: the Borrower’s 4.875% Notes due September 2021.

“2023 Notes”: the Borrower’s 6.375% Notes due October 2023.

“2024 Notes”: the Borrower’s 5.50% Notes due September 2024.

“2027 Notes”: collectively, (i) the Borrower’s 7.75% Notes due June 2027 and (ii) the Borrower’s 7.25% Notes due September 2027.

“2018 Extended Termination Date”: August 5, 2018 (or such earlier date on which the Term Facility terminates in accordance with the provisions hereof).

“2020 Extended Termination Date”: June 29, 2020 (or such earlier date on which the Five-Year Commitments terminate in accordance with the provisions hereof).

“2020 Extension Option”: as defined in the Eighth Amendment.

“Type”: as to any Five-Year Loan, Term Loan, New Term Loan or New Term III Loan, its nature as an ABR Loan or a Eurodollar Loan, and as to any Competitive Loan, its nature as a Eurodollar Competitive Loan or a Fixed Rate Loan.

“Unrestricted Cash”: unrestricted cash or cash equivalents in an amount not to exceed \$200.0 million in the aggregate.

## **Section 1.2. Other Definitional Provisions.**

(a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto.

(b) As used herein, and any certificate or other document made or delivered pursuant hereto, accounting terms relating to the Borrower and its Subsidiaries not defined in

Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP.

(c) The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, subsection, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

## ARTICLE II

### Amount and Terms of the Facilities

**Section 2.1A** Term Commitments. Subject to the terms and conditions hereof, (a) each Term Lender has agreed pursuant to the Amendment and Restatement to make a term loan (a “Term Loan”) to the Borrower on the Amendment and Restatement Effective Date in an amount not to exceed the amount of the Term Commitment of such Lender, (b) each New Term Lender has agreed pursuant to the Eighth Amendment to make a term loan (a “New Term Loan”) to the Borrower on the Eighth Amendment Effective Date in an amount not to exceed the amount of the New Term Commitment of such Lender and (c) each New Term III Lender has agreed pursuant to the Ninth Amendment to make a term loan (a “New Term III Loan”) to the Borrower on the Ninth Amendment Effective Date in an amount not to exceed the amount of the New Term III Commitment of such Lender. The Term Loans, New Term Loans and New Term III Loans may from time to time be Eurodollar Term Loans or ABR Loans, as determined by the Borrower and notified to the Administrative Agent in accordance with Sections 2.1B and 2.1C (each, solely with respect to the Term Loans), Sections 2.1D and 2.1E (each, solely with respect to the New Term Loans), Sections 2.1F and 2.1G (each, solely with respect to the New Term III Loans) and Section 2.6.

**Section 2.1B** Procedure for Term Loan Borrowings. The Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 10:00 A.M., New York City time, (a) in case of Eurodollar Loans, three Business Days prior to the anticipated Amendment and Restatement Effective Date or (b) otherwise, one Business Day prior to the anticipated Amendment and Restatement Effective Date) requesting that the Term Lenders make the Term Loans on the Amendment and Restatement Effective Date and specifying the amount to be borrowed. The Term Loans made on the Amendment and Restatement Effective Date shall initially be ABR Loans or Eurodollar Loans as specified by the Borrower in such notice. Upon receipt of such notice the Administrative Agent shall promptly notify each Term Lender thereof. Not later than 12:00 Noon, New York City time, on the Amendment and Restatement Effective Date, each Term Lender shall make available to the Administrative Agent at the Administrative Agent’s office specified in Section 9.2 an amount in immediately available funds equal to the Term Loan or Term Loans to be made by such Lender. The Administrative Agent shall credit the account of the Borrower on the books of such office of

the Administrative Agent with the aggregate of the amounts made available to the Administrative Agent by the Term Lenders in immediately available funds.

**Section 2.1C** Repayment of Term Loans. The Term Loan of each Lender shall mature in 20 consecutive quarterly installments, each of which shall be in an amount equal to such Lender's Term Percentage multiplied by the amount set forth below opposite such installment:

<u>Installment</u>	<u>Principal Amount</u>
December 31, 2013	\$7,400,000
March 31, 2014	\$7,400,000
June 30, 2014	\$7,400,000
September 30, 2014	\$7,400,000
December 31, 2014	\$7,400,000
March 31, 2015	\$7,400,000
June 30, 2015	\$7,400,000
September 30, 2015	\$7,400,000
December 31, 2015	\$7,400,000
March 31, 2016	\$7,400,000
June 30, 2016	\$7,400,000
September 30, 2016	\$7,400,000
December 31, 2016	\$7,400,000
March 31, 2017	\$7,400,000
June 30, 2017	\$7,400,000
September 30, 2017	\$7,400,000
December 31, 2017	\$7,400,000
March 31, 2018	\$7,400,000
June 30, 2018	\$7,400,000
2018 Extended Termination Date	Aggregate principal amount of Term Loans outstanding

**Section 2.1D** Procedure for New Term Loan Borrowings. The Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 10:00 A.M., New York City time, (a) in case of Eurodollar Loans, three Business Days prior to the anticipated Eighth Amendment Effective Date or (b) otherwise, one Business Day prior to the anticipated Eighth Amendment Effective Date) requesting that the New Term Lenders make the New Term Loans on the Eighth Amendment Effective Date and specifying the amount to be borrowed. The New Term Loans made on the Eighth Amendment Effective Date shall initially be ABR Loans or Eurodollar Loans as specified by the Borrower in such notice. Upon receipt of such notice the Administrative Agent shall promptly notify each New Term Lender thereof. Not later than 12:00 Noon, New York City time, on the Eighth Amendment Effective Date, each New Term Lender shall make available to the Administrative Agent at the Administrative Agent's office specified in Section 9.2 an amount in immediately available funds equal to the New Term Loan or New Term Loans to be made by such Lender.

The Administrative Agent shall credit the account of the Borrower on the books of such office of the Administrative Agent with the aggregate of the amounts made available to the Administrative Agent by the New Term Lenders in immediately available funds.

**Section 2.1E** Repayment of New Term Loans. The New Term Loan of each Lender shall mature in 20 consecutive quarterly installments, each of which shall be in an amount equal to such Lender's New Term Percentage multiplied by the amount set forth below opposite such installment:

<u>Installment</u>	<u>Principal Amount</u>
September 30, 2015	\$10,000,000
December 31, 2015	\$10,000,000
March 31, 2016	\$10,000,000
June 30, 2016	\$10,000,000
September 30, 2016	\$10,000,000
December 31, 2016	\$10,000,000
March 31, 2017	\$10,000,000
June 30, 2017	\$10,000,000
September 30, 2017	\$10,000,000
December 31, 2017	\$10,000,000
March 31, 2018	\$10,000,000
June 30, 2018	\$10,000,000
September 30, 2018	\$10,000,000
December 31, 2018	\$10,000,000
March 31, 2019	\$10,000,000
June 30, 2019	\$10,000,000
September 30, 2019	\$10,000,000
December 31, 2019	\$10,000,000
March 31, 2020	\$10,000,000
2020 Extended Termination Date	Aggregate principal amount of New Term Loans outstanding

**Section 2.1F** Procedure for New Term III Loan Borrowings. The Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 10:00 A.M., New York City time, (a) in case of Eurodollar Loans, three Business Days prior to the anticipated Ninth Amendment Effective Date or (b) otherwise, one Business Day prior to the anticipated Ninth Amendment Effective Date) requesting that the New Term III Lenders make the New Term III Loans on the Ninth Amendment Effective Date and specifying the amount to be borrowed. The New Term III Loans made on the Ninth Amendment Effective Date shall initially be ABR Loans or Eurodollar Loans as specified by the Borrower in such notice. Upon receipt of such notice the Administrative Agent shall promptly notify each New Term III Lender thereof. Not later than 12:00 Noon, New York City time, on the Ninth Amendment Effective Date, each New Term III Lender shall make available to the Administrative Agent at the Administrative Agent's office specified in Section 9.2 an amount in

immediately available funds equal to the New Term III Loan or New Term III Loans to be made by such Lender. The Administrative Agent shall credit the account of the Borrower on the books of such office of the Administrative Agent with the aggregate of the amounts made available to the Administrative Agent by the New Term III Lenders in immediately available funds.

**Section 2.1G** Repayment of New Term III Loans. The New Term III Loan of each Lender shall mature in 16 consecutive quarterly installments, each of which shall be in an amount equal to such Lender's New Term III Percentage multiplied by the amount set forth below opposite such installment:

<u>Installment</u>	<u>Principal Amount</u>
December 31, 2016	\$15,000,000
March 31, 2017	\$15,000,000
June 30, 2017	\$15,000,000
September 30, 2017	\$15,000,000
December 31, 2017	\$15,000,000
March 31, 2018	\$15,000,000
June 30, 2018	\$15,000,000
September 30, 2018	\$15,000,000
December 31, 2018	\$15,000,000
March 31, 2019	\$15,000,000
June 30, 2019	\$15,000,000
September 30, 2019	\$15,000,000
December 31, 2019	\$15,000,000
March 31, 2020	\$15,000,000
June 30, 2020	\$15,000,000
New Term III Termination Date	Aggregate principal amount of New Term III Loans outstanding

**Section 2.1.** Revolving Credit Commitments.

(a) [reserved]

(b) Subject to the terms and conditions hereof, each Five-Year Lender severally agrees to make revolving credit loans ("Five-Year Loans") to the Borrower from time to time during the Five-Year Commitment Period in an aggregate principal amount at any one time outstanding which, when added to such Lender's Five-Year Commitment Percentage of the L/C Obligations then outstanding, does not exceed the amount of such Lender's Five-Year Commitment. During the Five-Year Commitment Period, the Borrower may use the Five-Year Commitments by borrowing, prepaying the Five-Year Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof. Notwithstanding anything to the contrary contained in this Agreement, in no event (after giving effect to the use of proceeds of any Borrowing) shall (i) the amount of any Lender's Five-Year Commitment Percentage multiplied by the amount of a Borrowing of Five-Year Loans exceed such Lender's Five-Year Available Commitment at the time of such Borrowing or (ii) the aggregate amount of Five-Year

Extensions of Credit and Five-Year Competitive Loans at any one time outstanding exceed the aggregate Five-Year Commitments then in effect of all Lenders.

(c) The Five-Year Loans may from time to time be (i) Eurodollar Loans, (ii) ABR Loans or (iii) a combination thereof, as determined by the Borrower and notified to the Administrative Agent in accordance with Sections 2.2 and 2.6; provided that no Five-Year Loan shall be made as a Eurodollar Loan after the day that is one month prior to the 2020 Extended Termination Date.

(d) The Borrower (upon receipt of requisite authorization from its Board of Directors) and any one or more Lenders (including New Lenders) may from time to time agree that such Lenders shall (x) make available to the Borrower an additional credit facility (the “Incremental Facility” and any loans thereunder, the “Incremental Loans”), which credit facility shall take the form of (i) a revolving credit facility which matures on or after the New Term III Termination Date or (ii) term loans which mature on or after the New Term III Termination Date and/or (y) increase the amount of their Five-Year Commitment, or (in the case of a New Lender) make available a Five-Year Commitment which matures on the 2020 Extended Termination Date, in either such case by executing and delivering to the Administrative Agent an Incremental Facility Activation Notice specifying (i) the aggregate principal amount of such increase and the Facility or Facilities involved, (ii) the Incremental Facility Closing Date and (iii) in the case of an Incremental Facility, the applicable Incremental Facility Maturity Date. Notwithstanding the foregoing, (I) the sum of the aggregate principal amount of Incremental Facility Commitments and any increase in the Five-Year Commitments after the Ninth Amendment Effective Date shall not exceed \$500,000,000 in the aggregate, (II) no increase pursuant to this paragraph may be obtained after the occurrence and during the continuation of a Default or Event of Default or if a Default or Event of Default would result therefrom, (III) any increase effected pursuant to this paragraph shall be in a minimum amount of at least \$10,000,000, (IV) the weighted average life to maturity of any new term loan Incremental Facility shall be equal to or greater than the weighted average life to maturity of the New Term III Loans, (V) other than amortization, pricing, fees and maturity date, each Incremental Facility (x) shall rank pari passu with the Term Facility, the New Term Facility, the New Term III Facility and the Five-Year Facility, as applicable, in right of payment and security, (y) shall have the same terms as the Term Facility (or (I) if the Term Facility shall have been terminated, the New Term Facility or (II) if the Term Facility and the New Term Facility shall have been terminated, the New Term III Facility) or the Five-Year Facility, as applicable, or such terms as are reasonably satisfactory to the Administrative Agent and the Borrower, and (z) except as set forth above, shall be treated substantially the same as the existing Term Facility (or (I) if the Term Facility shall have been terminated, the New Term Facility or (II) if the Term Facility and the New Term Facility shall have been terminated, the New Term III Facility) or the Five-Year Facility, as applicable (in each case, including with respect to mandatory and voluntary prepayments) and (VI) any Incremental Facility and/or increase in Five-Year Commitments shall be effected pursuant to documentation and procedures reasonably acceptable to the Administrative Agent (including, if applicable, procedures to ensure that outstandings are held ratably by the applicable Lenders). No Lender shall have any obligation to participate in any increase described in this paragraph unless it agrees to do so in its sole discretion.

(e) Any additional bank, financial institution or other entity which, with the consent of the Borrower and the Administrative Agent (which consent shall not be unreasonably withheld), elects to become a “Lender” under this Agreement in connection with any transaction described in Section 2.1(d) shall execute a New Lender Supplement (each, a “New Lender Supplement”), substantially in the form of Exhibit D-1 hereto, whereupon such bank, financial institution or other entity (a “New Lender”) shall become a Lender for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the benefits of this Agreement.

**Section 2.2. Procedure for Revolving Credit Borrowing.** The Borrower may borrow Five-Year Loans under the Commitments on any Business Day; provided that the Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 12:00 P.M., New York City time, (a) three Business Days prior to the requested Borrowing Date, if all or any part of the requested Five-Year Loans are to be Eurodollar Loans, or (b) on the requested Borrowing Date, otherwise), specifying (i) the Facility under which the Borrowing is to be made, (ii) the amount to be borrowed, (iii) the requested Borrowing Date, (iv) whether the Borrowing is to be of Eurodollar Loans, ABR Loans or a combination thereof and (v) if the Borrowing is to be entirely or partly of Eurodollar Loans, the respective amounts of each such Type of Loan and the respective lengths of the initial Interest Periods therefor. Any Loans made on the Amendment and Restatement Effective Date shall be ABR Loans. Each Borrowing under the Commitments shall be in an amount equal to \$10,000,000 or a multiple of \$1,000,000 in excess thereof. Upon receipt of any such notice from the Borrower, the Administrative Agent shall promptly notify each relevant Lender thereof. Each relevant Lender will make the amount of its pro rata share of each Borrowing available to the Administrative Agent for the account of the Borrower at the office of the Administrative Agent specified in Section 9.2 prior to 2:00 P.M., New York City time, on the Borrowing Date requested by the Borrower in funds immediately available to the Administrative Agent. Such Borrowing will then immediately be made available to the Borrower by the Administrative Agent crediting the account of the Borrower on the books of such office with the aggregate of the amounts made available to the Administrative Agent by the Lenders and in like funds as received by the Administrative Agent.

**Section 2.3. Competitive Borrowings.**

(a) The Competitive Bid Option. In addition to the Five-Year Loans that may be made available pursuant to Section 2.1, the Borrower may, as set forth in this Section 2.3, request the Lenders to make offers to make Competitive Loans to the Borrower. The Lenders may, but shall have no obligation to, make such offers, and the Borrower may, but shall have no obligation to, accept any such offers in the manner set forth in this Section 2.3.

(b) Competitive Bid Request. When the Borrower wishes to request offers to make Competitive Loans under this Section 2.3, it shall transmit to the Administrative Agent a Competitive Bid Request to be received no later than 12:00 Noon (New York City time) on (x) the fourth Business Day prior to the Borrowing Date proposed therein, in the case of a Borrowing of Eurodollar Competitive Loans or (y) the Business Day immediately preceding the Borrowing Date proposed therein, in the case of a Fixed Rate Borrowing, specifying:



- (i) the Facility under which the Borrowing is to be made,
- (ii) the proposed Borrowing Date,
- (iii) the aggregate principal amount of such Borrowing, which shall be \$10,000,000 or a multiple of \$1,000,000 in excess thereof,
- (iv) the duration of the Interest Period applicable thereto, subject to the provisions of the definition of Interest Period contained in Section 1.1, and
- (v) whether the Borrowing then being requested is to be of Eurodollar Competitive Loans or Fixed Rate Loans.

A Competitive Bid Request that does not conform substantially to the format of Exhibit C-1 may be rejected by the Administrative Agent in its sole discretion, and the Administrative Agent shall promptly notify the Borrower of such rejection. The Borrower may request offers to make Competitive Loans for more than one Interest Period in a single Competitive Bid Request. No Competitive Bid Request shall be given within three Business Days of any other Competitive Bid Request pursuant to which the Borrower has made a Competitive Borrowing.

(c) Invitation for Competitive Bids. Promptly after its receipt of a Competitive Bid Request (but, in any event, no later than 3:00 P.M., New York City time, on the date of such receipt) conforming to the requirements of paragraph (b) above, the Administrative Agent shall send to each of the relevant Lenders an Invitation for Competitive Bids which shall constitute an invitation by the Borrower to each such Lender to bid, on the terms and conditions of this Agreement, to make Competitive Loans pursuant to the Competitive Bid Request.

(d) Submission and Contents of Competitive Bids. (i) Each Lender to which an Invitation for Competitive Bids is sent may submit a Competitive Bid containing an offer or offers to make Competitive Loans in response to such Invitation for Competitive Bids. Each Competitive Bid must comply with the requirements of this paragraph (d) and must be submitted to the Administrative Agent at its offices specified in Section 9.2 not later than (x) 9:30 A.M. (New York City time) on the third Business Day prior to the proposed Borrowing Date, in the case of a Borrowing of Eurodollar Competitive Loans or (y) 9:30 A.M. (New York City time) on the date of the proposed Borrowing, in the case of a Fixed Rate Borrowing; provided that any Competitive Bids submitted by the Administrative Agent in the capacity of a Lender may only be submitted if the Administrative Agent notifies the Borrower of the terms of the offer or offers contained therein not later than fifteen minutes prior to the deadline for the other Lenders. A Competitive Bid submitted by a Lender pursuant to this paragraph (d) shall be irrevocable.

(ii) Each Competitive Bid shall be in substantially the form of Exhibit C-3 and shall specify:

(A) the date of the proposed Borrowing and the Facility under which it is to be made,

(B) the principal amount of the Competitive Loan for which each such offer is being made, which principal amount (w) may be greater than, equal to or less than the Commitment of the quoting Lender, (x) must be in a minimum principal amount of \$5,000,000 or a multiple of \$1,000,000 in excess thereof, (y) may not exceed the principal amount of Competitive Loans for which offers were requested and (z) may be subject to a limitation as to the maximum aggregate principal amount of Competitive Loans for which offers being made by such quoting Lender may be accepted,

(C) in the case of a Borrowing of Eurodollar Competitive Loans, the Margin offered for each such Competitive Loan, expressed as a percentage (specified in increments of 1/10,000th of 1%) to be added to or subtracted from such base rate,

(D) in the case of a Fixed Rate Borrowing, the rate of interest per annum (specified in increments of 1/10,000th of 1%) offered for each such Competitive Loan, and

(E) the identity of the quoting Lender.

A Competitive Bid may set forth up to five separate offers by the quoting Lender with respect to each Interest Period specified in the related Invitation for Competitive Bids. Any Competitive Bid shall be disregarded by the Administrative Agent if the Administrative Agent determines that it: (A) is not substantially in the form of Exhibit C-3 or does not specify all of the information required by Section 2.3(d)(ii); (B) contains qualifying, conditional or similar language (except for a limitation on the maximum principal amount which may be accepted); (C) proposes terms other than or in addition to those set forth in the applicable Invitation for Competitive Bids or (D) arrives after the time set forth in Section 2.3(d)(i).

(e) Notice to the Borrower. The Administrative Agent shall promptly (and, in any event, by 10:00 A.M., New York City time) notify the Borrower, by telecopy, of all the Competitive Bids made (including all disregarded bids), the Competitive Bid Rate and the principal amount of each Competitive Loan in respect of which a Competitive Bid was made and the identity of the Lender that made each bid. The Administrative Agent shall send a copy of all Competitive Bids (including all disregarded bids) to the Borrower for its records as soon as practicable after completion of the bidding process set forth in this Section 2.3.

(f) Acceptance and Notice by the Borrower. The Borrower may in its sole discretion, subject only to the provisions of this paragraph (f), accept or reject any Competitive Bid (other than any disregarded bid) referred to in paragraph (e) above. The Borrower shall notify the Administrative Agent by telephone, confirmed immediately thereafter by telecopy in the form of a Competitive Bid Accept/Reject Letter, whether and to what extent it wishes to accept any or all of the bids referred to in paragraph (e) above not later than (x) 11:00 A.M. (New York City time) on the third Business Day prior to the proposed Borrowing Date, in the case of a Competitive Eurodollar Borrowing or (y) 11:00 A.M. (New York City time) on the proposed Borrowing Date, in the case of a Fixed Rate Borrowing; provided that:

(i) the failure by the Borrower to give such notice shall be deemed to be a rejection of all the bids referred to in paragraph (e) above,

(ii) the aggregate principal amount of the Competitive Bids accepted by the Borrower may not exceed the lesser of (A) the principal amount set forth in the related Competitive Bid Request and (B) the excess, if any, of the aggregate Five-Year Commitments of all Five-Year Lenders or the aggregate Incremental Facility Commitments of all Incremental Facility Lenders, as applicable, then in effect over the aggregate principal amount of all Five-Year Loans or Incremental Loans, as applicable, outstanding immediately prior to the making of such Competitive Loans,

(iii) if made under the Five-Year Facility, the aggregate principal amount of the Competitive Bids accepted by the Borrower may not exceed the lesser of (A) the principal amount set forth in the related Competitive Bid Request and (B) the excess, if any, of the aggregate Five-Year Commitments of all Five-Year Lenders then in effect over the aggregate principal amount of all Five-Year Extensions of Credit outstanding immediately prior to the making of such Competitive Loans, and

(iv) The Borrower may not accept any Competitive Bid that is disregarded by the Administrative Agent pursuant to 2.3(d)(ii) or that otherwise fails to comply with the requirements of this Agreement.

A notice given by the Borrower pursuant to this paragraph (f) shall be irrevocable.

(g) Allocation by Administrative Agent. If offers are made by two or more Lenders with the same Competitive Bid Rates for a greater aggregate principal amount than the amount in respect of which such offers are accepted for the related Interest Period, the principal amount of Competitive Loans in respect of which such offers are accepted shall be allocated by the Administrative Agent among such Lenders as nearly as possible (in integral multiples of \$1,000,000, as the Administrative Agent may deem appropriate) in proportion to the aggregate principal amounts of such offers.

(h) Notification of Acceptance. The Administrative Agent shall promptly (and, in any event, by 11:30 A.M., New York City time) notify each bidding Lender whether or not its Competitive Bid has been accepted (and if so, in what amount and at what Competitive Bid Rate), and each successful bidder will thereupon become bound, subject to the other applicable conditions hereof, to make the Competitive Loan in respect of which its bid has been accepted.

**Section 2.4. Termination or Reduction of Five-Year Commitments**. The Borrower shall have the right, upon not less than two Business Days' notice to the Administrative Agent, to terminate the Five-Year Commitments when no Five-Year Loans or Letters of Credit are then outstanding or, from time to time, to reduce the unutilized portion of the Five-Year Commitments. Any such reduction pursuant to this Section 2.4 shall be in an amount equal to \$10,000,000 or a multiple of \$1,000 in excess thereof and shall reduce permanently the Five-Year Commitments then in effect, and the fees payable pursuant to Section 2.10 shall then reflect the reduced Five-Year Commitments.

**Section 2.5. Optional Prepayments.** The Borrower may at any time and from time to time prepay the Loans, in whole or in part, without premium or penalty, upon irrevocable notice delivered to the Administrative Agent at least three Business Days prior thereto in the case of Eurodollar Loans and at least one Business Day prior thereto in the case of ABR Loans, which notice shall specify the date and amount of prepayment and whether the prepayment is of Eurodollar Loans or ABR Loans; provided, that if a Eurodollar Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.16. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest and fees to such date on the amount prepaid. Partial prepayments shall be in an aggregate principal amount of \$10,000,000 or a multiple of \$1,000,000 in excess thereof. Notwithstanding anything to the contrary contained herein, the Borrower shall not prepay the Competitive Loans except pursuant to Article VII, with the consent of the Lender which has made such Competitive Loan or as provided in the related Competitive Bid Request.

**Section 2.6. Conversion and Continuation Options.**

(a) The Borrower may elect from time to time to convert Eurodollar Revolving Credit Loans and Eurodollar Term Loans to ABR Loans by giving the Administrative Agent at least one Business Day's prior irrevocable notice of such election; provided that any such conversion of Eurodollar Revolving Credit Loans or Eurodollar Term Loans may only be made on the last day of an Interest Period with respect thereto. The Borrower may elect from time to time to convert ABR Loans to Eurodollar Revolving Credit Loans or Eurodollar Term Loans, as applicable, by giving the Administrative Agent at least three Business Days' prior irrevocable notice of such election. Any such notice of conversion to Eurodollar Revolving Credit Loans or Eurodollar Term Loans shall specify the length of the initial Interest Period or Interest Periods therefor. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. All or any part of outstanding Eurodollar Revolving Credit Loans, Eurodollar Term Loans and ABR Loans may be converted as provided herein; provided that (i) no Loan may be converted into a Eurodollar Revolving Credit Loan or Eurodollar Term Loan when any Event of Default has occurred and is continuing, (ii) no Five-Year Loan may be converted into a Eurodollar Revolving Credit Loan after the date that is one month prior to the 2020 Extended Termination Date, (iii) no Term Loan or New Term Loan may be converted into a Eurodollar Term Loan after the date that is one month prior to the 2020 Extended Termination Date and (iv) no New Term III Loan may be converted into a Eurodollar Term Loan after the date that is one month prior to the New Term III Termination Date.

(b) Any Eurodollar Revolving Credit Loans and Eurodollar Term Loans may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving notice to the Administrative Agent, in accordance with the applicable provisions of the term "Interest Period" set forth in Section 1.1, of the length of the next Interest Period to be applicable to such Loans; provided that no Eurodollar Revolving Credit Loan or Eurodollar Term Loan may be continued as such (i) when any Event of Default has occurred and is continuing or (ii) after the date that is one month prior to the 2020 Extended Termination Date

(or, in the case of New Term III Loans, one month prior to the New Term III Termination Date); and provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph or if such continuation is not permitted pursuant to the preceding proviso such Eurodollar Revolving Credit Loans or Eurodollar Term Loans shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period.

**Section 2.7. Minimum Amounts of Eurodollar Borrowings.** All borrowings, conversions and continuations of Five-Year Loans, Term Loans, New Term Loans and New Term III Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of the Five-Year Loans, Term Loans, New Term Loans or New Term III Loans, as applicable, comprising each Eurodollar Borrowing shall be equal to \$10,000,000 or a multiple of \$1,000,000 in excess thereof and so that there shall not be more than 20 Eurodollar Borrowings outstanding at any one time.

**Section 2.8. Repayment of Loans; Evidence of Debt.**

(a) The Borrower hereby unconditionally promises to pay (i) to each Five-Year Lender on the 2020 Extended Termination Date (or such earlier date as the Five-Year Loans become due and payable pursuant to Article VII), the unpaid principal amount of each Five-Year Loan made by such Five-Year Lender, (ii) to each Term Lender on the dates specified in Section 2.1C (or such earlier date as the Term Loans become due and payable pursuant to Article VII), the unpaid principal amount of each Term Loan specified in Section 2.1C made by such Lender, (iii) to each New Term Lender on the dates specified in Section 2.1E (or such earlier date as the New Term Loans become due and payable pursuant to Article VII), the unpaid principal amount of each New Term Loan specified in Section 2.1E made by such Lender, (iv) to each New Term III Lender on the dates specified in Section 2.1G (or such earlier date as the New Term III Loans become due and payable pursuant to Article VII), the unpaid principal amount of each New Term III Loan specified in Section 2.1G made by such Lender, (v) to each Incremental Facility Lender on the applicable Incremental Facility Maturity Date (or such earlier date as the Incremental Loans become due and payable pursuant to Article VII), the unpaid principal amount of each Incremental Loan made by such Incremental Facility Lender and (v) to each applicable Lender on the last day of the applicable Interest Period, the unpaid principal amount of each Competitive Loan made by any such Lender. The Borrower hereby further agrees to pay interest in immediately available funds at the office of the Administrative Agent on the unpaid principal amount of the Loans from time to time from the date hereof until payment in full thereof at the rates per annum, and on the dates, set forth in Section 2.9.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to the appropriate lending office of such Lender resulting from each Loan made by such lending office of such Lender from time to time, including the amounts of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement.

(c) The Administrative Agent shall maintain the Register pursuant to Section 9.6(d), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, the Type of each Loan made 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 from the Borrower and each Lender's share thereof.

(d) The entries made in the Register and accounts maintained pursuant to paragraphs (b) and (c) of this Section 2.8 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower by such Lender in accordance with the terms of this Agreement.

**Section 2.9. Interest Rates and Payment Dates.**

(a) Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.

(b) The Loans comprising each Eurodollar Borrowing shall bear interest at a rate per annum equal to (i) in the case of each Eurodollar Revolving Credit Loan and Eurodollar Term Loan, the Eurodollar Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin and (ii) in the case of each Eurodollar Competitive Loan, the Eurodollar Rate for the Interest Period in effect for such Borrowing plus (or minus, as the case may be) the Margin offered by the Lender making such Loan and accepted by the Borrower pursuant to Section 2.3.

(c) Each Fixed Rate Loan shall bear interest at a rate per annum equal to the fixed rate of interest offered by the Lender making such Loan and accepted by the Borrower pursuant to Section 2.3.

(d) Interest shall be payable in arrears on each Interest Payment Date; provided that interest accruing pursuant to paragraph (e) of this Section 2.9 shall be payable from time to time on demand.

(e) (i) If all or a portion of the principal amount of any Loan or Reimbursement Obligation shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to (x) in the case of the Loans, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section 2.9 plus 1% or (y) in the case of Reimbursement Obligations, the rate applicable to ABR Loans plus 1% and (ii) to the extent permitted under applicable law, if all or a portion of any interest payable on any Loan or Reimbursement Obligation or any fee or other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to the rate then applicable to ABR Loans plus 1%, in each case, with respect to clauses (i) and (ii) above, from the date of such non-payment until such amount is paid in full (as well after as before judgment).

**Section 2.10. Fees.**

(a) The Borrower agrees to pay to the Administrative Agent, for the account of the relevant Lenders, such fees as have been agreed by the Borrower and the Administrative Agent immediately prior to the Tenth Amendment Effective Date. The Borrower agrees to pay to the Administrative Agent the fees in the amounts and on the dates as set forth in any fee agreements with the Administrative Agent and to perform any other obligations contained therein.

(b) On the first Business Day following the last day of each March, June, September and December and on the 2020 Extended Termination Date (or, if earlier, on the date upon which both the Five-Year Commitments are terminated and the Five-Year Loans are paid in full), the Borrower shall pay to the Administrative Agent, for the ratable account of the Five-Year Lenders, as applicable, a commitment fee for the period from and including the Amendment and Restatement Effective Date to the last day of Five-Year Commitment Period, computed at the Commitment Fee Rate on the average daily amount of the aggregate undrawn Five-Year Commitments of such Lenders during the period for which payment is made, payable on the first Business Day following the last day of each fiscal quarter of the Borrower and on the 2020 Extended Termination Date (or, if earlier, on the date upon which both the Five-Year Commitments are terminated and the Five-Year Loans are paid in full), commencing on the first such date to occur after the Amendment and Restatement Effective Date.

**Section 2.11. Computation of Interest and Fees.**

(a) Interest payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that, with respect to ABR Loans and Competitive Loans the rate of interest on which is calculated on the basis of the Prime Rate, the interest thereon shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. Fees payable pursuant hereto shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of a Eurodollar Rate. Any change in the interest rate on a Loan resulting from a change in the ABR or the Eurocurrency Reserve Requirements shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower, deliver to the Borrower a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to Section 2.11(a).

**Section 2.12. Inability to Determine Interest Rate.** If prior to the first day of any Interest Period the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrower) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurodollar Rate for such Interest Period, the Administrative Agent shall give telecopy or telephonic notice thereof

to the Borrower and the relevant Lenders as soon as practicable thereafter. If such notice is given (x) any Eurodollar Loans under the relevant Facility requested to be made on the first day of such Interest Period shall be made as ABR Loans, (y) any Loans under the relevant Facility that were to have been converted on the first day of such Interest Period to Eurodollar Loans shall be continued as ABR Loans and (z) any outstanding Eurodollar Loans under the relevant Facility shall be converted, on the last day of the then-current Interest Period, to ABR Loans. Until such notice has been withdrawn by the Administrative Agent, no further Eurodollar Loans under the relevant Facility shall be made or continued as such, nor shall the Borrower have the right to convert Loans under the relevant Facility to Eurodollar Loans.

**Section 2.13. Pro Rata Treatment and Payments.**

(a) Each borrowing of Five-Year Loans, Term Loans, New Term Loans and New Term III Loans from the Lenders hereunder, each payment by the Borrower on account of any fee hereunder and, subject to the last sentence of Section 2.4, any reduction of the Five-Year Commitments of the Lenders shall be made pro rata according to the Five-Year Commitment Percentages, Term Percentage, New Term Percentage or New Term III Percentage, as the case may be, of the relevant Lenders. Subject to the last sentence of Section 2.4, each payment (including each prepayment) by the Borrower on account of principal of and interest on the Five-Year Loans shall be made pro rata according to the respective outstanding principal amounts of the Five-Year Loans then held by the Five-Year Lenders. Each borrowing of Five-Year Loans from the Lenders hereunder, each payment by the Borrower on account of any fee hereunder and, subject to the last sentence of Section 2.4, any reduction of the Five-Year Loans of the Lenders shall be made pro rata according to the Five-Year Commitment Percentages of the relevant Lenders. Each payment by the Borrower on account of principal of and interest on any Borrowing of Competitive Loans shall be made pro rata among the Lenders participating in such Borrowing according to the respective principal amounts of their outstanding Competitive Loans comprising such Borrowing. Each payment (including each prepayment) by the Borrower on account of principal of and interest on the (i) Term Loans shall be made pro rata according to the respective outstanding principal amounts of the Term Loans then held by the Term Lenders, (ii) New Term Loans shall be made pro rata according to the respective outstanding principal amounts of the New Term Loans then held by the New Term Lenders and (iii) New Term III Loans shall be made pro rata according to the respective outstanding principal amounts of the New Term III Loans then held by the New Term III Lenders. The amount of each principal prepayment of the (x) Term Loans shall be applied to reduce the then remaining installments of the Term Loans on a pro rata basis, (y) New Term Loans shall be applied to reduce the then remaining installments of the New Term Loans on a pro rata basis and (z) New Term III Loans shall be applied to reduce the then remaining installments of the New Term III Loans on a pro rata basis. Amounts prepaid on account of Term Loans, New Term Loans and New Term III Loans may not be reborrowed.

(b) All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made prior to 12:00 Noon, New York City time, on the due date thereof to the Administrative Agent, for the account of the relevant Lenders, at the Administrative Agent's office specified in Section 9.2, in Dollars and in immediately available funds. Notwithstanding the foregoing, the failure by the Borrower to make a payment (or



prepayment) prior to 12:00 Noon on the due date thereof shall not constitute a Default or Event of Default if such payment is made on such due date; provided, however, that any payment (or prepayment) made after such time on such due date shall be deemed made on the next Business Day for the purposes of interest and reimbursement calculations. The Administrative Agent shall distribute such payments to the relevant Lenders promptly upon receipt in like funds as received. If any payment hereunder (other than payments on the Eurodollar Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a Eurodollar Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.

(c) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative Agent, on demand, such amount with interest thereon at a rate equal to the daily average Federal Funds Effective Rate for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to the Administrative Agent by such Lender within three Business Days of such Borrowing Date, the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans under the relevant Facility, on demand, from the Borrower. Nothing herein shall be deemed to limit the rights of the Borrower against any Lender who fails to make its share of such borrowing available.

(d) Unless the Administrative Agent shall have been notified in writing by the Borrower prior to the date of any payment being made hereunder that the Borrower will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Borrower is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the relevant Lenders their respective pro rata shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Borrower within three Business Days of such required date, the Administrative Agent shall be entitled to recover, on demand, from each relevant Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the daily average Federal Funds Effective Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Borrower.

**Section 2.14. Requirements of Law.**

(a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the initial date hereof:

(i) shall subject any Lender or the Issuing Lender to any tax of any kind whatsoever with respect to this Agreement, any Letter of Credit or any Eurodollar Loan made by it, or change the basis of taxation of payments to such Lender or Issuing Lender in respect thereof (except for Non-Excluded Taxes covered by Section 2.15 and changes in the rate of tax on the overall net income of such Lender or Issuing Lender);

(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan, insurance charge, or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender that is not otherwise included in the determination of the Eurodollar Rate hereunder; or

(iii) shall impose on such Lender any other condition affecting Eurodollar Loans;

and the result of any of the foregoing is to increase the cost to such Lender, by an amount that such Lender deems to be material, of making, converting into, continuing or maintaining Eurodollar Loans or issuing or participating in Letters of Credit, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower shall promptly pay such Lender, upon its demand, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable. If any Lender becomes entitled to claim any additional amounts pursuant to this paragraph, it shall promptly notify the Borrower (with a copy to the Administrative Agent) of the event by reason of which it has become so entitled. The Borrower shall not be liable in respect of any such increased costs to, or reduced amount of any sum received or receivable by, any Lender pursuant to this Section 2.14(a) with respect to any interest, fees or other amounts accrued by such Lender more than 15 days prior to the date notice thereof is given to the Borrower pursuant to this Section 2.14(a).

(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital or liquidity requirements or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital or liquidity requirements (whether or not having the force of law) from any Governmental Authority made subsequent to the initial date hereof shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder or under or in respect of any Letter of Credit to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital or liquidity requirements) by an amount deemed by such Lender to be material, then from time to time, within 15 days after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a written request therefor, the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender for

such reduction; provided that the Borrower shall not be required to compensate a Lender pursuant to this paragraph for any amounts incurred more than 30 days prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor; and provided further that, if the circumstances giving rise to such claim have a retroactive effect, then such 30 day period shall be extended to include the period of such retroactive effect.

(c) Notwithstanding anything herein to the contrary, (i) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or by United States or foreign regulatory authorities, in each case pursuant to Basel III, and (ii) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder or issued in connection therewith or in implementation thereof, shall in each case be deemed to be a change in law, regardless of the date enacted, adopted, issued or implemented.

(d) A certificate, setting forth a reasonably detailed explanation as to the reason for any additional amounts payable pursuant to this Section 2.14, submitted by any Lender to the Borrower (with a copy to the Administrative Agent) shall be conclusive in the absence of manifest error. The obligations of the Borrower pursuant to this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

#### **Section 2.15. Taxes.**

(a) All payments made by or on behalf of any Loan Party under this Agreement or any other Loan Document shall be made free and clear of, and without deduction or withholding for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, excluding net income taxes and franchise taxes (imposed in lieu of net income taxes) imposed on the Administrative Agent or any Lender as a result of a present or former connection between the Administrative Agent or such Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from the Administrative Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement). If any such non-excluded taxes, levies, imposts, duties, charges, fees, deductions or withholdings ("Non-Excluded Taxes") or Other Taxes are required to be withheld from any amounts payable to the Administrative Agent, the Issuing Lender or any Lender (as determined in the good faith discretion of the applicable withholding agent), (i) such amounts shall be paid to the relevant Governmental Authority in accordance with applicable law and (ii) the amounts so payable by the applicable Loan Party to the Administrative Agent, the Issuing Lender or such Lender shall be increased to the extent necessary to yield to the Administrative Agent, the Issuing Lender or such Lender (after payment of all Non-Excluded Taxes and Other Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement, provided, however, that the applicable Loan Party shall not be required to increase any such amounts payable to any Lender with respect to any Non-Excluded Taxes (i) that are attributable to such Lender's failure to comply with the requirements of paragraph (d) of this Section, (ii) that

are United States withholding taxes imposed on amounts payable to such Lender at the time the Lender becomes a party to this Agreement (or designates a new lending office), except to the extent that such Lender's assignor (if any) was entitled, at the time of assignment, to receive additional amounts from such Loan Party with respect to such Non-Excluded Taxes pursuant to this paragraph or (iii) any U.S. federal withholding taxes imposed under FATCA.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Whenever any Taxes are payable by the Borrower to a Governmental Authority pursuant to this Section 2.15, as promptly as possible thereafter the Borrower shall send to the Administrative Agent for its own account or for the account of the relevant Lender, as the case may be, a certified copy of an original official receipt received by the Borrower showing payment thereof.

(d) (i) Each Lender that is a "United States person" as defined in Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement two properly completed and duly signed copies of U.S. Internal Revenue Service ("IRS") Form W-9 (or any successor form) certifying that such Lender is exempt from U.S. federal withholding tax. Each Lender (or Transferee) that is not a "United States person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to the Borrower and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) (i) two copies of IRS Form W-8BEN, Form W-8ECI or Form W-8IMY, as applicable (together with any applicable underlying IRS forms), (ii) in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit E and the applicable IRS Form W-8, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on payments under this Agreement, or (iii) any other form prescribed by applicable requirements of U.S. federal income tax 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 requirements of law to permit the Borrower and the Administrative Agent to determine the withholding or deduction required to be made. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement or designates a new lending office (or, in the case of any Participant, on or before the date such Participant purchases the related participation). In addition, each Non-U.S. Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Non-U.S. Lender. Each Non-U.S. Lender shall promptly notify the Borrower and the Administrative Agent at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower and the Administrative Agent (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this paragraph, a Non-U.S. Lender shall not be required to deliver any form pursuant to this paragraph that such Non-U.S. Lender is not legally able to deliver.

(ii) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower 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 and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (d)(ii), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(e) The Loan Parties shall jointly and severally indemnify the Administrative Agent, the Issuing Lender, and any other Lender, within 10 days after demand therefor, for the full amount of any Non-Excluded Taxes or Other Taxes (including Non-Excluded Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Administrative Agent, Issuing Lender or other Lender, or required to be withheld or deducted from a payment to such Administrative Agent, Issuing Lender or other Lender and any reasonable expenses arising therefrom or with respect thereto, whether or not such Non-Excluded Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to 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.

(f) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such taxes and without limiting the obligation of the Loan Parties to do so) and (ii) any taxes attributable to such Lender's failure to comply with the provisions of Section 9.6(b) 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 (f).

(g) If the Administrative Agent, the Issuing Lender or any Lender receives a refund in respect of any amounts paid by the Borrower pursuant to this Section 2.15, which refund in the reasonable judgment of such Administrative Agent, Issuing Lender or such Lender is allocable to such payment, it shall pay the amount of such refund to the Borrower, net of all reasonable out-of-pocket expenses of the Administrative Agent, the Issuing Lender or such Lender, provided however, that the Borrower, upon the request of such Lender, Issuing Lender or

the Administrative Agent, agrees to repay the amount paid over to the Borrower to the Administrative Agent, the Issuing Lender or such Lender in the event such Administrative Agent, Issuing Lender or the Lender is required to repay such refund. Nothing contained herein shall interfere with the right of the Administrative Agent or any Lender to arrange its tax affairs in whatever manner it deems fit nor oblige the Administrative Agent, the Issuing Lender or any Lender to apply for any refund or to disclose any information relating to its affairs or any computations in respect thereof.

(h) The agreements in this Section 2.15 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(i) For purposes of this Section 2.15, the term “applicable law” includes FATCA.

(j) Solely for purposes of determining withholding Taxes imposed under FATCA, from and after the Seventh Amendment Effective Date, the Borrower and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) this Agreement (together with any Loans or other extensions of credit pursuant hereto) as not qualifying as a “grandfathered obligation” within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

**Section 2.16. Indemnity.** The Borrower agrees to indemnify each Lender and to hold each Lender harmless from any loss or expense that such Lender sustains or incurs as a consequence of (a) default by the Borrower in making a borrowing of, conversion into or continuation of Eurodollar Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b) default by the Borrower in making any prepayment of or conversion from Eurodollar Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c) the making of a prepayment of Eurodollar Loans on a day that is not the last day of an Interest Period with respect thereto. Such indemnification may include an amount equal to the excess, if any, of (i) the amount of interest that would have accrued on the amount so prepaid, or not so borrowed, converted or continued, for the period from the date of such prepayment or of such failure to borrow, convert or continue to the last day of such Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) that would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank Eurodollar market. A certificate as to any amounts payable pursuant to this Section submitted to the Borrower by any Lender shall be conclusive in the absence of manifest error. This covenant shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

**Section 2.17. Change of Lending Office.** Each Lender and each Issuing Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.14 or 2.15(a) with respect to such Lender or Issuing Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another

lending office for any Loans or Letters of Credit affected by such event with the object of avoiding the consequences of such event; provided, that such designation is made on terms that, in the sole judgment of such Lender, cause such Lender and its lending office(s) to suffer no economic, legal or regulatory disadvantage, and provided, further, that nothing in this Section shall affect or postpone any of the obligations of the Borrower or the rights of any Lender or Issuing Lender pursuant to Section 2.14 or 2.15(a).

**Section 2.18. Replacement of Lenders.**

(a) The Borrower shall be permitted to replace any Lender that (a) requests reimbursement for amounts owing pursuant to Section 2.14 or Section 2.15(a), (b) defaults in its obligation to make Loans hereunder or (c) is a “Non-Consenting Lender” (as defined below in this Section 2.18); provided that all such replaced Lenders are replaced with a replacement financial institution and/or one or more increased Five-Year Commitments from one or more other Lenders; provided that (i) such replacement does not conflict with any Requirement of Law, (ii) prior to any such replacement, such Lender shall have taken no action under Section 2.17 so as to eliminate the continued need for payment of amounts owing pursuant to Section 2.14 or Section 2.15(a), (iii) the replacement financial institution shall purchase, at par, all Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (iv) the Borrower shall be liable to such replaced Lender under Section 2.16 if any Eurodollar Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto, (v) the replacement financial institution, if not already a Lender, shall be reasonably satisfactory to the Administrative Agent, (vi) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 9.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein), (vii) until such time as such replacement shall be consummated, the Borrower shall pay all additional amounts (if any) required pursuant to Section 2.14 or Section 2.15(a), as the case may be, (viii) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender, and (ix) the replacement financial institution shall consent, at the time of such assignment, to each matter in respect of which such Non-Consenting Lenders refused to consent.

(b) In the event that (i) the Borrower or the Administrative Agent has requested the Lenders to consent to a departure or waiver of any provisions of the Loan Documents or to agree to any amendment thereto, (ii) the consent, waiver or amendment in question requires the agreement of all Lenders in accordance with the terms of Section 9.1 and (iii) the Required Lenders have agreed to such consent, waiver or amendment, then any Lender who does not agree to such consent, waiver or amendment shall be deemed a “Non-Consenting Lender.”

**Section 2.19. [Reserved].**

**Section 2.20. L/C Commitment.**

(a) Subject to the terms and conditions hereof, the Issuing Lender, in reliance on the agreements of the L/C Participants set forth in Section 2.20(d), agrees to issue letters of credit (“Letters of Credit”) for the account of the Borrower on any Business Day during the Five-Year Commitment Period in such form as may be approved from time to time by the Issuing

Lender; provided that the Issuing Lender shall have no obligation to issue any Letter of Credit to the extent that, after giving effect to such issuance, (i) the L/C Obligations would exceed the L/C Commitment or (ii) the aggregate amount of the Five-Year Available Commitments would be less than zero. Each Letter of Credit shall (i) be denominated in Dollars and (ii) expire no later than the earlier of (x) the first anniversary of its date of issuance and (y) the date that is five Business Days prior to the 2020 Extended Termination Date, provided that any Letter of Credit with a one-year term may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in clause (y) above). Unless otherwise specified, all references herein to the amount of a Letter of Credit at any time shall be deemed to mean the maximum face amount of such Letter of Credit after giving effect to all increases thereof contemplated by such Letter of Credit or the Application therefore, whether or not such maximum face amount is in effect at such time.

(i) The Issuing Lender shall not at any time be obligated to issue any Letter of Credit to the extent (a) that such issuance would conflict with, or cause the Issuing Lender or any L/C Participant to exceed any limits imposed by, any applicable Requirement of Law, (b) any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Issuing Lender shall prohibit, or request that the Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Issuing Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the Issuing Lender is not otherwise compensated hereunder) not in effect on the Amendment and Restatement Effective Date, or shall impose upon the Issuing Lender any unreimbursed loss, cost or expense which was not applicable on the Amendment and Restatement Effective Date and which the Issuing Lender in good faith deems material to it or (c) the issuance of such Letter of Credit would violate one or more policies of the Issuing Lender applicable to letters of credit generally.

(ii) [Reserved].

(b) Procedure for Issuance of Letters of Credit. The Borrower may from time to time request that the Issuing Lender issue a Letter of Credit by delivering to the Issuing Lender at its address for notices specified herein or otherwise on file with the Administrative Agent (with a copy to the Administrative Agent) an Application therefor, completed to the satisfaction of the Issuing Lender, and such other certificates, documents and other papers and information as the Issuing Lender may reasonably request. Unless the Issuing Lender has received written notice from any Lender or the Administrative Agent at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit that the conditions precedent set forth in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the Issuing Lender shall, on the requested date, issue a Letter of Credit or enter into the applicable amendment, as the case may be, in accordance with its customary procedures (but in no event shall the Issuing Lender be required to issue any Letter of Credit earlier than three Business Days after its receipt of the Application therefor and all such other certificates, documents and other papers and information relating thereto). The Issuing Lender shall furnish a copy of such Letter of Credit to the Borrower promptly following the issuance thereof. The Issuing Lender shall promptly furnish to the Administrative Agent, which shall in turn promptly furnish to the Lenders, notice of the issuance of each Letter of Credit (including the amount thereof). A Letter of Credit shall be issued only to the extent (and upon issuance 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) the L/C Obligations shall not exceed the L/C Commitment and (ii) the aggregate amount of the Five-Year Extensions of Credit shall not exceed the aggregate Five-Year Commitments. Such Issuing Lender shall promptly furnish to the Administrative Agent, which shall in turn promptly furnish to the Lenders, notice of the issuance of each Letter of Credit (including the amount thereof).

(c) Fees and Other Charges. The Borrower will pay a fee on all outstanding Letters of Credit at a per annum rate equal to the Applicable Margin then in effect with respect to Eurodollar Loans under the Five-Year Facility, shared ratably among the Five-Year Lenders and payable quarterly in arrears on each Fee Payment Date after the issuance date. In addition to the foregoing fee, the Borrower shall pay or reimburse the Issuing Lender for such normal and customary costs and expenses as are incurred or charged by the Issuing Lender in issuing, negotiating, effecting payment under, amending or otherwise administering any Letter of Credit.

(d) L/C Participations. (i) The Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce the Issuing Lender to issue Letters of Credit, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from the Issuing Lender, on the terms and conditions set forth below, for such L/C Participant's own account and risk an undivided interest equal to such L/C Participant's Five-Year Commitment Percentage in the Issuing Lender's obligations and rights under and in respect of each Letter of Credit and the amount of each draft paid by the Issuing Lender thereunder. Each L/C Participant agrees with the Issuing Lender that, if a draft is paid under any Letter of Credit for which the Issuing Lender is not reimbursed in full by the Borrower in accordance with the terms of this Agreement, such L/C Participant shall pay to the Issuing Lender upon demand an amount equal to such L/C Participant's Five-Year Commitment Percentage of the amount of such draft, or any part thereof, that is not so reimbursed. Each L/C Participant's obligation to pay such amount shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such L/C Participant may have against the Issuing Lender, the Borrower or any other Person for any reason whatsoever, (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Article IV, (iii) any adverse change in the condition (financial or otherwise) of the Borrower, (iv) any breach of this Agreement by the Borrower, any other Loan Party or any other L/C Participant or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(ii) If any amount required to be paid by any L/C Participant to the Issuing Lender pursuant to Section 2.20(d)(i) in respect of any unreimbursed portion of any payment made by the Issuing Lender under any Letter of Credit is paid to the Issuing Lender within three Business Days after the date such payment is due, such L/C Participant shall pay to the Issuing Lender on demand an amount equal to the product of (i) such amount, times (ii) the daily average Federal Funds Effective Rate during the period from and including the date such payment is required to the date on which such payment is immediately available to the Issuing Lender, times (iii) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. If any such amount required to be paid by any L/C Participant pursuant to Section 2.20(d)(i) is not made available to the Issuing Lender by such L/C Participant within three Business Days after the date such payment is due, the Issuing Lender shall be

entitled to recover from such L/C Participant, on demand, such amount with interest thereon calculated from such due date at the rate per annum applicable to ABR Loans under the Five-Year Facility. A certificate of the Issuing Lender submitted to any L/C Participant with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error.

(iii) Whenever, at any time after the Issuing Lender has made payment under any Letter of Credit and has received from any L/C Participant its pro rata share of such payment in accordance with Section 2.20(d)(i), the Issuing Lender receives any payment related to such Letter of Credit (whether directly from the Borrower or otherwise, including proceeds of collateral applied thereto by the Issuing Lender), or any payment of interest on account thereof, the Issuing Lender will distribute to such L/C Participant its pro rata share thereof; provided, however, that in the event that any such payment received by the Issuing Lender shall be required to be returned by the Issuing Lender, such L/C Participant shall return to the Issuing Lender the portion thereof previously distributed by the Issuing Lender to it.

(e) Reimbursement Obligation of the Borrower. If any draft is paid under any Letter of Credit, the Borrower shall reimburse the Issuing Lender for the amount of (a) the draft so paid and (b) any taxes, fees, charges or other costs or expenses incurred by the Issuing Lender in connection with such payment, not later than 12:00 Noon, New York City time, on (i) the Business Day that the Borrower receives notice of such draft, if such notice is received on such day prior to 11:00 A.M., New York City time, or (ii) if clause (i) above does not apply, the Business Day immediately following the day that the Borrower receives such notice. Each such payment shall be made to the Issuing Lender at its address for notices referred to herein in Dollars and in immediately available funds. Interest shall be payable on any such amounts from the date on which the relevant draft is paid until payment in full at the rate set forth in (x) until the Business Day next succeeding the date of the relevant notice, Section 2.9(a) and (y) thereafter, Section 2.9(e).

(f) Obligations Absolute. The Borrower's obligations under this Section 2.20 shall be absolute, unconditional and irrevocable under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment that the Borrower may have or have had against the Issuing Lender, any beneficiary of a Letter of Credit or any other Person. The Borrower also agrees with the Issuing Lender that the Issuing Lender shall not be responsible for, and the Borrower's Reimbursement Obligations under Section 2.20(e) shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among the Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of the Borrower against any beneficiary of such Letter of Credit or any such transferee, payment by the 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 any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's Obligations hereunder. The Issuing Lender shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit, except for errors or omissions found by a final and nonappealable

decision of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Issuing Lender. The Borrower agrees that any action lawfully taken or omitted by the Issuing Lender under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or willful misconduct, shall be binding on the Borrower and shall not result in any liability of the Issuing Lender to the Borrower.

(g) Letter of Credit Payments. If any draft shall be presented for payment under any Letter of Credit, the Issuing Lender shall promptly notify the Borrower and the Administrative Agent of the date and amount thereof. The responsibility of the Issuing Lender to the Borrower in connection with any draft presented for payment under any Letter of Credit shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining, using reasonable care, that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment are substantially in conformity with such Letter of Credit.

(h) Payments. Any payments and reimbursements due to the Issuing Lender hereunder shall be remitted to the Administrative Agent which shall, in turn, remit such funds to the Issuing Lender.

(i) Applications. To the extent that any provision of any Application related to any Letter of Credit is inconsistent with the provisions of this Section 2.20, the provisions of this Section 2.20 shall apply.

**Section 2.21. Defaulting Lenders**. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) if any L/C Obligations exists at the time a Lender becomes a Defaulting Lender then within one Business Day following notice by the Administrative Agent, the Borrower shall cash collateralize such Defaulting Lender's Five-Year Commitment Percentage of the L/C Obligations in accordance with the procedures satisfactory to the Administrative Agent for so long as such L/C Obligations are outstanding; and

(b) so long as any Lender is a Defaulting Lender, the Issuing Lender shall not be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure will be 100% covered by cash collateral provided by the Borrower.

### ARTICLE III

#### Representations and Warranties

To induce the Administrative Agent and the Lenders to enter into this Agreement and to make the Loans and issue and/or participate in Letters of Credit, the Borrower hereby represents and warrants to the Administrative Agent and each Lender that:

**Section 3.1. Organization; Powers.** The Borrower and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation. Except where the failure to do so, individually or in the aggregate, would result in a Material Adverse Effect, the Borrower and each of its Subsidiaries is duly qualified to do business as a foreign corporation and is in good standing in all states in which it owns substantial properties or in which it conducts a substantial business and its activities make such qualifications necessary.

**Section 3.2. Financial Condition; No Material Adverse Effect.** On or as of the Ninth Amendment Effective Date, the Borrower has furnished to each of the Lenders copies of either its Annual Report for 2015 or a report on Form 8-K, containing in either case, copies of its consolidated balance sheet as of December 31, 2015 and the related statements of consolidated income and changes in shareholders' equity and cash flows for 2015, all reported on by Ernst & Young LLP, independent public accountants. The financial statements contained in such Annual Report or report on Form 8-K (including the related notes) fairly present the Borrower's consolidated financial condition as of their respective dates and the consolidated results of the operations of the Borrower and its Subsidiaries for the periods then ended, and have been prepared in accordance with GAAP. The Borrower and its Subsidiaries had no Material liabilities as of December 31, 2015 not reflected in the consolidated balance sheet as of December 31, 2015 or the related notes as of said date, and from that date to the Ninth Amendment Effective Date there has been no Material change in the business or financial condition of the Borrower and its Subsidiaries taken as a whole which has not been publicly disclosed.

**Section 3.3. Properties.** As of the Ninth Amendment Effective Date, the Borrower and its Subsidiaries owned absolutely, free and clear of all Liens, all of the real or personal property reflected in the consolidated balance sheet dated as of December 31, 2015 referred to in Section 3.2 and all other property acquired by them, respectively after December 31, 2015 except such property as has been disposed of in the ordinary course of business, and except for (i) easements, restrictions, exceptions, reservations or defects which, in the aggregate, do not materially interfere with the continued use of such property or materially affect the value thereof to the Borrower or its Subsidiaries, (ii) Liens, if any, for current taxes not delinquent, and (iii) Liens reflected on such consolidated balance sheet or not otherwise prohibited by Section 6.1. As of the Ninth Amendment Effective Date, the Borrower and its Subsidiaries enjoy peaceful and undisturbed possession of their properties which are held under lease and all such leases are in good standing and valid and binding obligations of the lessors in full force and effect, except for exceptions, reservations or defects which in the aggregate do not materially interfere with the continued use of such property or materially affect the value thereof to the Borrower or its Subsidiaries.

**Section 3.4. Litigation.** There are no actions, suits, or proceedings pending or, to the Borrower's knowledge, threatened against or affecting it or any Subsidiary in or before any court or foreign or domestic governmental instrumentality, and neither the Borrower nor any Subsidiary is in default in respect of any order of any such court or instrumentality which, in the Borrower's opinion, are Material.

**Section 3.5. No Conflicts.** Neither the execution and delivery of this Agreement, the consummation of the transactions herein contemplated, nor compliance with the

terms and provisions hereof will conflict with or result in a breach of any of the provisions of the Borrower's restated certificate of incorporation, as amended, or by-laws, as amended, or any law or regulation, or any order of any court or governmental instrumentality, or any agreement or instrument by which the Borrower is bound, or constitute a default thereunder, or result in the imposition of any Lien not permitted under this Agreement upon any of the Borrower's property.

**Section 3.6. Taxes.** To the best of the Borrower's knowledge, the Borrower and its Subsidiaries have filed all tax returns which are required to be filed by any jurisdiction, and have paid all taxes which have become due pursuant to said returns or pursuant to any assessments against it or its Subsidiaries, except to the extent only that such taxes are not material or are being contested in good faith by appropriate proceedings.

**Section 3.7. ERISA.** No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, is reasonably expected to result in a Material Adverse Effect.

**Section 3.8. Authorization; Enforceability.** The execution and delivery of this Agreement and the making of all Borrowings permitted by the provisions hereof have been duly authorized by all necessary corporate action on the part of the Borrower; this Agreement has been duly and validly executed and delivered by the Borrower and constitutes the Borrower's valid and legally binding agreement enforceable in accordance with its terms; and the Borrowings when made, will constitute valid and binding obligations of the Borrower enforceable in accordance with the terms of this Agreement, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

**Section 3.9. Environmental Matters.** In the ordinary course of its business, the Borrower becomes aware from time to time of the effect of Environmental Laws on its business, operations and properties and the business, operations and properties of its Subsidiaries, and it identifies and evaluates associated liabilities and costs (including, without limitation, any capital or operating expenditures required for clean-up or closure of properties then owned or operated by the Borrower or its Subsidiaries, any capital or operating expenditures required to achieve or maintain compliance with environmental protection standards imposed by law or as a condition of any license, permit or contract, any related constraints on operating activities, including any periodic or permanent shutdown of any facility or reduction in the level of or change in the nature of operations conducted at such properties, and any actual or potential liabilities to third parties, including employees, and any related costs and expenses). On the basis of these evaluations, the Borrower has reasonably concluded that Environmental Laws are unlikely to have a Material Adverse Effect.

**Section 3.10.** No Change. Since December 31, 2015, there has been no development or event that has had or would have a Material Adverse Effect.

**Section 3.11.** Federal Regulations. No part of the proceeds of any Loans, and no other extensions of credit hereunder, will be used for “buying” or “carrying” any “margin stock” within the respective meanings of each of the quoted terms under Regulation U as now and from time to time hereafter in effect or for any purpose that violates the provisions of the Regulations of the Board. If requested by any Lender or the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form G-3 or FR Form U-1, as applicable, referred to in Regulation U.

**Section 3.12.** No Default. Neither the Borrower nor any of its Subsidiaries is in default under or with respect to any of its Contractual Obligations in any respect that would have a Material Adverse Effect.

**Section 3.13.** Investment Company Act; Federal Regulations. The Borrower is not an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended.

**Section 3.14.** Anti-Corruption Laws and Sanctions. The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower, its Subsidiaries and their respective officers and to the knowledge of the Borrower its directors, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower, any Subsidiary or any of their respective directors or officers, or (b) to the knowledge of the Borrower, any employee or agent of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the Facilities established hereby or the Letters of Credit issued hereunder, is a Sanctioned Person. No Borrowing or Letter of Credit, use of proceeds thereof or other transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions.

**Section 3.15.** EEA Financial Institutions. No Loan Party is an EEA Financial Institution.

## ARTICLE IV

Conditions

The obligation of each Lender to make a Loan and issue and/or participate in Letters of Credit hereunder is subject to the accuracy, as of the date hereof, of the representations and warranties herein contained and to the satisfaction of the following further condition:

(a) On the date of each Borrowing (i) no Default or Event of Default shall have occurred and be continuing and (ii) the representations and warranties contained in Sections 3.1, 3.5 and 3.8 shall be true and correct in all material respects on and as of such date as if made on and as of such date. Each Borrowing hereunder shall constitute a representation and warranty by the Borrower as of the date of such extension of credit that the conditions contained in this Article IV(a) have been satisfied.

## ARTICLE V

Affirmative Covenants.

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and Letter of Credit and all fees payable hereunder shall have been paid in full, the Borrower covenants and agrees with the Lenders that it shall and shall cause each of its Subsidiaries to:

**Section 5.1. Financial Statements and Other Information.** Furnish to the Administrative Agent and the Lenders:

(a) within 60 days after the end of each of the first three quarterly periods in each fiscal year, its consolidated statements of income for such quarterly period and for the period from the beginning of the fiscal year to the end of such quarterly period and its consolidated balance sheet at the end of that period, all in reasonable detail, subject, however, to year-end audit adjustments, together with a certificate of compliance and no default in substantially the form of Exhibit G certified by an appropriate financial officer of the Borrower; provided, however, that for the fiscal quarter of the Borrower ending June 28, 2015, the Borrower shall furnish (i) consolidated financial statements of the Borrower's combined publishing and non-publishing businesses prior to the Spin-Off and (ii) pro forma financial statements of the Borrower's non-publishing segments calculated separately from the Borrower's publishing segments as if the Spin-Off had occurred at the start of such fiscal quarter together with a certificate of compliance and no default in substantially the form of Exhibit G certified by an appropriate financial officer of the Borrower calculated based on the financial statements set forth in clause (ii); provided that the financial statements and compliance certificate set forth in clause (ii) shall be furnished on or before the date on which financial statements are required to be furnished pursuant to this Section 5.1 for the fiscal quarter ending September 30, 2015;

(b) within 120 days after and as of the close of each fiscal year, the Borrower's Annual Report to shareholders for such fiscal year, containing copies of its

consolidated income statement, consolidated balance sheet and changes in shareholders' equity and cash flows for such fiscal year accompanied by a report by Ernst & Young LLP or some other accounting firm of national reputation selected by the Borrower, based on their examination of such financial statements, which examination shall have been conducted in accordance with generally accepted auditing standards and which report shall indicate that the financial statements have been prepared in accordance with GAAP, together with a certificate of compliance and no default in substantially the form of Exhibit G, certified by an appropriate financial officer of the Borrower;

(c) promptly upon their becoming available, copies of all regular and periodic financial reports, if any, which the Borrower or any of its Subsidiaries shall file with the Securities and Exchange Commission or with any securities exchange;

(d) promptly upon their becoming available, copies of all prospectuses of the Borrower and all reports, proxy statements and financial statements mailed by the Borrower to its shareholders generally; and

(e) such other information respecting the financial condition and affairs of the Borrower and its subsidiaries as any of the Lenders may from time to time reasonably request.

The financial statements of the Borrower and its Subsidiaries hereafter delivered to the Lenders pursuant to this Section 5.1 will fairly set forth the financial condition of the Borrower and its Subsidiaries as of the dates thereof, and the results of the Borrower's and its Subsidiaries' operations for the respective periods stated therein, all in accordance with GAAP.

**Section 5.2. Payment of Obligations.** Duly pay and discharge all (i) obligations when due and (ii) taxes, assessments and governmental charges of which the Borrower has knowledge assessed against it or against its properties prior to the date on which penalties are attached thereto, except in each case where the failure to do so, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

**Section 5.3. Books and Records; Inspection Rights.** (a) Keep proper books of records and account in which true and correct entries, in all material respects, are made of all dealings in relation to its business and activities and (b) permit any Lender, upon reasonable request, to inspect at all reasonable times its properties, operations and books of account.

**Section 5.4. Notices of Material Events.** Promptly give notice to the Administrative Agent and each Lender of:

(a) the occurrence of any Default or Event of Default;

(b) any (i) default or event of default under any Contractual Obligation of the Borrower or any of its Subsidiaries or (ii) litigation, investigation or proceeding that may exist at any time between the Borrower or any of its Subsidiaries and any Governmental Authority, that in either case, if not cured or if adversely determined, as the case may be, would have a material adverse effect on (A) the business, assets, operations or condition,



financial or otherwise, of the Borrower and its Subsidiaries taken as a whole or (B) the validity or enforceability of this Agreement or the material rights or remedies of the Administrative Agent and the Lenders hereunder; and

(c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect.

(d) any other development or event that has had or would have a Material Adverse Effect.

Each notice pursuant to this Section 5.4 shall be accompanied by a statement of an appropriate officer of the Borrower setting forth details of the occurrence referred to therein and stating what action it proposes to take with respect thereto.

**Section 5.5. Existence; Conduct of Business.** Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and its rights, licenses, permits, privileges and franchises related to the conduct of its business, except (other than with respect to the Borrower's legal existence) where the failure to do so would not reasonably be expected to have a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation or other transaction permitted under Section 6.2.

**Section 5.6. Maintenance of Properties; Insurance.** (a) Keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

**Section 5.7. Compliance with Laws.** Comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, would not have a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Borrower and its Subsidiaries taken as a whole or (b) the validity or enforceability of this Agreement or the material rights or remedies of the Administrative Agent and the Lenders hereunder. The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

**Section 5.8. Debt Ratings.** With respect to the Borrower, use its reasonable best efforts to maintain at all times a senior unsecured long-term debt rating from either S&P or Moody's.

**Section 5.9. Guarantee.** With respect to any new Material Domestic Subsidiary created or acquired after the Amendment and Restatement Effective Date (which shall include any existing Subsidiary that becomes a Material Domestic Subsidiary), cause such Material Domestic Subsidiary to execute and deliver to the Administrative Agent, within 30 days after such creation or acquisition or, with respect to any existing Subsidiary that becomes a Material

Domestic Subsidiary, within 30 days after the date that financial statements for the Test Period with respect to which such determination is made have been or required to be delivered pursuant to Sections 5.1(a) and (b), a Guarantee Agreement for such Material Domestic Subsidiary thereafter created, acquired or determined. Notwithstanding the foregoing, each Material Domestic Subsidiary shall execute and deliver a Guarantee Agreement no later than the date upon which any such Material Domestic Subsidiary becomes a guarantor of any of the Borrower's outstanding notes, bonds or debentures.

**Section 5.10. Restrictive Agreements.** The Borrower shall provide to the Administrative Agent, no later than 5 Business Days after the execution thereof, any agreements with respect to (a) unsecured Indebtedness for borrowed money of one or more Guarantors resulting from Guarantees of Indebtedness for borrowed money of the Borrower incurred after the Amendment and Restatement Effective Date and (b) unsecured, non-guaranteed indebtedness of the Borrower for borrowed money (other than Pari Passu Indebtedness and Permitted Commercial Paper) executed on or after the Amendment and Restatement Effective Date that contain (i) any financial covenants which are more restrictive than the financial covenants contained in this Agreement, (ii) in the case of senior credit facilities, any representations and warranties more restrictive than those set forth in this Agreement, (iii) in the case of senior credit facilities, any other covenants (except pricing and redemption premiums) or events of default which are more restrictive than the covenants and events of default set forth in this Agreement or (iv) in the case of notes, debt securities or similar instruments, any other covenants (except pricing and redemption premiums) or events of default which are more restrictive than the covenants and events of default applicable to the 2024 Notes, whether or not the 2024 Notes are outstanding.

## ARTICLE VI

### Negative Covenants

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and Letter of Credit and all fees payable hereunder have been paid in full, the Borrower covenants and agrees with the Lenders that, it shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

**Section 6.1. Liens.** Create, incur, assume or permit to exist any Lien on any of its properties or assets now owned or hereafter acquired by it, without making provision satisfactory to the Lenders whereby the Lenders obtain an equal and ratable or prior Lien as security for the payment of the Borrowings; or transfer any of its assets for the purpose of subjecting them to the payment of obligations prior in payment to any of its general creditors; or allow any liability of, or claims, or demands against it, or any of its Subsidiaries, to exist for more than 30 days if the liability, claim or demand might by law be given any priority over those of its general creditors; provided, however, that none of the above shall prohibit the Borrower or any Subsidiary from creating or allowing any of the following to exist:

- (a) Liens, so long as the aggregate outstanding principal amount of indebtedness of the Borrower and its Subsidiaries secured by all such Liens does not exceed 5% of Total Shareholders' Equity;
- (b) leases of all types, whether or not such leases constitute leasebacks of property sold or transferred by the Borrower or any Subsidiary;
- (c) pledges and deposits securing the payment of workmen's compensation or insurance premiums, good-faith deposits in connection with tenders, contracts (other than contracts for the payment of borrowed money) or leases, deposits to secure surety or appeal bonds, liens, pledges or deposits in connection with contracts made with or at the request of the United States Government or any agency thereof, or pledges or deposits for similar purposes made in the ordinary course of business;
- (d) liens securing taxes, assessments or governmental or other charges or claims for labor, materials or supplies which are not delinquent or which are being contested in good faith by appropriate proceedings and liens, restrictions, easements, licenses on the use of property or minor irregularities in the title thereof, which do not, in the Borrower's opinion, in the aggregate materially impair their use in the Borrower's and its Subsidiaries' business;
- (e) Liens on the assets of any Person which becomes a Subsidiary of the Borrower after the date of this Agreement to the extent that such liens existed prior to the date of acquisition of such corporation by the Borrower; provided that such Liens existed at the time such Person became a Subsidiary of the Borrower and were not created in anticipation thereof; and
- (f) cash collateralization established pursuant to Section 2.21.

**Section 6.2. Fundamental Changes.** Merge, consolidate, sell, lease, transfer or otherwise dispose of all or substantially all of its assets, unless immediately after giving effect to such transaction, it shall be in compliance with Sections 6.1 and 6.3 hereof and, in the case of a merger or consolidation by the Borrower, the Borrower shall be the survivor corporation.

**Section 6.3. Total Leverage Ratio.** Permit the Total Leverage Ratio as of the last day of any Test Period ending during any period set forth below to exceed the ratio set forth opposite such period:

<u>Period</u>	<u>Total Leverage Ratio</u>
March 29, 2015 through fiscal quarter ending June 30, 2018	5.00 to 1.00

<u>Period</u>	<u>Total Leverage Ratio</u>
Fiscal quarter ending September 30, 2018 through fiscal quarter ending June 30, 2019	4.75 to 1.00
Fiscal quarter ending September 30, 2019 and thereafter	4.50 to 1.00

; provided, that this Section 6.3 shall not be applicable for the Test Period ending on June 28, 2015.

**Section 6.4. Use of Proceeds.** The Borrower shall not request any Loan or Letter of Credit, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or (C) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

**Section 6.5. [Reserved].**

**Section 6.6. Transfer of Assets.**

(a) No Guarantor shall be permitted to transfer any assets to the Borrower, except for (i) such transfers as are necessary to accomplish reasonably substantial tax savings (provided that prior to or concurrently with the effectiveness of such transfers, the Borrower shall have furnished to the Administrative Agent a certificate of an appropriate financial officer of the Borrower certifying that such transfers are reasonably necessary to achieve reasonably substantial tax savings), (ii) transfers of assets made in the ordinary course of business, (iii) transfers by operation of law or that are reasonably necessary in order to comply with changes in any Requirement of Law, and (iv) transfers as a result of a corporate restructuring of the Borrower and its consolidated subsidiaries, where no Default or Event of Default would result from such restructuring and the Borrower remains in compliance with Section 6.6(b) after giving effect to such restructuring. For the avoidance of doubt, the Borrower and the Lenders agree that aggregate annual tax savings in excess of \$1,000,000 shall constitute “reasonably substantial tax savings” for the purposes of this Section 6.6.

(b) The Borrower shall not own greater than 30% (the “CTA Percentage”) of the Consolidated Tangible Assets of the Borrower and its Domestic Subsidiaries; provided, however, that upon the occurrence of (i) any Material Disposition by the Borrower or a Domestic

Subsidiary, (ii) any unusual or extraordinary impairment charges or acceleration of depreciation by the Borrower or any Domestic Subsidiaries in excess of \$50,000,000 in the aggregate in any Test Period, or (iii) any asset transfers from the Borrower or to the Borrower (as permitted by Section 6.6(a)(i) or Section 6.6(a)(iii)) (each, a “CTA Adjustment Event”), in each case where no Default or Event of Default would otherwise result from such CTA Adjustment Event, the CTA Percentage shall increase or decrease, as applicable, by multiplying the then current CTA Percentage by a fraction, the numerator of which shall be the Consolidated Tangible Assets of the Borrower and its Domestic Subsidiaries as of the end of the prior period, and the denominator of which shall be the Consolidated Tangible Assets of the Borrower and its Domestic Subsidiaries on a pro forma basis, giving effect to such CTA Adjustment Event, as of the end of such prior period; provided further, that the CTA Percentage shall not be decreased to below 30% in accordance with this proviso.

## ARTICLE VII

### Events of Default

**Section 7.1.** Events of Default. The following are Events of Default:

- (a) The Borrower shall fail to pay when due in accordance with the terms hereof (i) any principal on any Loan and such failure shall have continued for a period of three Business Days or (ii) any interest on any Loan, or any other amount payable hereunder, and such failure shall have continued for a period of five Business Days.
- (b) The Borrower shall (A) default in any payment of principal or of interest on any other obligation for borrowed money in excess of \$50,000,000 beyond any grace period provided with respect thereto, or (B) default in the performance of any other agreement, term or condition contained in any agreement under which any such obligation is created, if the effect of such default is to cause such obligation to be accelerated or become due prior to its stated maturity.
- (c) Any representation or warranty herein made by the Borrower, or any certificate or financial statement furnished by the Borrower pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished and the Borrower shall fail to take corrective measures satisfactory to the Required Lenders within 30 days after notice thereof to the Borrower from any Lender or the Administrative Agent or by the Borrower to the Administrative Agent.
- (d) The Borrower shall default in the performance of any other covenant, condition or provision hereof (other than as provided in paragraphs (a), (c) or (h) of this Section) and such default shall not be remedied to the satisfaction of the Required Lenders within a period of 30 days after notice thereof to the Borrower from any Lender or the Administrative Agent or by the Borrower to the Administrative Agent.
- (e) The Borrower or any Subsidiary with more than \$100,000,000 in revenue in the preceding fiscal year shall (A) apply for or consent to the appointment of a receiver, trustee, or liquidator of the Borrower or such Subsidiary, (B) make a general

assignment for the benefit of creditors, or (C) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or take advantage of any insolvency law or an answer admitting the material allegations of a petition filed against the Borrower or such Subsidiary in any bankruptcy, reorganization or insolvency proceeding, or corporate action shall be taken by the Borrower for the purpose of affecting any of the foregoing.

(f) An order, judgment or decree shall be entered, without the application, approval or consent of the Borrower, by any court of competent jurisdiction, approving a petition seeking reorganization of the Borrower or appointing a receiver, trustee or liquidator of the Borrower or of all or a substantial part of the assets of the Borrower, and such order, judgment or decree shall continue unstayed and in effect for any period of ninety (90) consecutive days.

(g) One or more final, non-appealable judgments for the payment of money in an aggregate amount in excess of \$100,000,000 shall be rendered against the Borrower, any Subsidiary or any combination thereof, and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed or bonded.

(h) The Borrower shall default in the performance of any covenant, condition or provision contained in Section 5.9 or Section 6.3 of this Agreement and, in the case of Section 6.3, such default shall have continued for a period of five Business Days; provided, however, that after the Amendment and Restatement Effective Date, such five Business Day period shall not commence until the financial statements with respect to such Test Period have been or are required to be delivered pursuant to Sections 5.1(a) and (b).

(i) A (i) Change in Control of the Borrower shall occur or (ii) Specified Change in Control shall occur.

**Section 7.2. Remedies.** If an Event of Default shall occur and be continuing:

(a) If an Event of Default specified in Section 7.1(e) or (f) shall occur and be continuing, automatically the Commitments shall immediately terminate and the Loans (with accrued interest thereon) and all other amounts owing under this Agreement (including all amounts of L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) shall immediately become due and payable.

(b) If an Event of Default other than those specified in Section 7.1(e) or (f) shall occur and be continuing, either or both of the following actions may be taken: (i) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower, declare Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; and (ii) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the

Administrative Agent shall, by notice to the Borrower, declare the Loans (with accrued interest thereon) and all other amounts owing under this Agreement (including all amounts of L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) to be due and payable forthwith, whereupon the same shall immediately become due and payable. With respect to all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to this paragraph, the Borrower shall as soon as practicable thereafter, but in no event later than one Business Day thereafter, deposit in a cash collateral account opened by the Administrative Agent an amount equal to the aggregate then undrawn and unexpired amount of such Letters of Credit. Amounts held in such cash collateral account shall be applied by the Administrative Agent to the payment of drafts drawn under such Letters of Credit, and the unused portion thereof after all such Letters of Credit shall have expired or been fully drawn upon, if any, shall be applied to repay other obligations of the Borrower hereunder. After all such Letters of Credit shall have expired or been fully drawn upon, all Reimbursement Obligations shall have been satisfied and all other obligations of the Borrower hereunder shall have been paid in full, the balance, if any, in such cash collateral account shall be returned to the Borrower (or such other Person as may be lawfully entitled thereto). For the avoidance of doubt, notwithstanding the foregoing, no amounts received from any Loan Party shall be applied to any Excluded Swap Obligation of such Loan Party.

(c) Except as expressly provided above in this Article, presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Borrower.

(d) Any Lender giving any notice to the Borrower under this Article VII shall simultaneously give like notice to the Administrative Agent.

## ARTICLE VIII

### The Administrative Agent

**Section 8.1.** Appointment. Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent.

**Section 8.2.** Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to

such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

**Section 8.3. Exculpatory Provisions.** Neither the Administrative Agent nor any of its respective officers, directors, employees, agents, attorneys-in-fact or affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except to the extent that any of the foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of any Loan Party party thereto to perform its obligations hereunder or thereunder. The Administrative Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Loan Party.

**Section 8.4. Reliance by Administrative Agent.** The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, teletype, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower and the Guarantors), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any promissory note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

**Section 8.5. Notice of Default.** The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Administrative Agent has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative



Agent shall give notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders); provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

**Section 8.6. Non-Reliance on Administrative Agent and Other Lenders.** Each Lender expressly acknowledges that neither the Administrative Agent nor any of its respective officers, directors, employees, agents, attorneys-in-fact or affiliates have made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents 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 deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any affiliate of a Loan Party that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or affiliates.

**Section 8.7. Indemnification.** The Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Aggregate Commitment Percentages in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Aggregate Commitment Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the

payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from the Administrative Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

**Section 8.8. Agent in Its Individual Capacity.** The Administrative Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Loan Party as though the Administrative Agent were not the Administrative Agent. With respect to its Loans made or renewed by it, the Administrative Agent shall have the same rights and powers under this Agreement as any Lender and may exercise the same as though it were not the Administrative Agent, and the terms "Lender" and "Lenders" shall include the Administrative Agent in its individual capacity.

**Section 8.9. Successor Administrative Agent.** The Administrative Agent may resign as Administrative Agent upon 15 Business Days' notice to the Lenders and the Borrower. If the Administrative Agent shall resign as Administrative Agent under this Agreement, then (a) so long as an Event of Default under Section 7.1(a), 7.1(e) or 7.1(f) with respect to the Borrower shall not have occurred and be continuing, the Borrower shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall be subject to approval by the Required Lenders (which approval shall not be unreasonably withheld, conditioned or delayed) and (b) if an Event of Default under Section 7.1(a), 7.1(e) or 7.1(f) with respect to the Borrower shall have occurred and be continuing, the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Administrative Agent by the date that is 15 Business Days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Lenders shall assume and perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Article VIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

**Section 8.10. Syndication Agents and Issuing Lender.** Notwithstanding any provision to the contrary elsewhere in this Agreement, (i) the Syndication Agents shall not have any duties or responsibilities hereunder or under the other Loan Documents, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or under any other Loan Document or otherwise exist against the Syndication Agents and (ii) the Issuing Lender shall be entitled to the benefits of Article VIII in its capacity as an Issuing Lender.

**Section 8.11. Arrangers.** The rights, privileges, protections, immunities and benefits given to the Administrative Agent, including without limitation its right to be indemnified, are extended to, and shall be enforceable by (a) each of J.P. Morgan Securities LLC and Citigroup Global Markets Inc., solely in its capacity as Arranger in connection with the Eighth Amendment, on an equivalent basis as the Administrative Agent and (b) JPMorgan Chase Bank, N.A., in its capacity as Arranger in connection with the Ninth Amendment and the Tenth Amendment, on an equivalent basis as the Administrative Agent.

## ARTICLE IX

### Miscellaneous

**Section 9.1. Amendments and Waivers.** Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 9.1. The Required Lenders and each Loan Party party to the relevant Loan Document may, or, with the written consent of the Required Lenders, the Administrative Agent and each Loan Party party to the relevant Loan Documents may, from time to time, (a) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Loan Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall (i) forgive the principal amount or extend the final scheduled date of maturity of any Loan, extend the scheduled date of any amortization payment in respect of any Loan, reduce the stated rate of any interest or fee payable hereunder (except (x) in connection with the waiver of applicability of any post-default increase in interest rates, which waiver shall be effective with the consent of the Majority Facility Lenders of each adversely affected Facility and (y) that any amendment or modification of defined terms used in the financial covenants in this Agreement shall not constitute a reduction in the rate of interest or fees for purposes of this clause (i)) or extend the scheduled date of any payment thereof, in each case without the written consent of each Lender directly affected thereby; (ii) eliminate or reduce the voting rights of any Lender under this Section 9.1 or extend or increase the Commitment of any Lender, in each case without the written consent of such Lender; (iii) reduce any percentage specified in the definitions of Required Lenders or Majority Facility Lenders, consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, in each case without the written consent of all Lenders; (iv) amend, modify or waive any provision of Article VIII without the written consent of the Administrative Agent and any other Agent affected thereby; (v) amend, modify or waive any provision of Section 2.13(a) or (b) without the written consent of each Lender directly affected thereby; or (vi) amend, modify or waive any provision of Section 2.20 without the written consent of the Issuing Lender. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding on the Borrower, the other Loan Parties, the Lenders, the Administrative Agent and all future holders of the Loans. In the case of any waiver, the Borrower, the other Loan Parties, the

Lenders and the Administrative Agent shall be restored to their former position and rights hereunder, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

For the avoidance of doubt, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrower (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof (collectively, the “Additional Extensions of Credit”) to share ratably in the benefits of this Agreement with the Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders.

Notwithstanding anything to the contrary contained in this Section 9.1, the defined term “2020 Extended Termination Date” may be amended to a date beyond June 29, 2020, with the consent of (i) each Five-Year Lender willing to extend its Five-Year Commitments to such later date, (ii) the Administrative Agent and (iii) the Issuing Lender.

**Section 9.2. Notices.** All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, addressed as follows in the case of the Borrower, the Administrative Agent or the Issuing Lender, and as set forth in an administrative questionnaire delivered to the Administrative Agent in the case of the Lenders, or to such other address as may be hereafter notified by the respective parties hereto:

The Borrower:

7950 Jones Branch Drive  
McLean, VA 22107  
Attention: Vice President & Treasurer  
Telecopy: 703-854-2047  
Telephone: 703-854-6248

The Administrative Agent: JPMorgan Chase Bank, N.A.

500 Stanton Christiana Road, Ops 2  
Newark, DE 19713  
Attention: Dimple Patel  
Phone: 302-634-4154  
Fax: 302-634-3301

The Issuing Lender: JPMorgan Chase Bank, N.A.

500 Stanton Christiana Road, Ops 2  
Newark, DE 19713  
Attention: Dimple Patel  
Phone: 302-634-4154  
Fax: 302-634-3301

; provided that any notice, request or demand to or upon the Administrative Agent, the Issuing Lender or the Lenders shall not be effective until received.

**Section 9.3. No Waiver; Cumulative Remedies.** No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or privilege hereunder or under the Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

**Section 9.4. Survival of Representations and Warranties.** All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

**Section 9.5. Payment of Expenses and Taxes.**

(a) The Borrower agrees (i) to pay or reimburse the Administrative Agent for all its reasonable out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith, and the consummation and administration of the transactions contemplated hereby and thereby, including the reasonable fees and disbursements of counsel to the Administrative Agent and filing and recording fees and expenses, with statements with respect to the foregoing to be submitted to the Borrower prior to the Amendment and Restatement Effective Date (in the case of amounts to be paid on the Amendment and Restatement Effective Date) and from time to time thereafter on a quarterly basis or such other periodic basis as the Administrative Agent shall deem appropriate, (ii) to pay or reimburse each Lender and the Administrative Agent for all its reasonable costs and expenses incurred in connection with the enforcement of any rights under

this Agreement, the other Loan Documents and any such other documents, including the reasonable fees and disbursements of counsel to each Lender and of counsel to the Administrative Agent, and (iii) to pay, indemnify, and hold each Lender, each Issuing Lender, and the Administrative Agent and their respective officers, directors, employees, affiliates, agents and controlling persons (each, an “Indemnitee”) harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents and any such other agreement, instrument or documents contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of transactions contemplated hereby, including any of the foregoing relating to the use of proceeds of the Loans or Letters of Credit and the reasonable fees and expenses of legal counsel in connection with claims, actions or proceedings by any Indemnitee against any Loan Party under this Agreement or any other Loan Document (all the foregoing in this clause (d), collectively, the “Indemnified Liabilities”), provided, that the Borrower shall have no obligation hereunder to any Indemnitee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities have resulted from the gross negligence or willful misconduct of such Indemnitee. All amounts due under this Section 9.5(a) shall be payable not later than 10 days after written demand therefor.

(b) Notwithstanding anything to the contrary in Section 9.5(a), (i) the Borrower shall have no such obligation for costs and expenses if the Borrower prevails or successfully defeats any enforcement or collection proceedings; and (ii) if, by final adjudication in any proceeding not involving the Borrower’s bankruptcy, reorganization or insolvency, the Lenders receive less relief than claimed, the Borrower’s obligation for costs and expenses shall be limited proportionately to the relief granted to the Lenders.

(c) The Borrower agrees to pay, indemnify, and hold each Lender and the Administrative Agent harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, stamp, excise and other taxes, if any, that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement and any such other documents.

(d) If the Borrower is required to commence proceedings against any Lender to enforce its Commitment, the Lender will pay the Borrower’s reasonable costs and expenses (including attorneys’ fees) if the Borrower succeeds, or a share of such reasonable costs and expenses proportionate to the Borrower’s recovery if the Borrower is only partially successful.

(e) The agreements in this Section 9.5 shall survive repayment of the Loans and all other amounts payable hereunder.

**Section 9.6. Successors and Assigns; Participations and Assignments.**

(a) This Agreement shall be binding upon and inure to the benefit of the Borrower, the Lenders, the Administrative Agent, the Issuing Lender, all future holders of the Loans and Letters of Credit and their respective successors and assigns, except that the Borrower

may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of each Lender.

(b) Any Lender other than any Conduit Lender may, without the consent of the Borrower or the Administrative Agent, in accordance with applicable law, at any time sell to one or more banks, financial institutions or other entities (each, a “Participant”) participating interests in any Loan owing to such Lender, any Commitment of such Lender or any other interest of such Lender hereunder. In the event of any such sale by a Lender of a participating interest to a Participant, such Lender’s obligations under this Agreement to the other parties to this Agreement shall remain unchanged, such Lender shall remain solely responsible for the performance thereof, such Lender shall remain the holder of any such Loan for all purposes under this Agreement, and the Borrower, the Administrative Agent and the Issuing Lender shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. In no event shall any Participant under any such participation have any right to approve any amendment or waiver of any provision of this Agreement, or any consent to any departure by the Borrower therefrom, except to the extent that such amendment, waiver or consent would reduce the principal of, or interest on, the Loans or any fees payable hereunder, or postpone the date of the final maturity of the Loans, in each case to the extent subject to such participation. The Borrower agrees that if amounts outstanding under this Agreement and the Loans are due or unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall, to the maximum extent permitted by applicable law, be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement, provided that, in purchasing such participating interest, such Participant shall be deemed to have agreed to share with the Lenders the proceeds thereof as provided in Section 9.7(a) as fully as if it were a Lender hereunder. The Borrower also agrees that each Participant shall be entitled to the benefits of Sections 2.14, 2.15 and 2.16 (subject to the requirements and limitations therein, including the requirements under Section 2.15(d) (it being understood that the documentation required under Section 2.15(d) shall be delivered to the participating Lender)) with respect to its participation in the Commitments and the Loans outstanding from time to time as if it was a Lender; provided that, in the case of Section 2.15, such Participant shall have complied with the requirements of said Section and provided, further, that no Participant shall be entitled to receive any greater amount pursuant to any such Section than the transferor Lender would have been entitled to receive in respect of the amount of the participation transferred by such transferor Lender to such Participant had no such transfer occurred. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant’s interest in the Loans or other obligations under the Loan Documents (the “Participant Register”); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant’s interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error,

and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(c) Any Lender other than any Conduit Lender (an “Assignor”) may, in accordance with applicable law, at any time and from time to time assign to any Lender or, with the consent of the Borrower, the Administrative Agent and the Issuing Lender; provided, however, that no consent of the Issuing Lender shall be required for an assignment of all or any portion of a Term Loan, New Term Loan or New Term III Loan (which, in each case, shall not be unreasonably withheld, delayed or conditioned; it being understood that (i) the Administrative Agent and each Lender effecting an assignment to any Person other than a Lender should notify the Borrower as promptly as possible of any request for assignment and the Borrower, in turn, should promptly consider such request for assignment; and (ii) the Borrower's consent shall not be considered to be unreasonably withheld, delayed or conditioned if the Borrower withholds, delays or conditions its consent because, among other factors, it is concerned about a potential Assignee's capital adequacy, liquidity or ability to perform its obligations under this Agreement), to any Lender Affiliate, an additional bank, financial institution or other entity (an “Assignee”) all or any part of its rights and obligations under this Agreement pursuant to an Assignment and Acceptance, executed by such Assignee, such Assignor and any other Person whose consent is required pursuant to this paragraph, and delivered to the Administrative Agent for its acceptance and recording in the Register; provided that, unless otherwise agreed by the Borrower and the Administrative Agent, no such assignment to an Assignee (other than any Lender or any Lender Affiliate) shall be in an aggregate principal amount of less than \$10,000,000, in each case except in the case of an assignment of all of a Lender's interests under this Agreement. For purposes of the proviso contained in the preceding sentence, the amount described therein shall be aggregated in respect of each Lender and its Lender Affiliates, if any. Upon such execution, delivery, acceptance and recording, from and after the effective date determined pursuant to such Assignment and Acceptance, (x) the Assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Acceptance, have the rights and obligations of a Lender hereunder with a Commitment and/or Loans as set forth therein, and (y) the Assignor thereunder shall, to the extent provided in such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of an Assignor's rights and obligations under this Agreement, such Assignor shall cease to be a party hereto). Notwithstanding any provision of this Section 9.6, the consent of the Borrower shall not be required for any assignment that occurs when an Event of Default shall have occurred and be continuing. Notwithstanding the foregoing, any Conduit Lender may assign at any time to its designating Lender hereunder without the consent of the Borrower or the Administrative Agent any or all of the Loans it may have funded hereunder and pursuant to its designation agreement and without regard to the limitations set forth in the first sentence of this Section 9.6(c).

(d) The Administrative Agent shall, on behalf of the Borrower, maintain at its address referred to in Section 9.2 a copy of each Assignment and Acceptance delivered to it and a register (the “Register”) for the recordation of the names and addresses of the Lenders and the Commitment of, and the principal amount (and stated interest) of the Loans owing to, each Lender from time to time. The entries in the Register shall be conclusive, in the absence of



manifest error, and the Borrower, the Administrative Agent, the Issuing Lender and the Lenders shall treat each Person whose name is recorded in the Register as the owner of the Loans and any promissory notes evidencing the Loans recorded therein for all purposes of this Agreement. Any assignment of any Loan, whether or not evidenced by a promissory note, shall be effective only upon appropriate entries with respect thereto being made in the Register. Any assignment or transfer of all or part of a Loan evidenced by a promissory note shall be registered on the Register only upon surrender for registration of assignment or transfer of the promissory note evidencing such Loan, accompanied by a duly executed Assignment and Acceptance, and thereupon one or more new promissory notes shall be issued to the designated Assignee.

(e) Upon its receipt of an Assignment and Acceptance executed by an Assignor, an Assignee and any other Person whose consent is required by Section 9.6(c), together with payment to the Administrative Agent of a registration and processing fee of \$3,500 (except that no such registration and processing fee shall be payable in the case of an Assignee which is a Lender Affiliate of the relevant Assignor), the Administrative Agent shall (i) promptly accept such Assignment and Acceptance and (ii) record the information contained therein in the Register on the effective date determined pursuant thereto.

(f) For avoidance of doubt, the parties to this Agreement acknowledge that the provisions of this Section 9.6 concerning assignments relate only to absolute assignments and that such provisions do not prohibit assignments creating security interests, including any pledge or assignment by a Lender to secure obligations to a Federal Reserve Bank in accordance with applicable law; provided that no such pledge or assignment shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) The Borrower, upon receipt of written notice from the relevant Lender, agrees to issue a promissory note to any Lender requiring such a note to facilitate transactions of the type described in paragraph (f) above.

(h) Each of the Borrower, each Lender and the Administrative Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each Lender designating any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage or expense arising out of its inability to institute such a proceeding against such Conduit Lender.

**Section 9.7. Adjustments; Set-off.**

(a) Except to the extent that this Agreement expressly provides for payments to be allocated to a particular Lender, if any Lender (a "Benefited Lender") shall, at any time after the Loans and other amounts payable hereunder shall immediately become due and payable pursuant to Section 7.2, receive any payment of all or part of the obligations owing to it, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 7.1(f), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect

of the obligations owing to such other Lender, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of the obligations owing to each such other Lender, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest; provided further, for the avoidance of doubt, that to the extent prohibited by applicable law as described in the definition of “Excluded Swap Obligation,” no amounts received from, or set off with respect to, any Loan Party shall be applied to any Excluded Swap Obligations of such Loan Party.

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender and each Issuing Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower hereunder (whether at the stated maturity, by acceleration or otherwise), to set off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower, as the case may be. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

**Section 9.8. Counterparts.** This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

**Section 9.9. Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

**Section 9.10. Integration.** This Agreement and the other Loan Documents represent the entire agreement of the Borrower, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

**Section 9.11 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL**

**BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

**Section 9.12** Submission To Jurisdiction; Waivers. The Borrower hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York located in the Borough of Manhattan, the courts of the United States for the Southern District of New York located in the Borough of Manhattan, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Borrower at its address set forth in Section 9.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto; and

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law.

**Section 9.13** Acknowledgements. The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement;

(b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement, and the relationship between Administrative Agent and Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower and the Lenders.

**Section 9.14** WAIVERS OF JURY TRIAL. THE BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

**Section 9.15** Confidentiality. Each of the Administrative Agent, each Issuing Lender and each Lender agrees to keep confidential all Information (as defined below); provided that nothing herein shall prevent the Administrative Agent, any Issuing Lender or any Lender

from disclosing any such Information (a) to the Administrative Agent, any other Issuing Lender or, any other Lender or any Lender Affiliate subject to this Section 9.15, (b) subject to an agreement to comply with the provisions of this Section, to any actual or prospective Transferee or any direct or indirect counterparty to any hedge agreement (or any professional advisor to such counterparty), (c) to its employees, directors, agents, attorneys, accountants and other professional advisors or those of any of its affiliates, provided that such Persons to whom disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential, (d) upon the request or demand of any Governmental Authority or in response to any order of any court or other Governmental Authority, upon prior written notice to the Borrower to the extent permitted and reasonably practicable, (e) to the extent required by any Requirement of Law (other than as provided in clause (d) above) or in connection with any litigation or similar proceeding, provided that the Borrower shall be promptly notified, to the extent permitted and reasonably practicable, prior to any such disclosure so that the Borrower may contest such disclosure or seek confidential treatment thereof, (f) that has been publicly disclosed, (g) to any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, or (h) in connection with the exercise of any remedy hereunder. "Information" means all information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent, any Issuing Lender or any Lender on a non-confidential basis prior to disclosure by the Borrower and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry; provided that in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 9.15 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each Lender acknowledges that information furnished to it pursuant to this Agreement or the other Loan Documents may include material non-public information concerning the Borrower and its affiliates and their related parties or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and applicable law, including Federal and state securities laws.

All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement or the other Loan Documents will be syndicate-level information, which may contain material non-public information about the Borrower and its affiliates and their related parties or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its administrative questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law, including Federal and state securities laws.

**Section 9.16** USA PATRIOT Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”), it is required to obtain, verify and record information that identifies 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 Act.

**Section 9.17** Acknowledgement and Consent to Bail-In of EEA 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 Financial Institution arising under any Loan Document may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(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 Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

## CERTIFICATIONS

I, David T. Lougee, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TEGNA Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ David T. Lougee

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David T. Lougee

President and Chief Executive Officer

(principal executive officer)

Date: November 8, 2017

## CERTIFICATIONS

I, Victoria D. Harker, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TEGNA Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Victoria D. Harker

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Victoria D. Harker

Chief Financial Officer (principal financial officer)

Date: November 8, 2017

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of TEGNA Inc. ("TEGNA") on Form 10-Q for the quarter ended September 30, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David T. Lougee, president and chief executive officer of TEGNA, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) 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 TEGNA.

/s/ David T. Lougee

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David T. Lougee

President and Chief Executive Officer

(principal executive officer)

November 8, 2017



**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of TEGNA Inc. ("TEGNA") on Form 10-Q for the quarter ended September 30, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Victoria D. Harker, chief financial officer of TEGNA, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) 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 TEGNA.

/s/ Victoria D. Harker

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Victoria D. Harker

Chief Financial Officer (principal financial officer)

November 8, 2017