

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): April 9, 2020

Reading International, Inc.

(Exact Name of Registrant as Specified in its Charter)

Nevada
(State or Other Jurisdiction
of Incorporation)

1-8625
(Commission
File Number)

95-3885184
(IRS Employer
Identification No.)

5995 Sepulveda Boulevard, Suite 300
Culver City, California

90230

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code: **(213) 235-2240**

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.01 par value	RDI	The Nasdaq Stock Market LLC
Class B Common Stock, \$0.01 par value	RDIB	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 1.01 Entry into a Material Definitive Agreement.

Waiver to NAB Facility.

On April 9, 2020, Reading International, Inc. (the "Company"), through its subsidiaries, received a waiver (the "NAB Waiver") from National Australia Bank Limited ("NAB") with respect to the Corporate Markets Loan & Bank Guarantee Facility Agreement, dated June 24, 2011, between NAB and certain subsidiaries of the Company (as amended and supplemented, the "NAB Facility"), which facility is comprised of (i) a AU\$120.0 million corporate loan facility at a rate of 0.85% - 1.3% above BBSY, depending on certain ratios, with a due date of December 31, 2023, of which AU\$80.0 million is revolving and AU\$40.0 million is core and (ii) a bank guarantee facility of AU\$5.0 million at a rate of 1.85% per annum. Capitalized terms used and not otherwise defined in this section of this report have the meanings ascribed to such terms in the NAB Facility.

Due to the closure of all cinemas operated by the Reading Entertainment Australia Group as a direct result of the COVID-19 pandemic, a Material Adverse Effect has occurred and is continuing under paragraph (a) of that definition (MAE Event). The MAE Event is an Event of Default under clause 10.1(i) (Material Adverse Effect) of the NAB Facility. Pursuant to the NAB Waiver, NAB has waived its rights under clause 10.2(a) (Effect of Event of Default) of the NAB Facility with respect to: (i) the MAE Event; and (ii) an Event of Default that may arise solely as a result of the failure by the Borrower to comply with clause 9.7(a)(i) (Fixed Charges Cover Ratio) or 9.7(a)(ii) (Leverage Ratio) in respect of the Calculation Period ending on June 30, 2020 or September 30, 2020 only.

The description above is only a summary of the material provisions of the NAB Waiver and does not purport to be complete and is qualified in its entirety by reference to the provisions in such waiver, a copy of which is attached hereto as Exhibit 10.1.4.

Waiver and Amendment to BofA Credit Facility.

On May 15, 2020, Consolidated Amusement Holdings, LLC ("CAH"), a subsidiary of the Company and other affiliates of CAH ("Guarantors"), entered into a Waiver and First Amendment ("Waiver and Amendment") to Second Amended and Restated Credit Agreement, dated as of March 6, 2020, among the Company, the Guarantors, the Lenders from time to time party thereto, Bank of America, N.A., as Administrative Agent, Swingline Lender and L/C Issuer (as amended and supplemented, the "BofA Credit Facility"), pursuant to which the Lenders provide a revolving credit facility in the aggregate amount of \$55.0 million. Capitalized terms used and not otherwise defined in this section of this report have the meanings ascribed to such terms in the BofA Credit Facility.

As a result of the COVID-19 events commencing during March 2020, a Default and Events of Default (collectively, the "Existing Defaults") have occurred and are continuing under Section 8.01(b) and (c) of the BofA Credit Facility as a consequence of CAH's breach of the following provisions of the BofA Credit Facility: (i) Section 6.01(d), due to CAH's untimely delivery to the Administrative Agent of the business plan and budget for CAH's fiscal year 2020; (ii) Section 6.17, due to CAH's failure to timely make the required lease payments due April 1, 2020 for any of CAH's theaters; (iii) Section 6.03(b), due to CAH's failure to deliver written notice to the Administrative Agent of the adverse impact upon its business due to the actual closing of its theaters as a result of the COVID-19 events; and (iv) Section 6.03(a), due to CAH's failure to timely notify the Administrative Agents of the foregoing defaults. Pursuant to the Waiver and Agreement, the Lenders (i) waived each of the Existing Defaults; (ii) extended the respective deadlines for CAH to deliver the annual financial statements, the quarterly financial statements, and the individual theater revenue and attendance information required by Sections 6.01(a), (b) and (c) of the BofA Credit Facility and the accountant's certificate required by Section 6.02(a) of the BofA Credit Facility; (iii) will not require CAH to comply with the lease payment affirmative covenant set forth in Section 6.17 of the BofA Credit Facility for the months of April 2020, May 2020, June 2020, and July 2020; (iv) will not permit the Company to declare and make cash dividends or distributions or make other Restricted Payments prior to January 1, 2021; and (v) will not require CAH to comply with any of the financial covenants set forth in Sections 7.11(a), (b) and (c) for the fiscal quarter of CAH ended March 31, 2020. BofA also agreed to extend the term of the Company's \$5.0 million line of credit facility from October 1, 2020 to March 6, 2023 in addition to other amendments thereto.

The description above is only a summary of the material provisions of the Waiver and Amendment and does not purport to be complete and is qualified in its entirety by reference to the provisions in such waiver, a copy of which is attached hereto as Exhibit 10.2.2.

(d)Exhibits

No.	Description
10.1.1	<u>Amended and Restated Corporate Markets Loan & Bank Guarantee Facility Agreement, dated December 23, 2015, between National Australia Bank Limited and Reading Entertainment Australia Pty Ltd. and certain affiliates of the Company (incorporated by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015, filed on April 29, 2016).</u>
10.1.2*	<u>Amendment Deed dated June 12, 2018 between National Australia Bank Limited and Reading Entertainment Australia Pty Ltd.</u>
10.1.3*	<u>Amendment Deed dated March 27, 2019 between National Australia Bank Limited and Reading Entertainment Australia Pty Ltd.</u>
10.1.4*	<u>Letter of Waiver dated April 9, 2020 between National Australia Bank Limited and Reading Entertainment Australia Pty Ltd.</u>
10.2.1*	<u>Second Amended and Restated Credit Agreement dated March 6, 2020, among Consolidated Amusement Holdings, LLC, certain affiliates of the Company, the financial institutions party thereto and Bank of America, N.A., as administrative agent.</u>
10.2.2*	<u>Waiver and First Amendment to Second Amended and Restated Credit Agreement dated May 15, 2020, among Consolidated Amusement Holdings, LLC, certain affiliates of the Company, the financial institutions party thereto and Bank of America, N.A., as administrative agent.</u>
10.3.1	<u>Wholesale Term Loan Facility dated May 21, 2015, among Westpac New Zealand Limited, Reading Courtenay Central Limited and certain affiliates of the Company (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015, filed on April 29, 2016).</u>
10.3.2*	<u>Guarantee & Indemnity dated May 21, 2015, among certain affiliates of the Company in favor of Westpac New Zealand Limited.</u>
10.3.3*	<u>Westpac Corporate Credit Facility Extension Letter dated December 20, 2018, among Westpac New Zealand Limited, Reading Courtenay Central Limited and certain affiliates of the Company.</u>
10.4.1*	<u>Consolidated, Amended and Restated Mortgage Promissory Note dated March 13, 2020, between Sutton Hill Properties, LLC and Valley National Bank.</u>
10.4.2*	<u>Mortgage Consolidation, Modification and Extension Agreement dated March 13, 2020, between Sutton Hill Properties, LLC and Valley National Bank.</u>
10.4.3*	<u>Pledge and Security Agreement dated March 13, 2020, between Sutton Hill Properties, LLC and Valley National Bank.</u>
10.4.4*	<u>ADA and Environmental Indemnity Agreement dated March 13, 2020, executed by Sutton Hill Properties, LLC and Reading International, Inc. in favor of Valley National Bank.</u>
10.4.5*	<u>Assignment of Rents and Leases dated March 13, 2020, executed by Sutton Hill Properties, LLC in favor of Valley National Bank.</u>
10.4.6*	<u>Guaranty of Payment and Performance dated March 13, 2020 executed by Reading International, Inc. in favor of Valley National Bank.</u>
10.4.7*	<u>Carveout Guaranty dated March 13, 2020 executed by Reading International, Inc. in favor of Valley National Bank.</u>
10.4.8*	<u>Guaranty dated March 13, 2020 executed by Reading International, Inc. in favor of Valley National Bank.</u>

* Filed herewith

SIGNATURES

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

READING INTERNATIONAL, INC.

Date: June 2, 2020

By: /s/ Ellen M. Cotter
Name: Ellen M. Cotter
Title: President and Chief Executive Officer

AMENDMENT DEED

National Australia Bank Limited

and

Reading Entertainment Australia Pty Ltd

Dated 12 June 2018

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THIS DEED is dated as shown on the front page and is between:

NATIONAL AUSTRALIAN BANK LIMITED) ABN 12 004 044 937 of Level 1, 800 Bourke Street, Docklands, Victoria 3008 (NAB);

Each person listed as a borrower in Schedule 1 (Borrower and together the Borrowers); and

Each person (if any) listed as a guarantor in Schedule 1 (Guarantor and together the Guarantors).

BACKGROUND:

- A Some or all of the parties are parties to the Facility Agreement.
- B The parties agree to amend the Facility Agreement on the terms and conditions set out in this document.
- C With effect on and from the Effective Date the Facility Agreement is amended in accordance with this document.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Words which have a defined meaning in the Facility Agreement have the same meaning in this document unless otherwise defined.

Effective Date means the date NAB gives the notice contemplated in clause 2.1 (*Conditions precedent*).

Facility Agreement means the facility agreement between NAB and some or all of the Obligors dated or most recently amended or restated on or about 17 December 2015, as amended from time to time.

Obligor means each Borrower and Guarantor.

1.2 Interpretation

Clause 1.2 (*Construction*) of the Facility Agreement applies to this document as if set out in full in this document.

1.3 Inconsistent law

To the extent permitted by law, this document prevails to the extent it is inconsistent with any law.

1.4 Consideration

The parties enter into this document in consideration of, among other things, the mutual promises contained in this document.

1.5 Transaction Document

This document is a Transaction Document for the purposes of the Facility Agreement.

2. CONDITIONS PRECEDENT

2.1 Conditions precedent

The amendments proposed to the Facility Agreement referred to in clause 3 (*Amendment*) are of no force and effect until NAB has notified the Borrower in writing that each of the following has been received by NAB or otherwise complied with in form and substance satisfactory to NAB:

- (a) The results of NAB’s enquiries and searches; and
- (b) An original of this document duly and fully executed by the Obligor.

2.2 Certification of copies

Unless otherwise required by NAB, each document specified in respect of an Obligor in clause 2.1 (*Conditions precedent*) must be an original. If NAB requires a certified copy of a document, the copy must be certified by a director or secretary of that Obligor as true and complete as at a date no earlier than 5 Business Days before the date of this document.

3. AMENDMENT

With effect on and from the Effective Date, the Facility Agreement is amended as follows:

- (a) The table in Schedule 2 is deleted and replaced with the following:

Facility Name	Granted pursuant to	Facility Limit	Purpose	Termination Date
Corporate Markets Loan Facility	Clause 4 (a)(i)	\$66,500,000	General corporate purposes.	31 December 2019
Bank Guarantee Facility	Clause 4.1(a)(ii)	\$5,000,000	To support other cinema operations now or in the future operating from third party leased premises.	31 December 2019

4. CONFIRMATION

- (a) With effect on and from the Effective Date, each party confirms and agrees that it is a party to, and bound by the terms of, the Facility Agreement, as amended by this document, and in the case of each Obligor, in each capacity in which that party is named in Schedule 1.
- (b) Each Obligor agrees to any security documents and guarantees granted by it continuing to secure obligations under the Facility Agreement, as amended by this document.

5. REPRESENTATIONS AND WARRANTIES

On the date of this document and on the Effective Date, each representation and warranty contained in the Facility Agreement is deemed to be repeated by each Obligor for the benefit of NAB with reference to the facts and circumstances subsisting as at the date of this document and the Effective Date respectively.

6. REMAINING PROVISIONS UNAFFECTED

Except as specifically amended by this document, the provisions of the Facility Agreement remain in full force and effect.

7. GENERAL

7.1 Communications and notices

A notice given under this deed must be given in accordance with the Facility Agreement.

7.2 Counterparts

This document may be executed in any number of counterparts and, if so, the counterparts taken together constitute one and the same instrument.

7.3 General law and jurisdiction

This document is governed by the laws of Victoria. Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction there.

SCHEDULE 1**BORROWER(S)**

Name	ACN
Reading Exertainment Australia Pty Ltd	

GUARANTOR(S)

Name	ACN
Reading Entertainment Australia Pty Ltd	
Australia Country Cinemas Pty Ltd	
Australian Equipment Supply Pty Ltd	
Burwood Developments Pty Ltd	
Epping Cinemas Pty Ltd	
Hotel Newmarket Pty Ltd	
Newmarket Properties Pty Ltd	
Newmarket Properties No. 2 Pty Ltd	
Newmarket Properties #3 Pty Ltd	
Reading Auburn Pty Ltd	
Reading Australia Leasing (E&R) Pty Ltd	
Reading Belmont Pty Ltd	
Reading Charlestown Pty Ltd	
Reading Cinemas Pty Ltd	
Reading Cinemas Management Pty Ltd	
Reading Colac Pty Ltd	
Reading Dandenong Pty Ltd	
Reading Elizabeth Pty Ltd	
Reading Exhibition Pty Ltd	
Reading Licences Pty Ltd	
Reading Maitland Pty Ltd	
Reading Melton Pty Ltd	
Reading Bundaberg 2012 Pty Ltd (formerly Reading Moonee Ponds Pty Ltd)	
Reading Properties Pty Ltd	
Reading Properties Indooroopilly Pty Ltd as trustee for The Landplan Property Partners Discretionary Trust	
Reading Properties Taringa Pty Ltd as trustee for the Reading Property Partners No. 1 Discretionary Trust	
Reading Property Holdings Pty Ltd	
Reading Rouse Hill Pty Ltd	
Reading Sunbury Pty Limited	
Rhodes Peninsula Cinema Pty Ltd	
Westlakes Cinema Pty Ltd	
A.C.N. _____ Pty Ltd	

SIGNATURES

Executed by Reading Entertainment)
Austria Ply Ltd ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Australian Country)
Cinemas Pty Ltd ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Australian Equipment)
Supply Pty Ltd ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Burwood Developments)
Pty Ltd ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Epping Cinemas Pty Ltd)
ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Hotel Newmarket Pty Ltd)
ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Newmarket Properties Pty
Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Newmarket Properties No.
2 Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Newmarket Properties #3
Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Auburn Pty Ltd
ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Australia Leasing
(E&R) Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Belmont Pty Ltd)
ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Bundaberg 2012)
Pty Ltd ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Charlestown Pty)
Ltd ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Cinemas Pty Ltd)
ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Cinemas)
Management Pty Ltd)
ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Colac Pty Ltd)
ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Dandenong Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Elizabeth Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Exhibition Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Licences Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Maitland Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Melton Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Properties Pty Ltd ACN _____)
)

Director

Director

/s/ Devasis Ghose
Devasis Ghose

/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Properties)
Indooroopilly Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Properties)
Taringa Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Property)
Housing Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Rouse Hill Pty Ltd)
ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Reading Sunbury Pty Ltd)
ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Rhodes Peninsula Cinema)
Pty Ltd ACN _____)
)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by Westlakes Cinema Pty Ltd)
ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by A.C.N. 143 633 096 Pty)
Ltd ACN _____)

Director
/s/ Devasis Ghose
Devasis Ghose

Director
/s/ Andrzej Matyczynski
Andrzej Matyczynski

Executed by National Australia Bank)
Limited ABN 12 004 044 937 by its)
Attorney who holds the position of Level)
2 Attorney under Power of Attorney)
dated 1/3/2007 in the presence of:)

/s/ Trent Millstead
Witness
Trent Millstead
Name of Witness (print)

/s/ Andrew
Tham
Attorney
Andrew Tham
Name of Attorney (print)

Corrs Chambers Westgarth

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Sydney
Melbourne
Brisbane
Perth
Port Moresby

National Australia Bank Limited

Reading

Entertainment Australia Pty Ltd

Each

Guarantor

Amendment Deed

Corporate Markets Loan Bank Guarantee Facility Agreement

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Date: March 27, 2019

Parties

National Australia Bank Limited ABN 12 004 044 937 of Pier 3 Level 4, 800 Bourke Street, Docklands, Victoria 3008 (**Bank**)

Reading Entertainment Australia Pty Ltd ACN [Redacted] of 98 York Street, South Melbourne, Victoria 3205 (**Borrower**)

Each person listed in schedule 1 (each a Guarantor)

Agreed terms

1 Definitions

In this document words and expressions which are defined or given a specific meaning in the Amended Facility Agreement but which are not defined or given a specific meaning in this document have the same meaning as in the Amended Facility Agreement. Otherwise, terms have the following meanings.

Amended Facility The Facility Agreement as amended by this document.

Agreement

Amendment Date The date on which Bank notifies the Borrower that the conditions precedent set out in clause 3 are satisfied.

Facility Agreement The Facility Agreement dated 24 June 2011 between the Bank, the Borrower and the Guarantors, as amended, varied or amended and restated from time to time, including on 14 June 2013, 27 June 2014, December 2015 and May 2018.

New Guarantor Reading Cannon Park Pty Ltd ACN [Redacted]

New Property The land known as Cannon Park City Centre and Cannon Park Discount Centre, Corner Hervey Range Road and Pioneer Drive, Thurwingowa Central, Queensland, described in title references 50442105, 50442106 and 51155321.

New Security

(a) A general security agreement granted by the New Guarantor to the Bank, over all of the assets of the New Guarantor; and

(b) a freehold mortgage granted by the New Guarantor

to the Bank over the New Property.

PPSA *Personal Property Securities Act (2009) (Cth).*

2 Consideration

Each party has entered into this document in consideration of each other party agreeing to make the acknowledgements contained in this document and to amend the Facility Agreement in accordance with this document and acknowledges receipt of that consideration.

3 Conditions precedent

The amendments to the Facility Agreement are subject to the conditions precedent that:

- (a) the Bank has received in form and substance satisfactory to the Bank:
 - (i) an original copy of this document, duly executed by the Borrower and each Guarantor ;
 - (ii) original copies of each New Security, duly executed by the New Guarantor;
 - (iii) title documents for the New Property, and any necessary releases in respect of any Encumbrance affecting the New Property or the New Guarantor;
 - (iv) a Valuation in respect of the New Property;
 - (v) evidence of Insurances for each Freehold Property and Leasehold Property noting the Bank's interest as mortgagee, to cover at a minimum, re-instatement and public liability insurance;
 - (vi) a non-refundable restructure and application fee in the amount referred to in clause 9.1(b) of the Amended Facility Agreement;
 - (vii) anything which the Bank has reasonably requested that a party provide to it in relation to the Facility Agreement ; and
- (b) each of the above conditions is satisfied no later than 31 March 2019:
and
- (c) no Event of Default or Potential Event of Default subsists.

4 Amendments to Facility Agreement

- (a) On and from the Amendment Date
 - (i) the Facility Agreement is amended by deleting items which have been struck out and inserting items that have been underlined in **annexure A**.
 - (ii) the New Guarantor:
 - (A) agrees with each person who is or becomes a party to the Facility Agreement that it will be bound by the Facility Agreement as a Guarantor and a Transaction Party; and
 - (B) makes in relation to itself in favour of the Bank the
-

representations and warranties set out in clause 8.1 of the Facility Agreement.

- (iii) each party agrees with the New Guarantor that, with effect from the date of this document, the New Guarantor will have the benefit of the Facility Agreement as a Transaction Party and Guarantor.
- (b) The Bank, the Borrower and the Guarantors agree to be bound by the Amended Facility Agreement on and from the Amendment Date.

5 Acknowledgments

The Borrower and each Guarantor:

- (a) acknowledge that nothing in this document or any related financing change statement under the PPSA releases, terminates or otherwise affects any liabilities of the Borrower to the Bank, or affects its liability under any Transaction Document;
- (b) acknowledge that the Bank has agreed to execute this document at the request of the Borrower and each Guarantor;
- (c) agree to the variation to the Facility Agreement and agree that each Collateral Security extends to and secures the Borrower's obligations to the Bank under the Transaction Documents, including the Amended Facility Agreement; and
- (d) acknowledge that their obligations (as borrower, guarantor, indemnifier, or otherwise) and the Bank's rights are not affected by anything which might abrogate, prejudice or limit them or the effectiveness of this document, including the failure by any person named as a Guarantor to become bound by this document.

6 Warranties and representations

6.1 General

The Borrower and each Guarantor warrant and represent to the Bank that:

- (a) at the time of execution of this document, and at the Amendment Date:
 - (i) it has capacity unconditionally to execute, deliver and comply with its obligations under this document and the Transaction Documents to which it is a party (including the Amended Facility Agreement);
 - (ii) it has taken all necessary action to authorise the unconditional execution and delivery of, and the compliance with, its obligations
-

under this document and the Transaction Documents to which it is a party (including the Amended Facility Agreement);

- (iii) this document and the Transaction Documents to which it is a party (including the Amended Facility Agreement) are its valid and legally binding obligations and are enforceable against it by each other party in accordance with the terms of this document and the Transaction Documents to which it is a party (including the Amended Facility Agreement), subject to principles of equity and rules affecting creditors' rights generally; and
- (iv) its unconditional execution and delivery of this document and compliance with its obligations under this document and the Transaction Documents to which it is a party (including the Amended Facility Agreement) do not contravene:
 - (A) any law or directive from a government entity;
 - (B) its constituent documents;
 - (C) any agreement or instrument to which it is a party; or
 - (D) any obligation of it to any other person.

6.2 Survival of warranties

The warranties and representations in **clause 6** survive the execution of this document and the amendment of the Facility Agreement.

7 General

7.1 Construction

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
 - (b) any gender includes the other genders;
 - (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
 - (d) 'includes' means includes without limitation;
 - (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it;
 - (f) a reference to:
 - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes the person's legal personal representatives, successors, assigns and persons substituted by novation;
-

- (iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;
 - (iv) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;
 - (v) a right includes a benefit, remedy, discretion or power;
 - (vi) time is to local time in Melbourne;
 - (vii) '\$' or 'dollars' is a reference to Australian currency;
 - (viii) this or any other document includes the document as novated, varied or replaced and despite any change in the identity of the parties;
 - (ix) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions;
 - (x) this document includes all schedules and annexures to it; and
 - (xi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document: and
- (g) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

7.2 Costs and Expenses

The Borrower must on demand pay and if paid by the Bank reimburse to the Bank:

- (a) the Bank's reasonable costs and expenses (including legal costs and expenses on a full indemnity basis) relating to the negotiation, preparation, execution, stamping and registration of this document; and
- (b) any duties and registration or other fees (including fines and penalties relating to such duties and fees) which are payable or are assessed by a relevant government body or other person to be payable in relation to this document or any transaction contemplated by it.

7.3 Counterparts

This document may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

7.4 Entire understanding

- (a) This document contains the entire understanding between the parties as to the subject matter of this document.
 - (b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this document are merged in and superseded by this document and are of no effect. No party is liable to any other party in respect of those matters.
-

- (c) No oral explanation or information provided by any party to another:
 - (i) affects the meaning or interpretation of this document; or
 - (ii) constitutes any collateral agreement, warranty or understanding between any of the parties.

7.5 Governing law and jurisdiction

- (a) This document is governed by and is to be construed in accordance with the laws applicable in Victoria.
 - (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Victoria and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.
-

Schedule 1

Guarantors

Name	ACN	Particulars for delivery of notices
Reading Entertainment Australia Pty Ltd	[Redacted]	Address: 98 York Street, South Melbourne VIC 3205 Australia Fax: 03 9685 0999 Attention: Managing Director AND TO: Reading International Inc. Address: 5995 Sepulveda Blvd, Suite 300 Culver City California 90230 United States of America Fax: +1 213 235 2229 - Attention: Chief Financial Officer
Australia Country Cinemas Pty Ltd	[Redacted]	Same as for Borrower
Australian Equipment Supply Pty Ltd	[Redacted]	Same as for Borrower
Burwood Developments Pty Ltd	[Redacted]	Same as for Borrower
Epping Cinemas Pty Ltd	[Redacted]	Same as for Borrower
Hotel Newmarket Pty Ltd	[Redacted]	Same as for Borrower
Newmarket Properties Pty Ltd	[Redacted]	Same as for Borrower
Newmarket Properties No. 2 Pty Ltd	[Redacted]	Same as for Borrower
Newmarket Properties #3 Pty Ltd	[Redacted]	Same as for Borrower
Reading Auburn Pty Ltd	[Redacted]	Same as for Borrower
Reading Australia Leasing (E&R) Pty Ltd	[Redacted]	Same as for Borrower
Reading Belmont Pty Ltd	[Redacted]	Same as for Borrower
Reading Bundaberg 2012 Pty Ltd	[Redacted]	Same as for Borrower
Reading Charlestown Pty Ltd	[Redacted]	Same as for Borrower

Name	ACN	Particulars for delivery of notices
Reading Cinemas Pty Ltd	[Redacted]	Same as for Borrower
Reading Cinemas Management Pty Ltd	[Redacted]	Same as for Borrower
Reading Colac Pty Ltd	[Redacted]	Same as for Borrower
Reading Dandenong Pty Ltd	[Redacted]	Same as for Borrower
Reading Elizabeth Pty Ltd	[Redacted]	Same as for Borrower
Reading Exhibition Pty Ltd	[Redacted]	Same as for Borrower

Reading Licences Pty Ltd	[Redacted]	Same as for Borrower
Reading Maitland Pty Ltd	[Redacted]	Same as for Borrower
Reading Melton Pty Ltd	[Redacted]	Same as for Borrower
Reading Properties Pty Ltd	[Redacted]	Same as for Borrower
Reading Properties Indooroopilly Pty Ltd as trustee for The Landplan Property Partners Discretionary Trust	[Redacted]	Same as for Borrower
Reading Properties Taringa Pty Ltd as trustee for the Reading Property Partners No. 1 Discretionary Trust	[Redacted]	Same as for Borrower
Reading Property Holdings Pty Ltd	[Redacted]	Same as for Borrower
Reading Rouse Hill Pty Ltd	[Redacted]	Same as for Borrower
Reading Sunbury Pty Limited	[Redacted]	Same as for Borrower
Rhodes Peninsula Cinema Pty Limited	[Redacted]	Same as for Borrower
Westlakes Cinema Pty Ltd	[Redacted]	Same as for Borrower
A.C.N. [Redacted] Pty Ltd	[Redacted]	Same as for Borrower
Reading Cannon Park Pty Ltd	[Redacted]	Same as for Borrower

Execution

Executed as a deed

**Executed by Reading Entertainment
Australia Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Australian Country
Cinemas Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Australian Equipment
Supply Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Burwood Developments
Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Epping Cinemas Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Hotel Newmarket Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Newmarket Properties
Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Newmarket Properties
No. 2 Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Newmarket Properties #3
Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Auburn Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Australia
Leasing (E&R) Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Belmont Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Bundaberg 2012
Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Charlestown Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Cinemas Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Cinemas
Management Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Colac Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Dandenong Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Elizabeth Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Exhibition Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Licenses Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Maitland Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Melton Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matczynski

Ellen M. Cotter
Director

Andrzej Matczynski
Director

**Executed by Reading Properties Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Properties
Indooroopilly Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Properties
Taringa Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Property
Holdings Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Rouse Hill Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Sunbury Pty Ltd
ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Rhodes Peninsula
Cinema Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Westlakes Cinema Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by A.C.N. 143 633 096 Pty
Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by Reading Cannon Park
Pty Ltd ACN [Redacted]**

/s/ Ellen M. Cotter

/s/ Andrzej Matyczynski

Ellen M. Cotter
Director

Andrzej Matyczynski
Director

**Executed by National Australia Bank
Limited** ABN 12 004 044 937 by its
Attorney who holds the position of Level
2 Attorney under Power of Attorney
dated 1/3/2007 in the presence of:

/s/ Matthew Spangler

/s/ Jerome Walsh

Witness

Attorney

Matthew Spangler

Jerome Walsh

Name of Witness (print)

Name of Attorney (print)

Annexure A
Amended Facility Agreement

Corrs Chambers Westgarth

567 Collins Street, Melbourne VIC 3000, Australia
GPO Box 9925, Melbourne VIC 3001, Australia
Tel +61 3 9672 3000
Fax +61 3 9672 3010
www.corrs.com.au

Sydney
Melbourne
Brisbane
Perth
Port Moresby

Annexure A – Amended Facility Agreement

National Australia Bank Limited

Reading Entertainment Australia Group

**Corporate Markets
Loan & Bank
Guarantee Facility
Agreement**

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Date 24 June 2011

Parties

National Australia Bank Limited ABN 12 004 044 937 of Pier 3 Level 4, 800 Bourke Street, Docklands, Victoria 3008 (**Bank**)

Reading Entertainment Australia Pty Ltd ACN [Redacted] of 98 York Street, South Melbourne, Victoria 3205 (**Borrower**)

Each person listed in schedule 1 (each an **Original Guarantor**)

Agreed terms

1 Interpretation

1.1 Definitions

In this document:

Accounting Standards means accounting principles and practices consistently applied which are generally accepted in Australia and are consistent with any applicable legislation in each case as in effect on the date of this document, including instruments in force under section 334 of the Corporations Act and provisions of such instruments.

Adjusted EBITDA means, for any period, EBITDA adjusted to exclude:

- (a) any non-cash impairment for non-current assets included in the consolidated financial statements of the Reading Entertainment Australia Group during the relevant period;
- (b) any net gains or losses on asset sales; and
- (c) any net foreign exchange amounts (whether realised or unrealised) included in the consolidated financial statements of the Reading Entertainment Australia Group during the relevant period.

and subject to adjustment in respect of any further extraordinary items with the Bank's written consent.

Advance means the principal amount of an advance made under the Corporate Markets Loan Facility or, where appropriate, requested under the Corporate Markets Loan Facility.

Aggregate Amount means, in relation to a Drawing, the aggregate of the Face Values of all Bank Guarantees comprising that Drawing.

Amendment Deed means the document entitled 'Amendment Deed' executed in March 2019 between the Bank and the Transaction Parties.

Annual Compliance Certificate means, in relation to a Financial Year, a certificate substantially in the form of **schedule 9**.

Approved Valuer means a company or firm of duly qualified and licensed real estate valuers acceptable to the Bank in all respects and instructed by (or with the approval of) the Bank.

Attorney means any attorney appointed under this document and any sub-attorney appointed by an Attorney.

Authorisation includes any authorisation, consent, licence, permission, approval or exemption from any Government Body. If a Government Body could prohibit anything being done in connection with any matter or otherwise intervene within a specified time after notice has been given to it or any document lodged or filed with it in connection with the matter, the relevant matter will not be taken to have been authorised until the specified time limit has expired without the Government Body taking any relevant action.

Authorised Representative means, in relation to any party to this document, a person with the right to act as the agent of that party for the purposes of this document. It includes a director or company secretary of that party (if it is a corporation) and, in the case of the Bank, an employee of the Bank whose title contains the word "manager", "director", "associate" or a similar term and a lawyer for the Bank. It also includes a person appointed by a party as an Authorised Representative of that party whose appointment is notified by the appointor to the other party in a notice which contains the specimen signature of the appointee.

Availability Period means in respect of each Facility, the period beginning on the date on which the conditions precedent are satisfied or waived by the Bank in accordance with the Transaction Documents and ending on the Termination Date.

Available Commitment means in respect of a Facility, the Facility Limit less the Outstanding Accommodation relating to that Facility.

Bank Guarantee means each bank guarantee issued (or deemed to have been issued) in accordance with this document.

Bank Guarantee Facility means the Facility described as such in **schedule 2** and granted pursuant to **clause 4.1(a)(ii)**.

Bank Guarantee Margin means, in respect of each Bank Guarantee:

- (a) prior to the 'Variation Date' under the Restatement Deed, 2.35% per annum;
- (b) on and from the first services fee charge date (to be determined in accordance with clause 9.1(e)) following the 'Variation Date' under the Restatement Deed until the 'Amendment Date' under the Amendment Deed, 1.90% per annum; and

- (c) on and from the first services fee charge date (to be determined in accordance with clause 9.1(e)) following the 'Amendment Date' under the Amendment Deed, 1.85% per annum.

Base Rate means, in relation to a Pricing Period:

- (a) the rate (expressed as a percentage yield per annum to maturity) being the arithmetic average (rounded up to the nearest four decimal places) of the buying rates published at or about 10.15 am on the first Business Day of the Pricing Period on the Reuters Screen under the heading "BBSY" for Bills with a tenor as nearly as possible equal to that Pricing Period; or
- (b) if:
 - (i) the rate is not displayed for a term equivalent to that period; or
 - (ii) the basis of the calculation of the rate is changed after the date of this document so that in the opinion of the Bank it ceases to reflect the cost of providing the Facility,

the Base Rate will be the rate per centum per annum determined by the Bank to be the average of the buying rates quoted to the Bank by at least three Reference Banks at or about that time on that date. The buying rates must be for bills of exchange accepted by a leading Australian bank and which have a term equivalent to the period. If there are no buying rates, the rate will be determined by the Bank having regard to indexes or other bases which the Bank determines to be as near as practicable to the indexes and bases used to determine the rate referred to in paragraph (a).

Beneficiary means in relation to a Bank Guarantee, the person who from time to time is entitled to make a claim for payment under that Bank Guarantee against the Bank.

Bill means a bill of exchange as defined in the *Bills of Exchange Act 1909* (but does not include a cheque). It includes a document which, when signed by the persons named as drawer and acceptor in the relevant document, will become such a bill of exchange.

Break Costs means, in relation to any financial accommodation provided or to be provided by the Bank under a Facility, any liability or costs incurred by the Bank by reason of:

- (a) liquidating or re-deploying deposits or other funds acquired or contracted for by or on account of the Borrower or the Bank;
- (b) terminating or reversing any agreement or arrangement (including by entering into new agreements or arrangements to close out or net off existing agreements or arrangements) entered into by or on account of the Borrower or the Bank with a counterparty or an internal department of the Bank responsible for such agreements or arrangements to hedge, fix, swap or limit its effective cost of funding; or
- (c) any loss of any margins in relation to future lending or loss of any fees.

Business Day means a day which is not a Saturday, Sunday or bank or public holiday in Melbourne.

Cash Cover Rate means the rate (expressed as a rate per centum per annum) determined by the Bank (in good faith) to be the interest rate which it would pay on deposits at call for an amount similar to the amount at which the relevant deposit is made.

Calculation Date means 31 March, 30 June, 30 September and 31 December in each year.

Calculation Period means each period of twelve months ending on a Calculation Date.

Change of Control means there is a change (from that prevailing at the date of this document) in the persons who control any of the following in respect of a Transaction Party:

- (a) more than 50% of the votes eligible to be cast in the election of directors or any similar matter; or
- (b) the right to appoint or remove directors (or members of a governing body having functions similar to a board of directors) representing more than 50% of the votes exercisable by the directors (or persons have similar functions); or
- (c) an interest of more than 50% in any category of the profits, distributions or net liquidation proceeds.

Collateral Security means:

- (a) any Guarantee by which any person Guarantees the Borrower's compliance with its obligations under any of the Transaction Documents;
- (b) any Security which secures the payment of money owing (actually or contingently) from time to time by:
 - (i) any Transaction Party in relation to any of the Transaction Documents; or
 - (ii) any person in relation to a Guarantee of any Transaction Party's compliance with its obligations under any of the Transaction Documents; and
- (c) without limiting the generality of paragraphs (a) and (b) each thing listed in **schedule 3**.

Contaminant means a noxious, harmful or hazardous condition (including an odour, temperature, sound, vibration or radiation) or substance the presence or

use of which (having regard, without limitation, to the nature and quantity of the substance and other substances with which it is stored or used) does or may result in the breach of an Environmental Law or the issuing of an order or direction under an Environmental Law.

Corporate Markets Loan Facility means the Facility described as such in **schedule 2** and granted pursuant to **clause 4.1(a)(i)**. **Corporations Act** means the *Corporations Act 2001* (Cth).

Current Bank Guarantee means a Bank Guarantee which has not Matured or Expired.

Daily Interest Rate means, for any day, the Interest Rate on that day divided by 365.

Debt to Debt plus Equity Ratio means, as at any date, the ratio of:

- (a) Total Gross Debt outstanding on that date; to
- (b) Total Gross Debt outstanding plus Equity on that date.

Disposal means a sale, lease, transfer or other disposal by any Transaction Party of any interest in:

- (a) any share or stock (whether or not ordinary or preference and whether or not redeemable) or any other instrument convertible or exchangeable into or entitling a person to acquire or subscribe for any share or stock;
- (b) the whole or any part of a business, business unit or line of business; or
- (c) any other asset under a particular transaction or related transactions not in the ordinary course of business of the Reading Entertainment Australia Group taken as a whole.

Distribution means:

- (a) in relation to any share capital of a Transaction Party, any dividend, charge, interest, fee, payment or other distribution (whether in cash or in kind) or redemption, repurchase, defeasance, retirement or redemption;
- (b) any interest, any redemption or early redemption of any amount of principal or any other payment in respect of any shareholder loan or other subordinated loans made to any Transaction Party; or
- (c) any loan or other financial accommodation made available by a Transaction Party to a person other than another Transaction Party.

Drawing means each Bank Guarantee issued or to be issued in accordance with this document under the same Funding Notice.

EBIT means, in relation to any period and without double counting, operating profit (loss) of the Reading Entertainment Australia Group (on a consolidated basis) from ordinary operations before interest, income tax and minority interests, but after deduction of depreciation and amortisation for that period, as determined in accordance with Accounting Standards.

EBITDA means, in relation to any period, EBIT for the Reading Entertainment

Australia Group for that period, plus depreciation and amortisation as determined in accordance with Accounting Standards including management fees received in cash, but excluding management fees accrued but not received in cash.

Encumbrance means any interest in or right over property and anything which would at any time prevent, restrict or delay the registration of any interest in or dealing with property. It includes a Security Interest.

Environmental Assessment Report means a report in relation to compliance with Environmental Law of the Land and any activities carried out on the Land.

Environmental Law means any legislation, regulations or related codes, standards or policies which relate to environmental and planning matters, including matters concerning land use, development, building works, pollution, contamination, waste, toxic and hazardous substances, disposal of waste or other substances, human health, conservation of natural or cultural resources, heritage and resource allocation.

Environmental Liability means any liability, obligation, expense, penalty or fine arising out of a breach of Environmental Law which could be imposed on any Transaction Party or the Bank in respect of the Land as a result of activities carried on during the ownership, occupation or control of the Land by that Transaction Party, the Bank, any predecessor in title or any previous occupier or controller of the Land.

Equity means total assets minus total liabilities of the Reading Entertainment Australia Group (on a consolidated basis).

Event of Default means any event or circumstance described in **clause 10.1. Excluded**

Financial Indebtedness means Financial Indebtedness of the kind referred to in paragraph (a), (c) or (d) of the definition of Permitted Financial Indebtedness.

Excluded Property means:

- (a) the present or future interest of Reading Exhibition Pty Ltd in the Garden City Cinema joint venture with Village Roadshow Exhibition and Birch Carroll & Coyle or the assets the subject of the joint venture or the relevant joint venture agreement; and
- (b) the present or future interest of Epping Cinemas Pty Ltd in the lease granted by Bevendale Pty Ltd or the property the subject of the lease to the extent that the existence of a charge over that interest or property would cause a breach of the that lease.

Expired means, in relation to a Bank Guarantee, that its Expiry Date has

passed whether or not a claim has been made under it by the Beneficiary.

Expiry Date means, in relation to a Bank Guarantee, the date specified in that Bank Guarantee as the latest date by which the Beneficiary may make a claim under it.

Face Value means, in relation to a Bank Guarantee:

- (a) subject to paragraph (b), the amount specified in that Bank Guarantee as the aggregate maximum amount which the Beneficiary may claim under it; or
- (b) if the Beneficiary makes a claim, then between when the Beneficiary makes the first of those claims and the first to occur of the Bank Guarantee Maturing or Expiring, the Face Value of the Bank Guarantee will be the difference between its original face value and the aggregate of all valid claims made under it.

Facility means each of the facilities listed in **schedule 2** (and each Facility may be referred to by the Facility Name listed in **schedule 2**).

Facility Limit means, in respect of each Facility, the relevant Facility Limit set out in **schedule 2**, as reduced under this document including in accordance with **clause 5.6**.

Financial Close means the initial Funding Date.

Financial Indebtedness means any indebtedness or other liability (present or future, actual or contingent) relating to any financial accommodation including indebtedness or other liability:

- (a) for money borrowed or raised;
- (b) relating to the sale or negotiation of any negotiable instrument;
- (c) as lessee under any finance lease, as hirer under any hire purchase agreement or as purchaser under any title retention agreement;
- (d) relating to any preference share or unit categorised as debt under Accounting Standards;
- (e) under any commodity, currency or interest rate swap agreement, forward exchange rate agreement or futures contract (as defined in any statute);
- (f) under any Guarantee relating to any financial accommodation; or
- (g) for any deferred purchase price (other than in the nature of warranty retention amounts) for any asset or service.

Financial Ratio means any of the financial ratios referred to in **clause 9.7**.

Financial Statements means a balance sheet, an income statement, a statement of changes in equity, a cash flow statement, notes comprising a summary of significant accounting policies and other explanatory note; and any directors' declarations, directors' reports and auditor's reports attached to, intended to be read with or required by the Corporations Act to accompany, all or any of those documents.

Financial Year means a period of 12 months ending on 31 December.

Fixed Charges Cover Ratio means, at any date, the ratio of:

- (a) the aggregate amount of:
 - (i) Adjusted EBITDA in respect of the 12 month period ending on that date; and
 - (ii) Total Lease Payments in respect of the 12 month period ending on that date,

to

- (b) the aggregate amount of:
 - (i) Gross Interest Expense paid or payable by the Reading Entertainment Australia Group (whether payable in respect of the Facilities or otherwise) in respect of the 12 month period ending on that date; and
 - (ii) Total Lease Payments in respect of the 12 month period ending on that date.

Freehold Property means each freehold property owned by a Transaction Party that is the subject of a real property mortgage referred to in of **schedule 3**.

Funding Date means a date on which:

- (a) an Advance is, or is proposed to be, made; or
 - (b) a Bank Guarantee is, or is proposed to be, issued,
- under this document.

Funding Notice means a notice in accordance with **clause 4.4**.

Government Body means any person or body exercising an executive, legislative, judicial or other governmental function. It includes any public authority constituted under a law of any country or political sub-division of any country. It also includes any person deriving a power directly or indirectly from any other person or body referred to in this definition.

Gross Interest Expense means, in relation to any period, the aggregate of all interest and amounts in the nature of interest (including commissions, discount fees, acceptance fees, facility fees, the interest element of a finance lease and fees or charges) payable in connection with any Financial Indebtedness of the Reading Entertainment Australia Group (other than Excluded Financial Indebtedness) for that period on a consolidated basis, whether accrued, paid, payable or expensed (including interest expense under each of the Facilities).

Guarantee means:

- (a) a guarantee, indemnity, undertaking, letter of credit, Security, acceptance or endorsement of a negotiable instrument or other obligation (actual or contingent) given by any person to secure compliance with an obligation by another person;

- (b) an obligation (actual or contingent) of a person to ensure the solvency of another person or the ability of another person to comply with an obligation, including by the advance of money or the acquisition for valuable consideration of property or services; and
- (c) an option under which a person is obliged on the exercise of the option to buy:
 - (i) any debt or liability owed by another person; or
 - (ii) any property which is subject to a Security Interest.

Guaranteed Money means all money:

- (a) which now or in the future is owing (actually or contingently) by a Transaction Party to the Bank under or in relation to any of the Transaction Documents;
- (b) which having now or in the future become owing (actually or contingently) by a Transaction Party to the Bank under or in relation to any of the Transaction Documents, ceases to be owing by reason of any law relating to insolvency and remains unpaid by the Transaction Party and unreleased by the Bank; or
- (c) that now or in the future may become owing (actually or contingently) by a Transaction Party to the Bank under or in relation to any of the Transaction Documents,

for any reason, whether such money is payable:

- (d) by a Transaction Party alone or jointly or severally with any other person;
- (e) by a Transaction Party in its own right or in any capacity;
- (f) to the Bank in its own right or in any capacity; and
- (g) by a Transaction Party as liquidated or unliquidated damages caused or contributed to by any breach by the Transaction Party of any obligation owed by the Transaction Party (or any other Transaction Party) to the Bank under or in relation to any of the Transaction Documents,

and if any Transaction Document or any obligation of a Transaction Party to the Bank under or in relation to any of the Transaction Documents is void, voidable or otherwise unenforceable by the Bank in accordance with its terms, it includes all money which would have been within this definition if that Transaction Document or obligation was not void, voidable or otherwise unenforceable.

Guarantor means the Original Guarantors and each person that becomes a guarantor under **clause 16**. If there are more than one, Guarantor means each of them individually and every two or more of them jointly.

Guarantor Accession Deed means a deed substantially in the form of **schedule 8**.

Half means each six month period ending on 30 June and 31 December in each year.

Hedging Transaction means a contract, agreement or arrangement (other than in respect of the price of electricity, gas, oil, foreign exchange or any other non-interest rate derivative contract) which is a futures contract or an interest rate hedge, swap, option, swaption, forward rate agreement or any other contract, agreement or arrangement similar to or having in respect of its subject matter a similar effect to any of the preceding.

Indemnity Amount means, in relation to a Bank Guarantee, the amount or, as the case may be, the aggregate of the amounts payable by the Borrower in relation to a Bank Guarantee in accordance with **clause 5.3**.

Insolvency means:

- (a) in relation to a corporation, its winding up or dissolution or its administration, provisional liquidation or any administration having a similar effect;
- (b) in relation to an individual, his or her bankruptcy; and
- (c) in relation to a person, any arrangement (including a scheme of arrangement or deed of company arrangement), composition or compromise with, or assignment for the benefit of, all or any class of that person's creditors or members or a moratorium involving any of them.

Insolvency Event means any of the following:

- (a) a person is or states that the person is unable to pay from the person's own money all the person's debts as and when they become due and payable;
- (b) a person is taken or must be presumed to be insolvent or unable to pay the person's debts under any applicable legislation;
- (c) an order is made for the winding up or dissolution or an effective resolution is passed for the winding up or dissolution of a corporation;
- (d) an administrator, provisional liquidator, liquidator or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in relation to a corporation or an effective resolution is passed to appoint any such person and the action is not stayed, withdrawn or dismissed within 10 Business Days;
- (e) a controller is appointed in relation to any property of a corporation;
- (f) a corporation is deregistered under the Corporations Act or notice of its proposed deregistration is given to the corporation;
- (g) a distress, attachment or execution is levied or becomes enforceable against any property of a person;
- (h) a person enters into or takes any action to enter into an arrangement (including a scheme of arrangement or deed of Borrower arrangement), composition or compromise with, or assignment for the benefit of, all or any class of the person's creditors or members or a moratorium involving any of them;
- (i) a petition for the making of a sequestration order against the estate of a

person is presented and the petition is not stayed, withdrawn or dismissed within seven days or a person presents a petition against himself or herself;

- (j) a person presents a declaration of intention under section 54A of the *Bankruptcy Act 1966*; or
- (k) anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction occurs in relation to a person.

Insurance means insurance which a Transaction Party is obliged to take out or maintain under a Transaction Document.

Interest Rate means, in relation to a Pricing Period for an Advance until it becomes due and owing, an interest rate equal to the aggregate of the Base Rate for that Pricing Period and the Margin.

Interim Compliance Certificate means a certificate in substantially the form set out in **schedule 10**.

Land means any land owned or occupied by a Transaction Party that forms part of the Secured Property.

Leasehold Properties means each leasehold property leased by a Transaction Party that is the subject of a mortgage of lease referred to in **schedule 3** (including the mortgage of lease described at item 11 of **schedule 3**).

Leverage Ratio means, as at any date, the ratio of:

- (a) Total Gross Debt outstanding on that date; to
 - (d) Adjusted EBITDA in respect of the 12 month period ending on that date.
- For the purposes of calculating Leverage Ratio on any date occurring before the first anniversary of Financial Close, Leverage Ratio will be based on a pro forma EBITDA for the 12 month period to that date.

Loan to Value Ratio at any date means the ratio (expressed as a percentage) of:

- (a) the aggregate of the Total Gross Debt outstanding on that date and any Outstanding Accommodation in relation a Current Bank Guarantee as at that date; to
- (b) the market value of the Freehold Properties and Leasehold Properties included in the Secured Property as noted in the most recent Valuation provided to the Bank pursuant to this document and accepted by the Bank.

Management Fees means management and consulting fees payable to Reading International Inc each Financial Year.

Margin means in relation to a Pricing Period for an Advance where the Leverage Ratio as shown in the Annual or Interim Compliance Certificate most recently delivered to the Bank (subject to **clause 10.6(e)**) on or before the first day of the relevant Pricing Period is:

- (a) greater than 3.0 times, 1.30% per annum;
- (b) greater than 2.5 times but less than or equal to 3.0 times, 1.15% per annum;
- (c) greater than 2.0 times but less than or equal to 2.5 times, 1.00% per annum; and
- (d) less than or equal to 2.0 times, 0.85% per annum.

Material Adverse Effect means a material adverse effect on:

- (a) the business, operation, property, condition (financial or otherwise) of a Transaction Party or the Reading Entertainment Australia Group taken as a whole;
- (b) the ability of a Transaction Party to perform its obligations under the Transaction Documents; or
- (c) the validity or enforceability of the whole or any material part of any Transaction Document or any rights or remedies of the Bank under the Transaction Documents.

Matured means, in relation to a Bank Guarantee, that the Beneficiary has made a claim and is not entitled to claim any more under the relevant Bank Guarantee.

Month means a calendar month.

Outstanding Accommodation means at any time, the aggregate of:

- (a) the aggregate of the unpaid Advances outstanding under the Corporate Markets Loan Facility;
- (b) the Face Values of all Current Bank Guarantees and all Indemnity Amounts in relation to each Bank Guarantee which are due and payable; and
- (c) for the purposes of **clauses 5.5, 10 and 18.14** only and for no other purposes, any other amounts which the Borrower owes to the Bank or which the Borrower may owe to the Bank under or in connection with the Facilities and includes:
 - (i) any other amounts which the Borrower owes to the Bank or which the Borrower may owe to the Bank under or in connection with any Hedging Transaction; and
 - (ii) all interest, costs and fees payable under the Transaction Documents,

whether such amounts are owing actually or contingently and whether such amounts are then due for payment or will or may become due for payment and includes all interest, costs and fees payable under the Transaction Documents.

When used in relation to any Facility, it means the Outstanding Accommodation in relation to Advances or Drawings under that Facility (as applicable).

Overdue Money means money due and payable from time to time under each Transaction Document.

Overdue Rate means at any time, the aggregate of the Interest Rate and a default margin of 4.50% per annum.

Parent Subordination Agreement means the document entitled 'subordination deed' dated on or about the date of this document between the Borrower, Reading International Cinemas LLC and the Bank.

Permitted Disposal means a disposal:

- (a) of assets between the Transaction Parties;
- (b) represented by a lease or license of real property granted by a Transaction Party in the ordinary course of business of the Reading Entertainment Australia Group;
- (c) of trading stock or cash made in the ordinary course of business;
- (d) of plant and equipment in exchange for other assets comparable or superior as to type, value and quality;
- (e) of obsolete or redundant assets;
- (f) arising as a result of a Permitted Encumbrance of Distribution or payment permitted by **clause 9.5(f), clause 9.5(j) or clause 5.4(a)(i)**;
- (g) of assets that are the subject of a floating charge (or its equivalent) under a Collateral Security, provided the disposal is made in the ordinary course of business;

or

- (h) where the aggregate value of the assets disposed of in the 12-month period ending on the date of the relevant disposal (and including the value of the relevant disposal) does not exceed \$2,000,

Permitted Encumbrance means:

- (a) an Encumbrance which has been approved by the Bank (including the Security Interests created by any Transaction Document);
- (b) any right of set off or combination arising by operation of law or practice over money deposited with a bank or financial institution in the ordinary course of the business of a Transaction Party;
- (c) an Encumbrance which arises by operation of law in the ordinary course of the business of a Transaction Party provided the debt secured by that Encumbrance is paid when due or contested in good faith by appropriate proceedings;
- (d) every easement, restrictive covenant, caveat or similar restriction over property, right of way, exception, encroachment, reservation, restriction, condition or limitation which arises in the ordinary course of the ordinary business of the relevant Transaction Party and does not either by itself or in the aggregate materially interfere with or impair the operation or use of a property affected thereby, have a Material Adverse Effect or otherwise restrict or prevent the Bank exercising its rights against any Secured Property under the relevant Collateral Security;
- (e) every right reserved to, or vested in, any municipality or governmental or other public authority by the terms of any right, power, franchise, grant, licence or permit to control or regulate any part of the property of a Transaction Party, or to use that property in any manner which does not either by itself or in the aggregate materially interfere with or impair the operation or the use thereof, have a Material Adverse Effect or otherwise restrict or prevent the Bank exercising its rights against any Secured Property under the relevant Collateral Security;
- (f) every Encumbrance incurred or deposits made in the ordinary course of ordinary business to secure the performance of tenders, statutory obligations, surety bonds, bids, leases, government contracts, performance and return of money bonds (provided that such Encumbrances do not restrict or prevent the Bank exercising its rights against any Secured Property under the relevant Collateral Security) or in connection with workers' compensation, unemployment insurance and other types of social security;
- (g) every Encumbrance incurred or deposit made in the ordinary course of the business of a Transaction Party in respect of a leasehold property, the purchase of assets or the use of utilities, provided that:
 - (iii) in relation to an Encumbrance incurred or deposit made in respect of the purchase of assets which secures an aggregate amount greater than \$250,000 the Bank has given prior written consent to the Borrower; and

- (iv) the recourse of the holder of that Encumbrance is limited to the leasehold interest, the assets purchased or use of utilities and the proceeds of enforcement of the Encumbrance.
- (h) every retention of title arrangement in respect of trading stock acquired or to be acquired by a Transaction Party in the ordinary course of business;
- (i) any easement, caveat or other restriction in relation to a Freehold Property that would be apparent from a title search conducted before the date of this document

Permitted Financial Accommodation means:

- (a) financial accommodation granted by a Transaction Party to another Transaction Party;
- (b) any trade credit extended by a Transaction Party to its customers on normal commercial terms and in the ordinary course of business; or
- (c) any other financial accommodation granted with the prior consent of the Bank.

Permitted Financial Indebtedness means:

- (a) trade debt incurred in the ordinary course of business of the Transaction Parties;
- (b) Financial Indebtedness incurred under the Transaction Documents;
- (c) Financial Indebtedness owing from one Transaction Party to another Transaction Party;
- (d) any Subordinated Debt;
- (e) a \$225,000 loan from the landlord of the Westlakes Cinema property;
- (f) a \$400,000 loan from the landlord of the Rhodes Cinema property;
- (g) Financial Indebtedness arising under any performance or similar bond guaranteeing performance by a Transaction Party under any contract entered into in the ordinary course of business;
- (h) Financial Indebtedness arising under a guarantee given to a landlord in respect of a lease entered into by a Transaction Party;
- (i) Financial Indebtedness under finance or capital leases of vehicles, plant, equipment or computers; and
- (j) Financial Indebtedness not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed \$2,000,000

in aggregate for the Transaction Parties at any time.

PPS Act means the *Personal Property Securities Act 2009 (Cth)*.

PPS property means all property (other than Excluded Property) over which the Borrower or a Security Provider is legally capable under the PPS Act of granting a security interest.

Potential Event of Default means any thing which, with the giving of notice, lapse of time or determination of materiality, will constitute an Event of Default.

Pricing Period means, in relation to an Advance under the Corporate Markets Loan Facility, the period having the duration selected in accordance with **clause 6.1** and beginning on the Funding Date in relation to the Advance.

Quarter means each three month period ending on 31 March, 30 June, 30 September and 31 December in each year.

Reading Entertainment Australia Group means, at any time, the Borrower and any subsidiary of the Borrower and **Reading Entertainment Australia Group Member** means any one of them.

Release Date means the Business Day following the later of:

- (a) the latest of the Expiry Dates of all Current Bank Guarantees; and
- (b) the date on which the Bank is satisfied in its reasonable opinion that it has been paid all amounts which are then or may in the future become due and payable to the Bank under any of the Transaction Documents and that there is no prospect that any amounts which the Bank has received in relation to any of the Transaction Documents will subsequently be made void or be required to be repaid in whole or in part.

Relevant Jurisdiction means Victoria.

Receiver means a receiver or receiver and manager appointed by the Bank under any Transaction Document and any person who derives a right directly or indirectly from a Receiver.

Reference Banks means each of Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia and Westpac Banking Corporation, or any other banks or financial institutions determined by the Bank from time to time following consultation with the Borrower.

Regulatory Event means any:

- (a) change in, or introduction of a new, law or other form of regulation;
- (b) change in, or introduction of a new, practice or policy of an Government Body;
- (c) investigation into a Transaction Party or any related entity of a Transaction Party by a Government Body;
- (d) application for or grant of an injunction or order in respect of any Encumbrance, Facility or account held with the Bank made by a Government Body, or

- (e) change in, or introduction of a new, code of practice or custom relating to the provision of the Services which a reasonable and prudent banker would comply with,

whether in Australia or elsewhere, that, in the Bank's good faith opinion, applies in any way to a Transaction Party, or the Service.

Representative of a person means an officer, employee, contractor or agent of that person.

Reset Margin means the reset margin (if any) applicable if a Pricing Period is, or becomes, shorter than three months, as determined in accordance with clause 6.6. It is 0.08% per annum (indicatively).

Restatement Deed means the document entitled 'Restatement Deed' executed in December 2015 between the Bank and the Transaction Parties.

Review Event means any event or circumstance described in **clause 10.4**.

Revolving Tranche means at any time, the aggregate of the unpaid Advances outstanding under the Corporate Markets Loan Facility at that time less the Term Tranche at that time.

Secured Property means all property which, from time to time, is subject to a Security which forms part of the Collateral Security.

Security means any document or transaction which reserves or creates a Security Interest.

Security Interest means any interest or right which secures the payment of a debt or other monetary obligation or the compliance with any other obligation. It includes any retention of title to any property and any right to set off or withhold payment of any deposit or other money.

Security Provider means each person who gives a Collateral Security (other than a related body corporate of the Bank).

Service means any service the Bank provides to the Borrower under or in relation to a Facility including making or processing any payment or issuing any document.

Subordinated Debt means:

- (a) Financial Indebtedness that is or may become owing by the Borrower to Reading International Cinemas, LLC, that is fully subordinated on the terms set out in the Parent Subordination Agreement; and
- (b) Financial Indebtedness that is or may become owing by a Transaction Party to Reading International Inc (or any subsidiary or affiliate of Reading International Inc) that is fully subordinated on substantially the same terms (except for the name and other details of the subordinated lender) as those set out in the Parent Subordination Agreement.

Tax means a tax (including any tax in the nature of a goods and services tax), rate, levy, impost or duty (other than a tax on the net overall income of the Bank) and any interest, penalty, fine or expense relating to any of them.

Term Tranche means the first \$40,000,000 of the unpaid Advances outstanding under the Corporate Markets Loan Facility on the 'Amendment Date' as defined in the Amendment Deed, as that amount may be reduced from time to time in accordance with **clause 5.6**.

Termination Date means, in respect of each Facility, the Termination Date set out in **schedule 2**, or such other date agreed in writing by the parties.

Total Gross Debt means, on any date, all Financial Indebtedness of the Reading Entertainment Australia Group, but excluding any Excluded Financial Indebtedness.

Total Lease Payments means the aggregate amount of all rental expenditure of the Reading Entertainment Australia Group, other than rental expenditure payable to any Transaction Party, calculated in accordance with Accounting Standards, for that period.

Transaction Documents means:

- (a) this document;
- (b) not used;
- (c) each Guarantor Accession Deed;
- (d) the Collateral Security;
- (e) the Parent Subordination Agreement;
- (f) the ISDA Master Agreement dated 17 June 2011 between the Bank and the Borrower, as amended from time to time;
- (g) each deed of consent referred to in item 12 (Deed of consent) of **schedule 3** upon it being executed by the relevant parties;
- (h) any agreement relating to the priority of any Security which is a Collateral Security;
- (i) any document which the Borrower and the Bank agree is a Transaction Document for the purposes of this document; and
- (j) each document entered into for the purpose of amending, novating, restating or replacing any of them.

Transaction Parties means the Borrower and each Guarantor.

Trust means, in relation to any Transaction Party that enters into a Transaction Document in the capacity as trustee of a trust, the relevant trust.

Trust Deed means, in relation to a Trust, the trust deed or other document which establishes or evidences that Trust.

Trustee means a Transaction Party that enters into a Transaction Document acting as the trustee of a Trust.

Valuation means a valuation of the Freehold Properties or leasehold properties included in the Secured Property addressed to the Bank, by an Approved Valuer in form and substance satisfactory to the Bank in all respects.

Verification Certificate means a certificate in substantially the form set out in schedule 6.

1.2 Construction

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
- (b) any gender includes the other genders;
- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) "includes" means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it; and
- (f) a reference to:
 - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes the person's legal personal representatives, successors, assigns and persons substituted by novation;
 - (iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;
 - (iv) an obligation includes a representation or warranty and a reference to a failure to comply with an obligation includes a breach of representation or warranty;
 - (v) a right includes a benefit, remedy, discretion or power;
 - (vi) time is to local time in Melbourne;
 - (vii) "\$" or "dollars" is a reference to Australian currency;
 - (viii) this or any other document includes the document as novated, varied or replaced and despite any change in the identity of the parties;
 - (ix) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions;
 - (x) any thing (including any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;
 - (xi) this document includes all schedules and annexures to it; and
 - (xii) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document.

1.3 Headings

Headings do not affect the interpretation of this document.

1.4 Corporations Act, GST and Accounting Standards

Unless expressed to the contrary:

- (a) "control", "controller", "corporation", "disclosing entity", "holding company", "marketable security", "prospective liability", "public company", "related body corporate" and "subsidiary" each has the meaning which it is defined to have in the Corporations Act;
- (b) "adjustment event", "consideration", "GST", "input tax credit", "supply", "taxable supply" and "tax invoice" each has the meaning which it is defined to have in the *A New Tax System (Goods and Services Tax) Act 1999*; and
- (c) "economic entity", "entity" and "finance lease" each has the meaning which it has in the Accounting Standards.
- (d) terms have the meanings given to them in the PPS Act.

1.5 Subsisting Events of Default and Potential Events of Default

- (a) An Event of Default subsists if it has occurred and has not been waived by the Bank in accordance with this document or remedied.
- (b) A Potential Event of Default subsists if it exists and has not been waived by the Bank in accordance with this document or remedied.

1.6 Not used

1.7 Inconsistency

If there is any inconsistency between this document and any other Transaction Document, then this document prevails to the extent of that inconsistency.

2 Consideration

The Borrower enters into this document in consideration of the Bank agreeing to make the Facility available in accordance with this document.

3 Conditions precedent

3.1 Not used

3.2 Conditions precedent to Advances and Drawings

The obligation of the Bank to make any Advances or Drawings is subject to the further conditions precedent that the Bank is satisfied in its absolute discretion that:

- (a) the representations and warranties set out in **clause 8.1** are correct and in all material respects not misleading in any material respect when the Funding Notice is given and on the Funding Date;

- (b) all fees and charges then due and payable in connection with the Facility have been paid (including the Restructure Fee set out in **clause 9.1(a)**); and
- (c) no Event of Default or Potential Event of Default subsists when the Funding Notice is given and on the Funding Date.

4 Facility

4.1 Nature

- (a) Subject to **clauses 3** and **10.2**, the Bank will make available:
 - (i) the revolving Corporate Markets Loan Facility under which it will make Advances; and
 - (ii) the Bank Guarantee Facility under which it will issue Bank Guarantees at the request of the Borrower, in accordance with this document.
- (b) The Borrower may request one or more Advances and Drawings in accordance with this **clause 4**, but so that the Outstanding Accommodation under each Facility does not at any time exceed the relevant Facility Limit.

4.2 Purpose

The Borrower must only use Advances and Drawings under each Facility for the relevant purposes set out in **schedule 2**, and the Borrower must promptly repay to the Bank all Advances and Drawings not used for these purposes.

4.3 Advances and Drawings

- (a) The Borrower may request an Advance or a Drawing by giving a Funding Notice to the Bank by 11.00 am at least one clear Business Day before the date the proposed Advance or Drawing is required.
- (b) An Advance under the Corporate Markets Loan Facility must not be for an amount which, when added to the Outstanding Accommodation (if any) under that Facility, causes the Facility Limit for that Facility to be exceeded. In determining with an Advance will cause the Facility Limit to be exceeded:
 - (i) the amount of all Advances repaid on the Funding Date are excluded from the calculation of the Outstanding Accommodation; and
 - (ii) the aggregate amount of all other Advances which the Borrower has requested to be made on the same Funding Date are included in that calculation.
- (c) The Aggregate Amount of a Drawing under the Bank Guarantee Facility must not, when added to the Outstanding Accommodation (if any) under

that Facility, cause the Facility Limit for that Facility to be exceeded at any time during the Funding Period. In determining whether the Aggregate Amount of a Drawing will cause the Facility Limit to be exceeded:

- (i) the Face Value of all Bank Guarantees under a Facility which will mature on the Funding Date for the relevant Drawing are excluded from the calculation of the Outstanding Accommodation; and
 - (ii) the Aggregate Amount of all other Drawings which the Borrower has requested to be made under the same Facility and on the same Funding Date are included in that calculation.
- (d) The Bank is only obliged to make Advances or accept any Drawings during the Availability Period.

4.4 Funding Notices

- (a) A Funding Notice must:
- (i) be substantially in the form of **schedule 7**;
 - (ii) be signed by an Authorised Representative of the Borrower;
 - (iii) specify the proposed Funding Date which must be a Business Day during the Availability Period;
 - (iv) specify the amount of the proposed Advance or the Aggregate Amount of the proposed Drawing;
 - (v) specify the duration of the Pricing Period for each Advance; and
 - (vi) in the case of any Drawing, specify whether the Drawing is:
 - (A) to comprise the issue of a new Bank Guarantee, and if so, also specify the date to be shown as the Expiry Date, the person to be named as the Beneficiary and the Face Value of each requested Bank Guarantees; or
 - (B) deemed to comprise an existing bank guarantee that prior to the date of this document has been issued by the Bank at the request of the Borrower and, if so, specify the date shown as the Expiry Date, the person named as the Beneficiary and the Face Value of that bank guarantee.
- (b) The requirement of a Funding Notice is for the benefit of the Bank. The Bank may waive the requirement at any time and in any manner.
- (c) A Funding Notice is irrevocable from the time of its actual receipt in legible form by the Bank.

4.5 Not used

4.6 Not used

4.7 Not used

4.8 Bank Guarantee Facilities

In the case of the Bank Guarantee Facility on the Funding Date specified in the Funding Notice:

- (a) the Bank must for the purposes of a Drawing contemplated under **clause 4.4(a)(vi)(A)**, issue each Bank Guarantee requested in the Funding Notice in accordance with that Funding Notice; or
- (b) the parties agree that for the purposes of a Drawing contemplated under **clause 4.4(a)(vi)(B)**, the existing bank guarantee referred to in the Funding Notice is deemed to be a Bank Guarantee issued in accordance with the Bank Guarantee Facility and that Funding Notice.

4.9 Cancellation

The Borrower may cancel the Available Commitment or any part of it (being \$100,000 or an integral multiple of that amount) by giving 30 Business Days' notice to the Bank specifying the amount to be cancelled and the date on which the cancellation takes effect. The cancellation takes effect on the date specified in the notice (which must be a date not earlier than five Business Days after the date the Bank receives the notice).

4.10 Market disruption

- (a) If the Bank determines that a Market Disruption Event occurs or has occurred in relation to an Advance, then the Bank will promptly notify the Borrower, and the Interest Rate on that Advance for that Pricing Period will be the rate per annum which is the sum of:
 - (i) the Margin for the Advance; and
 - (ii) the rate notified to the Borrower as soon as practicable and in any event no later than the Business Day before interest is due to be paid in respect of that Pricing Period, to be that which expresses as a percentage rate per annum the cost to the Bank of funding that Advance from whatever source or sources the Bank may reasonably select.
- (b) For the purposes of **clause 4.10(a)**:
 - (i) **Market Disruption Event** means:
 - (A) at or about the time on the day (Quotation Day) for the Bank to determine the Screen Rate for the relevant currency and Pricing Period, the Screen Rate is not available and the Bank is unable to specify another page or service displaying an appropriate rate; or
 - (B) in relation to an Advance, before 5pm (local time) on the Business Day after the Quotation Day for the relevant

period, the Bank notifies the Borrower, that as a result of market circumstances not limited to the Bank the cost to the Bank of funding the Advance exceeds the Screen Rate.

- (ii) **Screen Rate** means the rate specified in paragraph (a) of the definition of "Base Rate".

4.11 Alternative basis of interest or funding

If a Market Disruption Event occurs and the Bank or the Borrower so requires, the Bank and the Borrower will enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest or discount.

4.12 Pricing Review Events

- (a) The Bank has the right to review the pricing applicable to a Facility (**Review**):
 - (i) at any time if the Bank reasonably believes that an Event of Default subsists;
 - (ii) at any time:
 - (A) a change occurs in the financial markets which affects financial institutions generally; and/or
 - (B) a general change occurs in the cost of funds in the financial markets in which the Bank raises funds (not being a change resulting from a change in the Bank's credit rating or any other matter relating specifically to the Bank).
- (b) The Bank may request the Borrower to provide information in connection with a Review and the Borrower must provide such information as soon as possible following receipt of the request.

4.13 Consequences of a Pricing Review

- (a) Following a Review, the Bank may, by giving written notice to the Borrower and/or by way of advertisement in the local or national press:
 - (i) introduce a new fee, charge or premium or change an existing fee, charge or premium (including its amount, the way in which it is calculated and when it is charged); and
 - (ii) change the acceptance margin, line fee, interest rate or yield rate applicable to a Facility including by changing or introducing a margin (including by making the margin positive or negative), or substituting a different indicator rate for the relevant indicator rate (except where the rate is a fixed rate).
- (b) Where the Bank gives the Borrower notice under **clause 4.10(a)** by way of advertisement in the local or national press, the Bank will also endeavour to directly notify the Borrower of the change although the Bank will not be precluded from charging the new or adjusted pricing if it

does not directly notify the Borrower.

- (c) An introduction or change of a matter specified in **clause 4.10(a)** takes effect on the date specified in the relevant notice to the Borrower (which must be at least 30 days after the date on which the notice is given to the Borrower).

5 Payments

5.1 Not used

5.2 Voluntary prepayments

- (a) In relation to any Advance, the Borrower:
 - (i) may prepay any Advance or a part of it (being a minimum of \$100,000 or an integral multiple of that amount) by giving 5 Business Days' notice to the Bank specifying the amount to be prepaid and the date on which the prepayment will be made;
 - (ii) may, subject to **clause 4.3**, redraw any amount prepaid in accordance with this **clause 5.2** which forms part of the Revolving Tranche; and
 - (iii) must make any prepayment under this document together with accrued interest on the amount prepaid, any fees payable under **clause 9.1** and any Break Costs, but otherwise without premium or penalty.
- (b) The Borrower may reimburse or repay the Face Value in respect of any Current Bank Guarantee by:
 - (i) providing to the Bank, cash collateral (on terms satisfactory to the Bank and subject to **clause 10.3**) in an amount not less than the Face Value of the Bank Guarantee; or
 - (ii) cancelling that Bank Guarantee by returning the original to the Bank together with written confirmation from the Beneficiary that the Bank has no further liability under that Bank Guarantee.

5.3 Indemnity in respect of Bank Guarantees

- (a) Without limiting **clause 12.1**, the Borrower indemnifies the Bank against any liability, loss, cost or expense sustained or incurred in relation to any Bank Guarantee or as a direct or indirect consequence of any claim made or purported to be made under any Bank Guarantee, or anything done by any person who is or claims to be entitled to the benefit of a Bank Guarantee.
- (b) Without limiting **clause 5.3(a)**, the Borrower must pay to the Bank all amounts claimed by or paid to any Beneficiary in relation to any Bank Guarantee (whether or not the Beneficiary was entitled to make that claim or the Bank was required to make that payment), including any payment made by the Bank under **clause 10.2(a)(iv)(B)**.

- (c) The Borrower's obligations under clause 5.40 and (a) are absolute and unconditional. They are not affected by any reduction, termination or other impairment by set-off, deduction, abatement, counterclaim, agreement, defence, suspension, deferment or otherwise.
- (d) The Borrower is not released, relieved or discharged from any obligation under this document, nor will such obligation be prejudiced or affected for any reason, including:
 - (i) any falsity, inaccuracy, insufficiency or forgery of or in any demand, certificate or declaration or other document which on its face purports to be signed or authorised under a Bank Guarantee;
 - (ii) any failure by the Bank to enquire whether a cable, telex or other notification was inaccurately transmitted, received or given by an unauthorised person (other than where such failure occurs due to the wilful default or fraud of the Bank);
 - (iii) the impossibility or illegality of performance of, or any invalidity of or affecting, any Transaction Document or Bank Guarantee or any other document;
 - (iv) any act of any Government Body or arbitrator including any law, judgment, decree or order at any time in effect in any jurisdiction affecting any Transaction Document or Bank Guarantee or any document delivered under a Transaction Document;
 - (v) any failure to obtain any consent, license or other authorisation necessary or desirable in connection with any Transaction Document or any Bank Guarantee; or
 - (vi) any other cause or circumstance, foreseen or unforeseen, whether or not similar to any of the above, affecting any Transaction Document or Bank Guarantee or any transaction under a Transaction Document or Bank Guarantee,
 - (vii) and the Bank need not inquire into any of these matters.
- (e) The Bank is irrevocably authorised and directed by the Borrower to pay immediately against a demand appearing or purporting to be made by or on behalf of a Beneficiary, any sums up to the Face Value of a Bank Guarantee which may be demanded from the Bank from time to time without any reference to or any necessity for confirmation or verification on the part of the Borrower, and notwithstanding any instructions from the Borrower to the contrary.
- (f) The obligations of the Borrower will not be affected or in any way limited by any falsity, inaccuracy, insufficiency or forgery of or in any notice or demand pursuant to any liability or the failure of the Bank to enquire (other than where such failure arises due to the wilful default or fraud of the Bank) whether any notice or demand has been inaccurately transmitted or received from any cause whatsoever or has been given or sent by an unauthorised person.

5.4 Mandatory prepayments

Unless the Bank otherwise agrees, if any of the assets, business or undertaking of any Transaction Party is the subject of any Disposal (other than a Permitted Disposal) the Borrower must apply or ensure is applied an amount equal to the cash or equivalent proceeds received by the Transaction Party from the Disposal net of reasonable transaction costs and Taxes in prepayment of Outstanding Accommodation or at the Borrower's election, in permanent reduction of the unused portion of one or more of the Facility Limits.

5.5 Repayment

Subject to **clause 10.2 and clause 10.3**, each Borrower must:

- (a) repay the Outstanding Accommodation in respect of each Facility on the Termination Date in respect of that Facility; and
- (b) subject to **clause 6**, and any other provision in a Transaction Document that provides otherwise, pay any other amounts payable in connection with the Transaction Documents, to the Bank on demand.

5.6 Tranches

Amounts repaid or prepaid which form part of the Term Tranche may not be redrawn, and the Facility Limit in respect of the Corporate Markets Loan Facility will be reduced by the aggregate amount of such repayments or prepayments.

6 Interest and fees

6.1 Pricing Periods

- (a) Subject to **clause 6.1(c)**, the Pricing Period for each Advance must be a period of 30, 60 or 90 days or six Months or another period agreed by the Bank.
- (b) Subject to **clause 6.1(c)**, the first Pricing Period for an Advance commences on its Funding Date and will have the duration specified in the relevant Funding Notice. Each subsequent Pricing Period for the Advance:
 - (i) commences on the day after the preceding Pricing Period for the Advance expires; and
 - (ii) is a period notified by the Borrower to the Bank at least two Business Days before the last day of the current Pricing Period, but if the Borrower does not give notice, is of the same duration as the Pricing Period which immediately precedes it.
- (c) A Pricing Period:
 - (i) which would otherwise end on a day which is not a Business Day ends on the next Business Day and a Pricing Period which would otherwise end after the Termination Date ends on the Termination Date. For the avoidance of doubt, if a Pricing Period ends on a day that is not followed by a Business Day, the Bank may extend that Pricing Period accordingly (except where this would be contrary to **clause 6.1(c)(ii)**, in which case the Bank may shorten the Pricing Period); and
 - (ii) May be adjusted by the Bank where necessary so that:
 - (A) a Pricing Period starts on a Business Day;
 - (B) all Advances will have the same Pricing Period;
 - (C) a Pricing Period does not end after the Termination Date; and
 - (D) if a new Advance is made during a Pricing Period for an existing Advance, the first Pricing Period for that new Advance ends on the same day as the Pricing Period for the existing Advance.

6.2 Payment and rate

- (a) In respect of the Corporate Markets Loan Facility:
 - (i) interest for each day is calculated by applying the Daily Interest Rate to the Advance at the end of that day (excluding any amount to which the Overdue Rate applies); and
 - (ii) the Borrower must pay accrued interest in respect of:
 - (A) each Pricing Period, on the First Business Day after the

expiry of that Pricing Period; and

(B) the last Pricing Period, for the period up to and including the Termination Date, on the Termination Date.

- (b) The Borrower must pay interest on Overdue Money, and such interest must be paid on demand by the Bank.
- (c) The interest rate on Overdue Money will be the Overdue Rate.

6.3 Computation of interest

Interest will:

- (a) accrue from day to day;
- (b) be computed from and including the day when the money on which interest is payable becomes owing to the Bank by the Borrower until but excluding the day of payment of that money; and
- (c) be calculated on the actual number of days elapsed on the basis of a 365 day year.

6.4 Capitalisation of interest

The Bank may:

- (a) capitalise, on a monthly or other periodical basis as the Bank determines, any part of any interest which becomes due and payable and interest is payable in accordance with this document on capitalised interest; and
- (b) continue to capitalise interest despite:
 - (i) that as between the Bank and the Borrower the relationship of Bank and customer has ceased;
 - (ii) any composition agreed to by the Bank;
 - (iii) any judgment or order against the Borrower; or
 - (iv) any other thing.

6.5 Merger

If the liability of the Borrower to pay to the Bank any money payable under a Transaction Document becomes merged in any deed, judgment, order or other thing, the Borrower must pay interest on the amount owing from time to time under that deed, judgment, order or other thing at the higher of the rate payable under the Transaction Documents and that fixed by or payable under that deed, judgment, order or other thing.

6.6 Reset Margin

- (a) The Borrower must pay a Reset Margin where a Pricing Period is, or becomes, shorter than 3 months.
- (b) The Reset Margin (if any) for a Pricing Period:
 - (i) will be determined by the Bank on the commencement of that period;

- (ii) will be advised to the Borrower in writing shortly after the commencement of that period; and
- (iii) Will be fixed for that period.
- (c) Subject to clause 6.6(b), if a Reset Margin is applicable to a Facility, the Bank may vary the rate of the Reset Margin from time to time (and any rate set out in this document is indicative only). The Bank publishes Reset Margin rates periodically on nab.com.au.
- (d) The Reset Margin will be payable in arrears:
 - (i) on the first Business Day following the end of each Pricing Period that is shorter than 3 months;
 - (ii) on the Termination Date of the relevant Facility; and
 - (iii) upon the early repayment or all or part of the relevant Advance.
- (e) The Reset Margin is calculated on a daily basis on the outstanding principal amount of the relevant Advance on the basis of a 365 day year and the actual number of days elapsed.

7 Payments

7.1 Place, manner and time of payment

Each Transaction Party must make payments to the Bank under the Transaction Documents:

- (a) at the address specified in **clause 19.3** or at such other place reasonably required by the Bank;
- (b) in a manner reasonably required by the Bank;
- (c) by 11.00 am local time in the place where payment is required to be made; and
- (d) in immediately available funds and without set-off, counter claim, condition or, unless required by law, deduction or withholding.

7.2 Gross-up

If a Transaction Party is required by law to deduct or withhold Taxes from any payment it must:

- (a) make the required deduction and withholding;
- (b) pay the full amount deducted or withheld in accordance with the relevant law;
- (c) deliver to the Bank an original receipt for each payment; and
- (d) pay an additional amount with such payment so that, after all applicable deductions or withholdings, the Bank actually receives for its own benefit the full amount which would have been payable to the Bank if no

deduction or withholding had been required.

7.3 Appropriation

Subject to any express provision to the contrary in any Transaction Document, the Bank may appropriate any payment towards the satisfaction of any money due for payment by the Borrower in relation to a Transaction Document in any way that the Bank thinks fit and despite any purported appropriation by the Borrower.

8 Representations and warranties

8.1 Nature

Each Transaction Party represents and warrants that:

- (a) **duly incorporated:** if it purports to be a corporation, it is duly incorporated in accordance with the laws of its place of incorporation, validly exists under those laws and has the capacity to sue or be sued in its own name and to own its property and conduct its business as it is being conducted;
- (b) **capacity:** it has capacity unconditionally to execute and deliver and comply with its obligations under the Transaction Documents;
- (c) **action taken:** it has taken all necessary action to authorise the unconditional execution and delivery of, and the compliance with its obligations under, the Transaction Documents to which it is a party;
- (d) **binding obligations:** each Transaction Document constitutes the valid and legally binding obligations of, and is enforceable against it by the Bank in accordance with its terms (subject to any necessary stamping or registration and to equitable principles and insolvency laws);
- (e) **priority:** each Security Interest which each Transaction Document purports to create exists and has the priority which the Bank has agreed to (subject to any necessary stamping and registration);
- (f) **authorisations:** each authorisation from, and filing and registration with, a Government Body necessary to enable it to unconditionally execute and deliver and comply with its obligations under the Transaction Documents to which it is a party has been obtained, effected and complied with;
- (g) **no contravention:** the unconditional execution and delivery of, and compliance with its obligations by it under, the Transaction Documents to which it is a party do not:
 - (i) contravene any law to which it or any of its property is subject or any order or directive from a Government Body binding on it or any of its property;
 - (ii) contravene its constituent documents;
 - (iii) contravene any agreement or instrument to which it is a party;

- (iv) contravene any obligation it has to any other person; or
- (v) require it to make any payment or delivery in relation to any Financial Indebtedness (other than Excluded Financial Indebtedness) before the scheduled date for that payment or delivery;
- (h) **correct information:** all information given and each statement made to any Bank by it or at its direction in relation to the Transaction Documents, is correct, complete and not misleading;
- (i) **full disclosure:** it has disclosed to the Bank all information which the Borrower has or has access to and which is relevant to the assessment by the Bank of the nature and amount of the risks undertaken by the Bank becoming a creditor of or taking a Security from it;
- (j) **Financial Statements:** the Financial Statements of each of Transaction Party given to the Bank under **clause 9.3:**
 - (i) are a true, fair and accurate statement of their respective financial performance and position and their respective consolidated financial performance and position at the date to which they are prepared; and
 - (ii) have been prepared in accordance with **clause 9.2 and 9.3**, except for such departures expressly disclosed in those Financial Statements;
- (k) **no change in financial position:** there has been no change in the financial performance or position of a Transaction Party since the date to which the last Financial Statements given to the Bank under **clause 9.3** were prepared, which has a Material Adverse Effect;
- (l) **no related party transaction:** no person has contravened or will contravene sections 208 or 209 of the Corporations Act due to a Transaction Party entering into or performing its obligations under a Transaction Document;
- (m) **no proceeding:** except as notified to the Bank in writing before the date of this document, no litigation, arbitration or administrative proceeding is current, pending or, to the knowledge of the Borrower, threatened, which has, or the adverse determination of which would be likely to have, a Material Adverse Effect;
- (n) **no trust:** except as notified to the Bank in writing before the date of this document, no Transaction Party enters into a Transaction Document as trustee of any trust;
- (o) **sole owner and no Encumbrances:** except as notified to the Bank in writing before the date of this document:
 - (i) each Transaction Party is the sole legal and beneficial owner of the property it purports to own; and
 - (ii) there are no Encumbrances over the property of any Transaction

Party other than Permitted Encumbrances;

- (p) **no existing default:** no Event of Default, Review Event or Potential Event of Default subsists;
- (q) **ranking of obligations:** each obligation of the Borrower under this document ranks at least pari passu with all unsecured and unsubordinated obligations of the Borrower except obligations mandatorily preferred by law;
- (r) **warranties correct:** the representations and warranties given by any Transaction Party in any Transaction Document are correct in all material respects and not misleading in any material respect and will be when given or repeated;
- (s) **no immunity:** each Transaction Party and its property are free of any right of immunity from set-off, proceedings or execution in relation to its obligations under any Transaction Document;
- (t) **insurance:** the Insurances are enforceable against the relevant insurer in accordance with their terms and are not void or voidable;
- (u) **trust provisions:** in relation to each Transaction Party which enters into any Transaction Document as trustee of a Trust:
 - (i) the Trustee has power as trustee of the Trust to execute and perform its obligations under the Transaction Documents;
 - (ii) the Trustee, in executing the Transaction Documents and entering into those transactions, have properly performed their obligations to the beneficiaries of the Trust;
 - (iii) all necessary action required by the Trust Deed to authorise the unconditional execution and delivery of, and compliance with its obligations under, the Transaction Documents has been taken;
 - (iv) the Trustee is the only trustee of the Trust;
 - (v) no effective action has been taken to remove the Trustee as trustee of the Trust or to appoint an additional trustee of the Trust;
 - (vi)
 - (A) the Trustee has a right to be fully indemnified out of the property of the Trust in relation to all of its obligations under the Transaction Documents;
 - (B) the Trustee has not released or disposed of its equitable lien over the property of the Trust which secures that indemnity; and
 - (C) the property of the Trust is sufficient to satisfy that indemnity;
 - (vii) the Trustee has complied with all of its obligations as trustee of the Trust in relation to execution of the Transaction Documents;
 - (viii) no effective action has been taken or, so far as the Trustee is aware, is contemplated by the beneficiaries of the Trust to terminate the Trust;

- (ix) the Trustee has disclosed to the Bank full details of:
 - (A) the Trust and any other trust or fiduciary relationship affecting the property of the Trust and, without limitation, has given to the Bank copies of any instruments creating or evidencing the Trust; and
 - (B) the Trustee's other trusteeships (if any);
- (x) the Trust is properly constituted and the Trust Deed is not void, voidable or otherwise unenforceable;
- (xi) the rights of the beneficiaries of the Trust in relation to, and their interest in, the property of the Trust are subject to:
 - (A) the rights of the Bank in relation to, and their respective interests in, the property of the Trust; and
 - (B) any rights or interests in the property of the Trust to which the Bank may from time to time be subrogated; and
- (xii) the Trustee:
 - (A) if it is a corporation, is duly incorporated in accordance with the laws of its place of incorporation, validly exists under those laws and has the capacity to sue and be sued in its own name, to own property and to act as trustee of the Trust;
 - (B) if it is natural person, has the capacity to be trustee of the Trust;
- (v) **solvency:** each Transaction party is not insolvent;
- (w) **corporate benefit:** each of the Transaction Parties will receive corporate benefit by entering into the Transaction Documents to which they are a party.

8.2 General

- (a) The interpretation of any statement contained in any representation or warranty will not be restricted by reference to or inference from any other statement contained in any other representation or warranty.
- (b) The Borrower acknowledges that the Bank enters into the Transaction Documents in reliance on each representation and warranty.
- (c) Each representation and warranty survives the execution of the Transaction Documents and is deemed to be repeated with reference to the facts and circumstances then existing on the date each Funding Notice is issued, on each Funding Date, on the last day of each Funding Period and on each day that an Annual Compliance Certificate or Interim Compliance Certificate is given.

9 General obligations

9.1 Fees

The Borrower must pay to the Bank:

- (a) **restructure fee:** on or before execution of the Restatement Deed, a non-refundable Restructure Fee of \$30,000 (which fee has been paid);
- (b) **restructure fee:** on or before the 'Amendment Date' referred to in the Amendment Deed, a non-refundable Restructure & Application Fee of \$300,000 (less the \$20,000 work fee referred to in the term sheet dated 17 December 2018 if the Borrower has paid that work fee to the Bank);
- (c) Corporate Markets Loan Facility Fee: a non-refundable facility fee on the Facility Limit in respect of the Corporate Markets Loan Facility calculated at 0.95% per annum from the date of the 'Variation Date' under the Restatement Deed and at 1.00% per annum from the date of the 'Amendment Date' under the Amendment Deed, which will:
 - (i) accrue from day to day from the date of this document up to and including the Termination Date;
 - (ii) be payable quarterly in arrears, on the first Business Day of each Quarter;
 - (iii) be calculated on the actual number of days elapsed and on the basis of a 365 day year;
- (d) Resent Fee: on the first Business Day of each Pricing Period (other than the first Pricing Period) a non-refundable fee of \$150.00;
- (e) **Bank Guarantee service fee:** on and from the first services fee charge date following 30 June 2014, a non-refundable fee in respect of each Bank Guarantee of 50% of the applicable Bank Guarantee Margin calculated on the Face Value of the Bank Guarantee, payable on a pro-rata basis half yearly in arrears, with the first payment due six months after the relevant Funding Date of the Bank Guarantee, and subsequent payments due every six months thereafter until the Bank Guarantee Matures or Expires or is cancelled. This fee will be calculated on the actual number of days elapsed and on the basis of a 365 day year; and
- (f) **Bank Guarantee issuance fee:** a non-refundable fee in respect of each Bank Guarantee of 50% of the applicable Bank Guarantee Margin calculated on the Face Value of the Bank Guarantee (or \$125 whichever is greater), payable on the relevant Funding Date of the Bank Guarantee.

9.2 Records

The Borrower must ensure that each Transaction Party:

- (a) prepares and keeps books, accounts and other records in accordance with the law and Accounting Standards; and
- (b) on demand, makes the same available for inspection and copying by the

Bank.

9.3 Financial Statements and other financial information

The Borrower must give to the Bank:

- (a) **annual Financial Statements:** as soon as practicable, and in any event within 120 days after the end of each Financial Year the consolidated audited Financial Statements of the Reading Entertainment Australia Group for that Financial Year;
- (b) **Quarterly Financial Statements:** as soon as practicable, and in any event within 45 days after the end of each Quarter (other than the Quarter ending 31 December) the consolidated unaudited Financial Statements of the Reading Entertainment Australia Group for that Quarter (showing both actual and budget figures);
- (c) **group structure diagram:** within 120 days after the end of each Financial Year, a group structure diagram in relation to Reading International Inc. and the Reading Entertainment Australia Group which lists all the then Group Members and which contains such other information in relation to the legal relationship between Reading International Inc. and the Reading Entertainment Australia Group Members as the Bank reasonably requires; and
- (d) **budget:** as soon as practicable, and in any event before 31 March for each Financial Year, a consolidated budget for the Reading Entertainment Australia Group for the current Financial Year showing the budgeted profit and loss, balance sheet and cash flow for the Reading Entertainment Australia Group and such other matters customarily dealt with in such budgets;
- (e) **other financial information:** promptly on reasonable notice from the Bank, such additional information in relation to the financial condition and the operations of the Borrower and each other Transaction Party as the Bank reasonably requests from time to time.

The Borrower must ensure that all Financial Statements given to the Bank under the Transaction Documents are prepared in accordance with the Corporations Act and the Accounting Standards.

If after the date of this document there is a change in the accounting principles or practices referred to in the definition of 'Accounting Standards' and the Bank or the Borrower reasonably considers that, if the change were to apply for the purposes of this document, the change would have a material effect on the Financial Statements or the calculation of the financial ratios in **clause 9.7**, the Bank and the Borrower shall endeavour to agree mutually acceptable changes to this document so that the accounting change can be adopted for the purposes of this document.

9.4 Other information

The Borrower must give to the Bank:

- (a) **other information:** on reasonable notice from the Bank, any other information in the possession or under the control of a Transaction Party which in the Bank's reasonable opinion is necessary to verify the Borrower's compliance with any Transaction Document;
- (b) **Annual Compliance Certificate:** as soon as practicable, and in any event within 120 days after the end of each Financial Year, an Annual Compliance Certificate for that Financial Year signed by at least one director of the Borrower;
- (c) **Interim Compliance Certificate:** as soon as practicable, and in any event within 45 days after the end of each Quarter (other than the Quarter ending 31 December) an Interim Compliance Certificate for the previous 12 months signed by at least one director of the Borrower;
- (d) **tenancy schedule:** as soon as practicable, and in any event within 120 days of the end of each Financial Year an updated tenancy schedule for each Freehold Property, including (without limitation) the following details:
 - (i) the name of each tenant;
 - (ii) area let by each tenant;
 - (iii) current passing rent paid by each tenant;
 - (iv) the lease start date;
 - (v) the lease term;
 - (vi) the lease maturity date;
 - (vii) the option term (if any);
 - (viii) rent review details; and
 - (ix) any other material or special clauses or conditions;
- (e) **Valuations:** on demand (provided that no more than one demand is made in a Financial Year and the Bank reasonably considers that there has been a material devaluation of the freehold and leasehold interests subject to the Collateral Security), and in any event within 30 days of the end of every 36 month period from the date of this document, a Valuation in respect of each Freehold Property and leasehold interest that is subject to the Collateral Security. Each Valuation is to be at the Borrower's expense, addressed to the Bank, conducted by an Approved Valuer and in a form and substance (other than as to value) reasonably satisfactory to the Bank;
- (f) **details of any proceeding:** full details of any litigation, arbitration, administrative proceeding or native title claim which affects a Transaction Party and which has or the adverse determination of which would be

likely to have a Material Adverse Effect, as soon as it is commenced or to the knowledge of the Borrower is threatened; and

- (g) claims: on being notified of it, full details of any event which entitles the Borrower or the Bank to claim more than \$1,000,000 under the Insurances.

9.5 Other financial undertakings

Each Transaction Party must ensure that:

- (a) **negative pledge:** no Encumbrances exist on its property, except Permitted Encumbrances;
- (b) **permitted financial transactions:** it does not, without the prior written consent of the Bank:
 - (i) incur any Financial Indebtedness except Permitted Financial Indebtedness;
 - (ii) provide any financial accommodation (excluding trade credit in the ordinary course of business) except Permitted Financial Accommodation;
- (c) **disposals:** must not dispose of any of its assets, either in a single transaction or in a series of transactions whether related or not and whether voluntary or involuntary, except Permitted Disposals;
- (d) **mergers:** a Transaction Party does not:
 - (i) enter into any merger, reconstruction or amalgamation; or
 - (ii) acquire any property or business or make any investment if the property, business or investment is substantial in relation to the relevant Transaction Party,if it would have or be likely to have a Material Adverse Effect;
- (e) **maintain status:** it does everything necessary to maintain its corporate existence in good standing and:
 - (i) ensures that it has the right and is properly qualified to conduct its business in all relevant jurisdictions; and
 - (ii) obtains and maintains all Authorisations necessary for the conduct of its business;
 - (iii) comply with all laws affecting it or its business in all relevant jurisdictions
- (f) **Distributions:** it must not make any Distribution if:
 - (i) an Event of Default subsists; and
 - (ii) such Distribution will cause an Event of Default;

- (g) **Taxes:** must
- (i) promptly pay when they become due for payment (or reimburse the Bank on demand for) all Taxes payable by it from time to time other than Taxes being contested in good faith where it has made adequate provisioning;
 - (ii) not transfer any Tax losses to any person other than to the Borrower in connection with the preparation of consolidated annual Financial Statements or in connection with the Reading Entertainment Australia Group's tax consolidation arrangements; and
 - (iii) not become a member of a consolidated group for the purposes of Part 3-90 of the *Income Tax Assessment Act 1936* and the *Income Tax Act 1997* including any amendments thereto (including any amendments made by the *New Business Tax (Consolidation Act (No. 1)) 2002* and the *New Business Tax System (Consolidation, Value Shifting, Damages and other Measures) Act 2002*) other than in accordance with a Tax Sharing Agreement or otherwise on terms approved by the Bank;

- (h) Guarantor coverage:
- (i) Subject to paragraph (ii), the Borrower shall ensure that at all times:
 - (A) the aggregate of total assets (calculated on the same basis as total assets of the Reading Entertainment Australia Group) of the Guarantors represents at least 90 per cent of total assets of the Reading Entertainment Australia Group; and
 - (B) the aggregate EBITDA of the Guarantors (calculated on the same basis as EBITDA of the Reading Entertainment Australia Group) represents at least 90 per cent of EBITDA of the Reading Entertainment Australia Group;
 - (C) any member of the Reading Entertainment Australia Group which contributes 5 per cent or more of EBITDA of the Reading Entertainment Australia Group is a Guarantor; and
 - (D) any member of the Reading Entertainment Australia Group which holds intellectual property which the Bank considers to be material to the operations of the Reading Entertainment Australia Group is a Guarantor (and in each case the figures for the Guarantors will be calculated on an unconsolidated basis and excluding all intra-Reading Entertainment Australia Group items and investments in Subsidiaries); and
 - (ii) where an entity becomes a member of the Reading Entertainment Australia and is required to become a Guarantor to comply with paragraph (i), the Borrower shall ensure:
 - (A) the entity becomes an Additional Guarantor by executing a Guarantor Accession Deed;
 - (B) the entity executes a general security agreement over all its assets in favour of the Bank, in form and substance consistent with the general security agreements previously executed by the other Guarantors; and
 - (C) provides the Bank with any documents or evidence in relation to the entity as the Bank may reasonably consider necessary in respect of the entering into, validity and enforceability of the accession documents, as soon as reasonably practicable and in any event within 45 days. Provided the Borrower complies with this paragraph (ii), the Borrower will not be in breach of paragraph (i) by reason only that the entity is not a Guarantor.
 - (i) **Major developments:** in respect of any major development projects to be undertaken by the Transaction Parties (that are outside of the budgeted capital expenditure that has been disclosed to the Bank):
 - (i) the Bank is provided with development budgets and other information reasonably requested by the Bank; and

- (j) **Major acquisitions:** in respect to any acquisitions or investments in assets to be undertaken by the Transaction Parties, the Bank's written consent is obtained for (and prior to) the purchase of:
 - (i) any freehold title or ground lease with a remaining tenor of 25 years or more and a consideration greater than \$50,000,000; and
 - (ii) the purchase of any other operating business assets with a consideration greater than \$25,000,000.
- (k) **Management Fees:** no Management Fees are paid while an Event of Default subsists;
- (l) **Preservation and protection of Security:** it does everything necessary or reasonably required by the Bank to:
 - (i) keep the Secured Property in good repair and in good working order;
 - (ii) promptly pay when they become due for payment (or reimburse the Bank on demand for) all Taxes payable in respect of the Secured Property;
 - (iii) preserve and protect the value of the Secured Property as a whole;and
 - (iv) protect and enforce its title and the Bank's title as mortgagee to the Secured Property.

9.6 Insurance

- (a) Subject to the provisions of the Transaction Documents, the Borrower must effect and maintain insurance over and in relation to the Secured Property, the business operations of the Group (including business interruption) and for public liability with insurers, for amounts, against risks and on terms and conditions:
 - (i) that the Bank reasonably requires; or
 - (ii) if the Bank does not notify the Borrower of its requirements, that a prudent and reasonable owner of the Secured Property would effect and maintain, including insurance for full replacement value on a reinstatement basis.
- (b) Subject to the provisions of the Transaction Documents, the Borrower must give to the Bank on demand a certificate in form and substance satisfactory to the Bank from the insurer to the effect that the required Insurances are current and no premium is overdue.

9.7 Financial ratios

- (a) The Borrower must ensure that:
 - (i) **Fixed Charges Cover Ratio:** at each Calculation Date, the Fixed Charges Cover Ratio for the Calculation Period ending on that date is not less than 2.00 times;
 - (ii) **Leverage Ratio:** at each Calculation Date, the Leverage Ratio for the Calculation Period ending on that date is less than or equal to 3.25 times;
 - (iii) **Debt to Debt plus Equity Ratio:** at each Calculation Date, the Debt to Debt plus Equity Ratio for the Calculation Period ending on that date is less than or equal to 50%;
 - (iv) **Loan to Value Ratio:** at each Calculation Date, the Loan to Value Ratio for the Calculation Period ending on that date is less than or equal to 70%.
- (b) A financial ratio or amount to be determined under **clause 9.7(a)** must be tested or determined by reference to the most recently prepared Financial Statements. The calculation of any amounts on a consolidated basis must be made in accordance with the requirements of the Accounting Standards relating to the consolidation of entities.

9.8 Environment

- (a) Each Transaction Party must ensure that at all times all practical and reasonable steps that can be taken and measures and precautions that can be adopted are taken or adopted by each

Transaction Party to ensure that:

- (i) all persons, things and activities of any kind on or using the Land comply with all Environmental Laws and any consent, permit, approval, licence, authorisation, certification, order or direction granted or issued under any Environmental Law;
- (ii) if there is any non-compliance with any Environmental Law or any

consent, permit, approval, licence, authorisation, certification, order or direction granted or issued under any Environmental Law:

- (A) the impact on the Land and the environment is minimised; and
 - (B) steps are taken as quickly as possible to rectify the non-compliance, eliminate or reduce any liability arising from the non-compliance and to ensure the non-compliance does not recur;
- (iii) it or any person on the Land does not:
- (A) allow onto or permit to exist on the Land any Contaminant; or
 - (B) allow a Contaminant to escape or be released into the environment,
if to do so would be in breach of any Environmental Law or any consent, permit, approval, licence, authorisation, certification, order or direction granted or issued under any Environmental Law or could give rise to an order or direction being issued under any Environmental Law; and
- (iv) if any Contaminant is discovered on or affecting the Land (other than a Contaminant which is safely stored in accordance with lawful authority) or, without lawful authority, escapes or is released from the Land into the environment:
- (A) the impact on the Land and the environment is minimised; and
 - (B) steps are taken as quickly as possible to safely contain the Contaminant and to remove the Contaminant from the environment or the Land or reduce the levels of the Contaminant to a level required or recommended by the relevant Government Body as safe and in either case to eliminate or reduce any liability arising from the Contaminant and do all things necessary to restore the Land and the environment.
- (b) If there is any non-compliance under **clauses 9.8(a)(i), (ii) or (iii)** or any Contaminant is discovered or the Borrower has reason to believe that there is some Contaminant on the Land requiring action to be taken under **clause 9.8(a)(iv)**, the Borrower must immediately notify the Bank.

- (c) If there is or the Bank has reason to believe that there may be any non-compliance under **clauses 9.8(a)(i), (ii) or (iii)** or any Contaminant is discovered or the Bank has reason to believe that there is some Contaminant on the Land requiring action to be taken under **clause 9.8(a)(iv)**, the Borrower, at the request of the Bank, must procure and furnish to the Bank, in a form acceptable to the Bank, an Environmental Assessment Report in relation to the Land and any operations conducted on it.
- (d) The Borrower indemnifies the Bank from and against all:
 - (i) Environmental Liability; and
 - (ii) damages, losses, outgoings, costs, charges or expenses suffered or incurred by the Bank in respect of any action, claim or demand made or brought in respect of or otherwise arising from or in connection with any breach of any Environmental Law in relation to the Land.
- (e) The Borrower must immediately notify the Bank of:
 - (i) the existence of any Contaminant on or adjacent to or affecting the Land; and
 - (ii) the receipt by any Transaction Party of any notice, order or direction:
 - (A) to clean up any Contaminant on the Land; or
 - (B) alleging any breach of Environmental Law.
- (f) If requested by the Bank, the Borrower must provide the Bank with a copy of each environmental consent, permit, approval, licence, authorisation, certification, order and direction relating to the Land together with confirmation that:
 - (i) it is complying with the terms and conditions of each consent, permit, approval, licence, authorisation, certification, order and direction; and
 - (ii) it has renewed each consent, permit, approval, licence, authorisation, certification, order and direction as appropriate.
- (g) The Borrower must:
 - (i) when reasonably required by the Bank, obtain or permit the Bank to obtain an Environmental Assessment Report from a person approved by the Bank in relation to the Land; and
 - (ii) promptly comply with any reasonable recommendation contained in any Environmental Assessment Report relating to compliance with Environmental Law in relation to the Land and obtain any consent, permit, approval, licence, authorisation, certification, order and direction required in order to comply with that recommendation.

9.9 No default

The Borrower must ensure that an Event of Default does not occur.

9.10 Obligations of Trustees

If a Transaction Party is a Trustee the Borrower must ensure that it:

- (a) ensures that the property of the Trust is not mixed with any other property;
- (b) complies with its obligations as trustee of the Trust;
- (c) does not release, dispose of or otherwise prejudice its right of indemnity against, and equitable lien over, the property of the Trust and its right of indemnity (if any) against the beneficiaries of the Trust in relation to any money owing to the Bank;
- (d) at the Bank's request:
 - (i) exercises its right of indemnity against, and equitable lien over, the property of the Trust and its right of indemnity (if any) against the beneficiaries of the Trust in relation to any money owing to the Bank; and
 - (ii) assigns to the Bank those indemnities and that equitable lien and otherwise facilitates the subrogation of the Bank to those indemnities and that equitable lien;
- (e) does not, if the Trust is a unit trust, consent to or register the transfer of units in the Trust or cancel, repurchase, redeem or issue any units in the Trust;
- (f) ensures that:
 - (i) another person is not appointed as trustee of the Trust;
 - (ii) the Trust is not terminated or its terms varied;
 - (iii) the Trustee does not resign and is not removed or replaced as trustee of the Trust;
 - (iv) the property of the Trust is not resettled;
 - (v) the capital of the property of the Trust is not distributed at any time; and
 - (vi) income of the Trust is not distributed to anyone other than a Transaction Party while an Event of Default or Potential Event of Default subsists;
- (g) prepares and keeps full and true records and books of accounts of the Trust and makes them available for inspection and copying by the Bank on demand; and
- (h) does not default in performing or observing its obligations under the Transaction Documents.

9.11 Release for Permitted Disposals

The Bank must on request from (and at the cost of) a Transaction Party release from the Collateral Security that part of the Secured Property that is the subject of a Permitted Disposal (other than a Permitted Disposal of the kind referred to in paragraph (a) of that term's definition).

10 Events of Default

10.1 Nature

Each of the following is an Event of Default (whether or not caused by anything outside the control of any Transaction Party):

- (a) **non-payment:** a Transaction Party does not pay on the due date any principal, interest and fees due for payment by it under a Transaction Document in accordance with the relevant Transaction Document;
- (b) **other non-compliance:** (subject to clause 10.6 in the case of a failure to comply with a Financial Ratio other than the Fixed Charges Cover Ratio) a Transaction Party does not comply with any other obligation under a Transaction Document and if that default is capable of rectification:
 - (i) it is not rectified within 10 Business Days (or any other longer period agreed by the Bank) after its occurrence; or
 - (ii) the Transaction Party does not during that period take all action which in the Bank's reasonable opinion is necessary to rectify that default;
- (c) **untrue warranty:** a representation, warranty or statement made or deemed to be made by a Transaction Party in a Transaction Document is untrue or misleading in any material respect or a reply by a Transaction Party to a requisition made by, or on behalf of, the Bank is untrue or misleading in any material respect;
- (d) **void document:** a Transaction Document is void, voidable or otherwise unenforceable by the Bank or is claimed to be so by a Transaction Party;
- (e) **compliance unlawful:** it is unlawful for a Transaction Party to comply with any of its obligations under a Transaction Document or it is claimed to be so by a Transaction Party;
- (f) **loss of priority:** a Security Interest created by or purportedly created by a Collateral Security does not have or ceases to have the priority which it purports to have under the relevant Transaction Document or becomes ineffective to secure the payment of the money or compliance with the obligations which it purports to secure, otherwise than by any act of the Bank;
- (g) **Insolvency Event:** an Insolvency Event occurs in relation to a Transaction Party;
- (h) **authorisation ceasing:** an Authorisation from a Government Body

necessary to enable:

- (i) a Transaction Party to comply with its obligations under a Transaction Document or carry on its principal business or activity;
 - (ii) a Transaction Party to carry on its principal business or activity; or
 - (iii) the Bank to exercise its rights under a Transaction Document, is withheld or ceases to be in full force and effect and, in the case of **clause 10.1(h)(i)**, would have a Material Adverse Effect;
- (i) **Material Adverse Effect:** an event or series of events whether related or not, including any material adverse change in the property or financial condition of a Transaction Party, occurs which has a Material Adverse Effect;
- (j) **cross default:**
- (i) Financial Indebtedness (other than Excluded Financial Indebtedness) of a Transaction Party in excess of \$500,000 becomes due for payment before its stated maturity other than by the exercise of an option of the Transaction Party to pay it before its maturity;
 - (ii) a Transaction Party fails to pay when due for payment (or within any applicable grace period) any Financial Indebtedness (other than Excluded Financial Indebtedness) in excess of \$500,000;
 - (iii) an obligation by a person to a Transaction Party to provide financial accommodation or to acquire or underwrite Financial Indebtedness (other than Excluded Financial Indebtedness) in excess of \$500,000 ceases before its stated maturity other than by the exercise of an option of the Transaction Party to cancel that obligation; or
 - (iv) a marketable security issued by a Transaction Party and having a face value over \$500,000 is required to be redeemed or repurchased before its stated maturity other than by the exercise of an option of the issuer to redeem or repurchase;
- (k) **cessation of business:** a Transaction Party ceases or threatens to cease to carry on its business or a substantial part of its business;
- (l) **enforcement of other Security:** a person who holds a Security over property of a Transaction Party exercises a right under that Security against the property to recover any money the payment of which is secured by that Security or enforce any other obligation the compliance with which is secured by it;
- (m) **undertaking:** an undertaking given to the Bank (or its lawyers) by or on behalf of a Transaction Party (or its lawyers) is not honoured in accordance with its terms and if capable of rectification, is not rectified within three Business Days (or any other longer period agreed by the Bank) after its occurrence;

- (n) **reduction of capital:** if a Transaction Party is a corporation:
 - (i) it reduces or takes any action to reduce its capital other than by the redemption of redeemable preference shares;
 - (ii) it passes or takes any action to pass a resolution of the type referred to in section 254N of the Corporations Act;
 - (iii) it:
 - (A) buys or takes any action to buy, or
 - (B) financially assists (within the meaning of section 260A of the Corporations Act) or takes any action to financially assist any person to acquire,
 - shares in itself or in a holding company of it,
- (o) **investigation:** if a Transaction Party is a corporation, an investigation is instituted under the Corporations Act or other legislation into, or an inspector is appointed to investigate, its affairs, which would have a Material Adverse Effect;
- (p) **environmental claim:** a Government Body takes any action, there is a legally valid claim or there is a legally enforceable requirement for expenditure or for cessation or alteration of activity under an Environmental Law, which, in the reasonable opinion of the Bank, would have a Material Adverse Effect;
- (q) **Trust:** if a Transaction Party is a Trustee:
 - (i) the Trustee ceases to be the trustee or the only trustee of the Trust or any action is taken for the removal of the Trustee as trustee of the Trust, or for the appointment of another person as trustee in addition to the Trustee;
 - (ii) an application or order is sought or made in any court, which is not withdrawn or dismissed within ten Business Days, for:
 - (A) the property of the Trust to be administered by the court; or
 - (B) an account to be taken in relation to the Trust; or
 - (iii) non-compliance by the Trustee with its obligations as trustee under the Trust Deed which has a Material Adverse Effect.

10.2 Effect of Event of Default

- (a) If an Event of Default subsists the Bank may at any time by notice to the Borrower do any or all of the following:
 - (i) **cancel Facility:** cancel any or all of the Facilities or any part of a Facility, specified in the notice;

- (ii) **accelerate:** make so much of the Outstanding Accommodation which is not then immediately due and payable, any unpaid accrued interest or fees and any other money owing by the Borrower to the Bank in relation to the Transaction Documents either:
 - (A) payable on demand; or
 - (B) immediately due for payment;
- (iii) **Not used**
- (iv) **Bank Guarantees:**
 - (A) by notice to the Borrower require the Borrower to pay immediately to the Bank the aggregate of the Face Values for all Current Bank Guarantees as at the date of the notice, together with any unpaid accrued interest or fees and any other money (including all Indemnity Amounts) owing by the Borrower to the Bank in relation to the Transaction Documents;
 - (B) pay the Beneficiaries of any one or more of the Current Bank Guarantees the amount agreed between the Bank and the relevant Beneficiary sufficient to obtain from the Beneficiary an unconditional release of the Bank's obligations under the relevant Bank Guarantee on terms satisfactory to the Bank (acting reasonably).
- (v) **engage consultants:** at the cost of the Borrower, appoint (or require the Borrower to appoint) such accountancy, financial management and other consultants as the Bank may nominate to investigate the business affairs and financial condition of any Transaction Party and whether each Transaction Party has complied with each Transaction Document to which it is a party and to make recommendations relating to the manner in which the Transaction Party carries on its business. Each Transaction Party agrees to provide all assistance and information required by the consultants (including making all financial records available and giving access to all premises and records) to enable the consultants to conduct their examination promptly, completely and accurately. No Transaction Party is obliged to accept the recommendations of any consultant, and the Bank will assume no liability with respect to any actions a Transaction Party takes, or does not take, as a result of those recommendations; or
- (vi) **treasury related transactions:** if there are any Hedging Transactions or treasury related transactions in existence between the Bank and the Borrower (**Open Positions**) then:
 - (A) the Bank may close out the Open Positions, by entering into opposite positions for the balance of the unexpired term, or by such other means as may be usual in the relevant

market. Any such close out must be at market rates prevailing at the time;

- (B) any costs incurred by the Bank in closing out Open Positions must be paid by the Borrower to the Bank immediately upon demand by the Bank;
 - (C) any gain derived from the closing out of the Open Positions will be credited to the Borrower and set off against the Amount Owing; and
 - (D) the Bank will give the Borrower reasonable particulars of the manner of close out of the Open Positions and the basis of calculation of any amounts payable by or to the relevant Borrower arising from that close out.
- (b) On receipt of a notice under **clause 10.2(a)(ii)(A) or 10.2(a)(ii)(B)**, the Borrower must immediately pay in full the amounts referred to in that notice.

10.3 Cash Cover Account regarding Bank Guarantees

- (a) The Bank must credit so much of the money paid by the Borrower under **clause 10.2(a)(iv)(A)** which the Bank appropriates towards the Face Values of Current Bank Guarantees to an account maintained by the Bank for this purpose (**Cash Cover Account**).
- (b) The following provisions apply to the Cash Cover Account:
 - (i) the account will be in the name of the Borrower;
 - (ii) despite the Cash Cover Account being in the name of the Borrower, until the Release Date the money held in the account is not owed by the Bank to the Borrower and the Borrower is not entitled to withdraw or be paid any of that money (including interest credited to the account);
 - (iii) the Bank must credit to the account interest at the Cash Cover Rate from time to time and that interest will be credited to the account monthly and on the Release Date; and
 - (iv) without limiting this **clause 10.3**, the Bank may apply any amounts from time to time held in the account towards payment of any amounts due and payable from time to time to the Bank under any Transaction Document.
- (c) On the Release Date, the Bank must pay to the Borrower the credit balance of the Cash Cover Account.

10.4 Review Events

Each of the following is a Review Event (whether or not caused by anything outside the control of any Transaction Party):

- (a) there is an Insolvency Event in respect of Reading International Inc; and
- (b) a Change of Control occurs in relation to any Transaction Party.

10.5 Reviews

- (a) In addition to any other review rights the Bank has under this document, the Bank may conduct a review of any Facility following a Review Event.
- (b) If a Review Event has occurred, then, at any time or from time to time:
 - (i) the Bank may change any of the conditions applying to the Facility including, but not limited to, increasing or otherwise varying the fees payable in connection with the Facility; and/or
 - (ii) the Bank may terminate the Facility. If the Bank terminates the Facility, the Termination Date occurs on the date 30 days after the date the Bank notifies the Borrower that it wishes to terminate the Facility.
- (c) The Bank may not change any of the conditions applying to the Facility unless it has first given 30 days prior notice to the Borrower of the intended change.
- (d) If the Bank gives notice of any change to the conditions of any Facility and the Borrower refuses to accept the changes before the end of the period of notice, then at the end of that period, the Facility will become repayable within 30 days of any demand by the Bank.
- (e) Nothing in this clause affects the Bank's rights if any Event of Default occurs.

10.6 Equity Cure

- (a) If a breach of a Financial Ratio (other than the Fixed Charges Cover Ratio) occurs, the Borrower will have the right subject to clause 10.6(b) to cure the breach by procuring additional Subordinated Debt or an equity contribution by way of subscription for new shares in the Borrower (or a combination of both) in an amount sufficient to cure the breach when applied in prepayment of the Outstanding Accommodation (Equity Cure).
- (b) Equity Cure may not be used:
 - (i) more than 3 times during the term of the Facilities; or
 - (ii) in respect of breach of a Financial Ratio on a Calculation Date, where Equity Cure has been used to cure a breach on the preceding Calculation Date.
- (c) The Borrower must notify the Bank of its intention to provide an Equity Cure and effect the Equity Cure, within 10 Business Days of the delivery of the Compliance Certificate that identified the breach.
- (d) The amount of an Equity Cure will be deemed to be applied as of the first day of the relevant test period in prepayment of the Outstanding Accommodation. The breach of the Financial Ratio will be taken to have been cured immediately upon the requisite proceeds being applied in prepayment and the Borrower confirming to the Bank that the amount prepaid when the Financial Ratio is recalculated is sufficient to ensure that the relevant Financial Ratio is met.

- (e) Notwithstanding clause 10.6(d), any Equity Cure will be disregarded when calculating the Leverage Ratio for the purposes of determining the Margin.

11 Costs and expenses

11.1 Interpretation

A reference to “costs and expenses” in a Transaction Document includes legal costs and expenses on a full indemnity basis.

11.2 Nature

The Borrower must on demand pay and if paid by the Bank reimburse to the Bank:

- (a) the Bank’s reasonable costs and expenses relating to:
 - (i) any Valuation obtained for the purposes of any Transaction Document;
 - (ii) the negotiation, preparation, execution, stamping and registration of the Transaction Documents or any document contemplated by them;
 - (iii) any consent, request for consent (whether or not given), communication or waiver of any right, or the variation, replacement or discharge of any Transaction Document or any document contemplated by it;
 - (iv) the enforcement or attempted enforcement or the preservation of any rights of the Bank under the Transaction Documents;
 - (v) the occurrence of any Event of Default or Potential Event of Default; and
 - (vi) the lodgment or removal of any Encumbrance on the Secured Property by any person; and
- (b) subject to **clause 18.14(d)**, any Taxes and registration or other fees (including fines and penalties relating to the Taxes and fees) which are payable or are assessed by a relevant Government Body or other person to be payable in relation to the Transaction Documents or any document or transaction contemplated by them.

11.3 Remuneration

The Bank, any Receiver and any Attorney must be remunerated by the Borrower for any services rendered by them in relation to the enforcement of any right under the Transaction Documents. The rate of the remuneration and the manner of payment will be that determined by the Bank, acting reasonably.

12 Indemnities

12.1 Nature

The Borrower indemnifies the Bank on demand against any liability, loss, cost or expense (including Break Costs) caused or contributed to by:

- (a) any failure by any Transaction Party to comply with any obligation under any Transaction Document;
- (b) any Event of Default or Potential Event of Default;
- (c) the enforcement or attempted enforcement of any right by the Bank, any Receiver or any Attorney under the Transaction Documents;
- (d) any Drawing requested by the Borrower not being granted by the Bank for any reason other than a default by the Bank;
- (e) any payment not being made by the Borrower in accordance with any Transaction Document; or
- (f) any act by the Bank in reliance on any communication purporting to be from the Borrower or to be given on behalf of the Borrower.

12.2 Representatives

The Borrower indemnifies each Receiver and Attorney and their respective Representatives and the Representatives of the Bank against any liability, loss, cost and expense caused by anything the Bank is indemnified against under **clause 12.1** and the Bank holds the benefit of this **clause 12.2** on trust for those persons.

12.3 Currency deficiency

If there is any deficiency between:

- (a) an amount payable by a Transaction Party under a Transaction Document which is received by the Bank in a currency other than the currency payable under the Transaction Document because of a judgment, order or otherwise; and
- (b) the amount produced by converting the payment received from the currency in which it was paid into the currency in which it was agreed to be paid either directly or through a currency other than that in which it was agreed to be paid,

the Borrower must pay to the Bank the deficiency and any loss, costs or expenses resulting from it.

12.4 Independence and survival

Each indemnity in a Transaction Document is a continuing obligation, separate and independent from the other obligations of the Borrower and survives the termination of that Transaction Document.

12.5 Accounting for transactions

- (a) The Borrower irrevocably authorises the Bank to open such accounts as

the Bank requires in connection with a Facility.

- (b) The Borrower irrevocably authorises the Bank to debit from any account in the name of the Borrower (including an account the Bank opens in the Borrower's name) any amounts payable by the Borrower in relation to that Facility or account, including interest, costs, Taxes, enforcement expenses and any amount payable under an indemnity.
- (c) If the Borrower authorises the Bank to debit any amount from an account, the Bank can debit that amount from that account even if it causes the account to become overdrawn. Alternatively, if there are insufficient cleared funds in that account, the Borrower authorises the Bank to debit that amount from any account of the Borrower the Bank decides, including an account the Bank opens in the Borrower's name.
- (d) Where the Bank debits an account in the name of the Borrower, opened by:
 - (i) the Borrower, the Borrower must pay the Bank interest (including default interest if applicable) on any debit balance in accordance with the terms of that account;
 - (ii) the Bank, the Borrower must pay the Bank interest on the overdrawn balance of that account at the Overdue Rate applying to the relevant Facility or, if there is none, in accordance with the terms normally applied by the Bank to accounts of that type; or
 - (iii) either the Borrower or the Bank, the overdrawn balance of the account in excess of the applicable Facility Limit is immediately payable without further notice.
- (e) Unless otherwise provided, the Bank may apply any payment under or in connection with this document towards satisfying obligations under this document as the Bank sees fit.
- (f) Where the Bank is authorised to debit an amount from an account under this document, it can do so without prior notice.

12.6 Liability for Regulatory Events

- (a) The Borrower acknowledges that the Services may be interrupted, prevented, delayed or otherwise adversely affected by a Regulatory Event.
- (b) To the extent permitted by Law:
 - (i) the Bank is not liable for any loss incurred by a Borrower or any other person if an event described in **clause 12.6(a)** occurs, irrespective of the nature or cause of that loss, and the Bank has no obligation to contest any Regulatory Event or to mitigate its impact on the Borrower or the Bank; and
 - (ii) the Borrower releases the Bank from all liability in connection with any loss incurred by a Borrower or any other person if an event described in **clause 12.6(a)** occurs.

- (c) To the extent that the Bank's liability cannot be excluded, the Bank's liability is limited to the cost of having the Service supplied again.
- (d) The Bank may use and disclose to any other financial institution or agency, any information about any Borrower, the Services or any person connected with it or the Services, for any purpose which the Bank, or any other financial institution, considers appropriate or necessary in connection with any Regulatory Event or the Services and this may result in information being transmitted overseas.
- (e) The Borrower agrees to provide information to the Bank about it, the Services or any person connected with it or the Services on request, and to promptly procure any consents the Bank requires to give effect to **clause 12.6(d)**.

13 Goods and Services Tax

13.1 Taxable supply

- (a) If GST is payable by the Bank on any supply made under a Transaction Document, the Borrower must pay to the Bank an amount equal to the GST payable on the supply.
- (b) That amount must be paid at the same time that the consideration for the supply is to be provided under the Transaction Document and must be paid in addition to the consideration expressed elsewhere in the Transaction Document.
- (c) On receiving that amount from the Borrower, the Bank must provide the Borrower with a tax invoice for the supply.

13.2 Adjustment events

If an adjustment event arises in relation to a supply made by the Bank to the Borrower under a Transaction Document, a corresponding adjustment must be made between the Bank and the Borrower in relation to any amount paid to the Bank by the Borrower under **clause 13.1** and payments to give effect to the adjustment must be made.

13.3 Payments

If the Borrower is required under a Transaction Document to pay for or reimburse an expense or outgoing of the Bank or is required to make a payment under an indemnity in relation to an expense or outgoing of the Bank, the amount to be paid by the Borrower is the sum of:

- (a) the amount of the expense or outgoing less any input tax credit in relation to that expense or outgoing that the Bank is entitled to; and
- (b) if the Bank's recovery from the Borrower is in relation to a taxable supply, an amount equal to the GST payable by the Bank in relation to that recovery.

14 Increased costs

If the Bank determines that:

- (a) the cost to it of providing, funding or maintaining the Facility is increased;
- (b) an amount payable to the Bank or the effective return to the Bank under a Transaction Document is reduced;
- (c) the effective return to the Bank under any Transaction Document as a proportion of the capital of the Bank is reduced; or
- (d) the Bank must make a payment or forego any interest or other return calculated by reference to any amount received or receivable by it from any Transaction Party under a Transaction Document,

because of:

- (e) any law, regulation or Government Body directive or request (whether or not having the force of law) introduced or made after the date of this document, including those relating to taxation, capital adequacy or reserve requirements or banking or monetary controls; or
- (f) any change in the interpretation or application of any of them,

the Borrower must, within two Business Days after a demand by the Bank, pay to the Bank the amount which, in the Bank's reasonable opinion, will compensate the Bank for the increased cost, reduction, payment or foregone interest or other return.

15 Illegality

15.1 Prepayment

If because of any change after the date of this document in:

- (a) a law, regulation or a Government Body directive or request which is legally enforceable or compliance with which is in accordance with the practice of responsible Banks in the relevant jurisdiction; or
- (b) the interpretation or application of any of them,

the Bank determines that it is or it will become impossible or illegal or contrary to that Government Body directive or request for:

- (c) the Bank to fund, provide or maintain the Facility or otherwise comply with its obligations under the Transaction Documents; or
- (d) a person from whom the Bank has raised or proposes to raise money in relation to the Facility to fund, provide or maintain that money,

the Borrower must, within five Business Days after receipt of a notice from the Bank to do so, pay the amount referred to in **clause 10.2(a)(ii)(A) or 10.2(a)(ii)(B)** as if that notice were a notice under **clause 10.2(a)(ii)(A) or 10.2(a)(ii)(B)**.

15.2 Facility terminated

The Bank's obligation to make Advances or Drawings under this document terminates on the giving of a notice under **clause 15.1**.

16 Guarantee and indemnity

16.1 Guarantee

- (a) Each Guarantor unconditionally and irrevocably guarantees the payment to the Bank of the Guaranteed Money.
- (b) If the Borrower does not pay the Guaranteed Money on time and in accordance with the Transaction Documents, then the Guarantors agree to pay the Guaranteed Money on demand from the Bank.
- (c) A demand may be made at any time and from time to time and whether or not the Bank or the Bank has made demand on the Borrower or any other Transaction Party.

16.2 Nature of guarantee

- (a) The guarantee in **clause 16.1** is a continuing obligation despite any intervening payment, settlement or other thing and extends to all of the Guaranteed Money.
- (b) As between each Guarantor and the Bank (but without affecting the obligations of any other Transaction Party) each Guarantor is liable under this document in relation to the Guaranteed Money as a sole and principal debtor and not as surety.

16.3 Indemnity

- (a) Each Guarantor indemnifies the Bank against any liability or loss arising and any costs it suffers or incurs:
 - (i) if a Transaction Party does not, is not obliged to or is unable to pay the Guaranteed Money in accordance with the Transaction Documents;
 - (ii) if a Guarantor is not obliged to pay the Bank an amount under **clause 16**;
 - (iii) if the Bank is obliged, or agrees, to pay an amount to a trustee in bankruptcy or liquidator (of an insolvent person) in connection with a payment by a Transaction Party under or in connection with a Transaction Document;
 - (iv) if a Guarantor defaults under the Guarantee in **clause 16.1**; or
 - (v) in connection with any person exercising, or not exercising, rights under the Guarantee in **clause 16.1**.
- (b) Each Guarantor agrees to pay amounts due under this indemnity immediately on demand from the Bank.

16.4 Reinstatement of rights

- (a) Following an Insolvency Event in respect of a Transaction Party, a person may claim that a transaction (including a payment) in connection with this Guarantee or the Guaranteed Money is void or voidable.
- (b) If a claim is made and upheld, conceded or comprised:
 - (i) the Bank is immediately entitled as against the Guarantors to the rights in respect of the Guaranteed Money to which it was entitled immediately before the transaction; and
 - (ii) on request from the Bank, each Guarantor agrees to do anything (including signing any document) to restore to the Bank any Security Interest (including this Guarantee) held by it from the Guarantors immediately before the transaction.

16.5 Rights of the Bank are protected

Rights given to the Bank under this Guarantee (and each Guarantor's liabilities under it) are not affected by any act or omission by the Bank or by anything else that might otherwise affect them under law or otherwise, including:

- (a) the fact that it varies or novates any agreement under which the Guaranteed Money is expressed to be owing, such as by increasing the Facility Limit or extending the term;
- (b) the fact that it releases any Transaction Party or gives it a concession, such as more time to pay;
- (c) the fact that a Transaction Party opens an account with it;
- (d) the fact that it releases, loses the benefit of or does not obtain any Security Interest;
- (e) the fact that it does not register any Security Interest which could be registered;
- (f) the fact that it releases any person who gives a guarantee or indemnity in connection with any Transaction Party's obligations (including under **clause 16.13**);
- (g) the fact that a person becomes a Guarantor after the date of this document (including under **clause 16.14**);
- (h) the fact the obligations of any person who guarantees any Transaction Party's obligations (including under this Guarantee) may not be enforceable;
- (i) the fact that any person who was intended to guarantee any Transaction Party's obligations does not do so or does not do so effectively;
- (j) changes in the membership, name or business of any person; or
- (k) the fact that a person who is a co-surety or co-indemnifier for payment of the Guaranteed Money is discharged under an agreement or by operation of law.

16.6 No merger

- (a) This Guarantee does not merge with or adversely affect, and is not adversely affected by, any of the following:
 - (i) any other guarantee, indemnity, or Security Interest, or other right or remedy to which the Bank is entitled; or
 - (ii) a judgment which the Bank obtains against the Guarantors in connection with the Guaranteed Money or any other amount payable under this Guarantee.
- (b) The Bank may still exercise rights under this Guarantee as well as under the judgment, other guarantee, indemnity, Security Interest, or other right or remedy.

16.7 Extent of Guarantor's obligations

If more than one person is named as "Guarantor", each of them is liable for all the obligations under this Guarantee both individually and jointly with any one or more other persons named as "Guarantor".

16.8 Guarantor's rights are suspended

As long as any of the Guaranteed Money remains unpaid, the Guarantor may not, without the Bank's consent:

- (a) reduce its liability under this Guarantee by claiming that it or any other Transaction Party or any other person has a right of set-off or counterclaim against the Bank;
- (b) exercise any legal right to claim to be entitled to the benefit of another guarantee, indemnity, or Security Interest given in connection with the Guaranteed Money or any other amount payable under this Guarantee;
- (c) claim an amount from another Transaction Party, or another guarantor of the Guaranteed Money (including a person who has signed this document as a "Guarantor"), under a right of indemnity in respect of this guarantee; or
- (d) claim an amount in the insolvency of a Transaction Party or of another guarantor of the Guaranteed Money (including a person who has signed this document as a "Guarantor").

16.9 Guarantor's right of proof limited

Each Guarantor agrees not to exercise a right of proof after an event occurs relating to the insolvency of a Transaction Party or another guarantor of the Guaranteed Money (including a person who has signed this document as a "Guarantor") independently of an attorney appointed under **clause 16.12**.

16.10 No set-off against assignees

If the Bank assigns or otherwise deals with its rights under this Guarantee, the Guarantors may not claim against any assignee (or any other person who has an interest in this Guarantee) any right of set-off or other right the Guarantors have against the Bank.

16.11 Suspense account

The Bank may place in a suspense account any payment it receives from the Guarantors if there is currently an Insolvency Event, or an Insolvency Event is likely to occur, in relation to any Transaction Party, but must apply it towards satisfying the Guaranteed Money within six months unless the winding up of the relevant Guarantor has commenced.

16.12 Right to prove

- (a) The Guarantor irrevocably appoints the Bank and each of its Authorised Representatives individually as its attorney and agrees to formally approve all action taken by an attorney under this **clause 16**.
- (b) Each attorney may, at any time while any Guaranteed Money is outstanding:
 - (i) do anything which a Guarantor may lawfully do to exercise their right of proof in respect of a Transaction Party after an Insolvency Event occurs in respect of such Transaction Party. These things may be done in the Guarantor's name or the attorney's name and they include signing and delivering documents, taking part in legal proceedings and receiving any dividends arising out of the right of proof;
 - (ii) delegates its powers (including this power) and may revoke a delegation; and
 - (iii) exercise its powers even if this involves a conflict of duty and even if it has a personal interest in doing so.
- (c) The attorney need not account to a Guarantor for any dividend received on exercising the right of proof under **clause 16.12(i)** except to the extent that any dividend remains after the Bank has received all of the Guaranteed Money and all other amounts payable under the Guarantee.

16.13 Release of Guarantors

- (a) The Bank must, at the Borrower's cost, execute any release documentation in respect of the Bank's rights under **clause 16**.
- (b) As between the Transaction Parties and the Bank, the Bank is not obliged to consent to a release unless required to do by the terms of another Transaction Document.
- (c) The rights and obligations of the remaining Guarantors under the Guarantee in **clause 16.1** will continue in full force and effect despite the release of a Guarantor under this **clause 16.13**.

16.14 New Guarantors

If a Subsidiary of any Transaction Party is required by the terms of a Transaction Document to become a Guarantor, the Borrower must ensure that such subsidiary executes a Guarantor Accession Deed as a new Transaction Party.

16.15 Consideration

Each Guarantor acknowledges having executed this document in return for the Bank entering into the Transaction Documents at the request of the Guarantor and other valuable consideration.

16.16 New Guarantors

- (a) A person automatically becomes a party to this document as a Guarantor and Transaction Party (after the date of this document) by signing and delivering to the Bank a Guarantor Accession Deed and doing anything else which the Bank reasonably requests to ensure the enforceability of that person's obligations as a Guarantor.
- (b) Each of the other parties to his document irrevocably appoints the Bank as its agent to sign on its behalf any Guarantor Accession Deed.
- (c) The execution of a Guarantor Accession Deed will not operate to release any party from its obligations under any Transaction Document.

17 Attorney

17.1 Appointment

If and for so long as an Event of Default occurred and is continuing, the Borrower irrevocably appoints the Bank its attorney with the power:

- (a) at any time to:
 - (i) do everything which in the Attorney's reasonable opinion is necessary or expedient to enable the exercise of any right of the Bank in relation to the Transaction Documents;
 - (ii) not used;
 - (iii) complete the Transaction Documents to which it is a party; and
 - (iv) appoint its directors, officers, employees and solicitors as substitutes and otherwise delegate its powers to any of them (except this power of delegation); and
- (b) at any time after a notice is given under **clause 10.2(a)(ii)(A) or 10.2(a)(ii)(B)**, to do all acts and things which the Borrower is obliged to do under the Transaction Documents or which in the Attorney's opinion are necessary or expedient to enable the exercise of any right of the Bank in relation to the Transaction Documents.

17.2 Not used

17.3 General

- (a) Any Attorney may exercise any right solely for the benefit of the Bank, even if the exercise of the right constitutes a conflict of interest or duty.
- (b) The Borrower by this document ratifies anything done or not done by the Attorney pursuant to the power of attorney.

- (c) The power of attorney is granted:
 - (i) to secure the compliance by the Borrower with its obligations to the Bank under the Transaction Documents and any proprietary interests of the Bank under the Transaction Documents; and
 - (ii) for valuable consideration (receipt of which is acknowledged) which includes entry into of this document by the Bank at the Borrower's request.

18 General

18.1 Set-off

The Bank may set off any money due for payment by the Bank to the Borrower, whatsoever, including any money in any currency held by the Bank for the account of the Borrower in any place, against any money due for payment by the Borrower to the Bank under a Transaction Document.

18.2 Bank's certificate

- (a) A certificate by the Bank relating to any amount owing under a Transaction Document or as to its opinion in relation to any matter under any Transaction Document is prima facie evidence against the Borrower of the matters certified unless proven incorrect or there is a manifest error.
- (b) The Bank is not obliged to give the reasons for its determination or opinion in relation to any matter under any Transaction Document. Any certification, determination or opinion relating to an amount must contain reasonable detail as to how the amount was calculated.
- (c) A determination or an opinion of an Authorised Representative of the Bank which is given to the Borrower or otherwise expressed or acted on by the Bank as being a determination or an opinion of the Bank will be deemed to be a determination or opinion of the Bank.

18.3 Supervening legislation

Any present or future legislation which operates:

- (a) to lessen or vary in favour of the Borrower any of its obligations in connection with the Transaction Documents; or
- (b) to postpone, stay, suspend or curtail any rights of the Bank under the Transaction Documents,

is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

18.4 Time of the essence

Time is of the essence as regards any obligations of the Borrower or any date or period determined under the Transaction Documents, and if any date or period is altered by agreement between the parties, time is of the essence as

regards such altered date or period.

18.5 Business Days

- (a) If the day on or by which anything, other than making a payment, must be done by the Borrower under a Transaction Document is not a Business Day, that thing must be done on or by the preceding Business Day.
- (b) If a payment would otherwise be due on a day which is not a Business Day it will be due on the immediately following Business Day. However, if this would result in the payment being due in the month after the original due day or after the Termination Date it will be due on the immediately preceding Business Day.
- (c) If anything, including making a payment, is to be done by the Borrower on or by a particular day and it is done:
 - (i) after the time by which a Transaction Document states it must be done or, if the Transaction Document does not state a time, after 4.00 pm in the place where it is to be done; or
 - (ii) on a day which is not a Business Day,

it will be deemed to have been done at 9.00 am on the next Business Day.

18.6 Confidentiality

- (a) The Bank must keep any information or document relating to a Transaction Party confidential. However, the Bank may disclose to any person any information or document relating to a Transaction Party:
 - (i) where permitted in a Transaction Document;
 - (ii) to another party to a Transaction Document;
 - (iii) to a potential transferee, assignee, participant or sub-participant of the Bank's interests under a Transaction Document or to any other person who is considering entering into contractual relations with it in connection with a Transaction Document;
 - (iv) to the Bank's related bodies corporate and shareholders, or to any employee, banker, lawyer, auditor or other consultant of the Bank, its related bodies corporate or its shareholders;
 - (v) to the professional advisers or consultants of any party involved in connection with any Facility who are bound by a duty or obligation of confidence;
 - (vi) if required by law or by any Government Body or stock exchange;
 - (vii) in connection with any legal proceedings relating to a Transaction Document or a document delivered under or in relation to a Transaction Document;
 - (viii) if the information or document is in the public domain; or

- (ix) with the consent of the Borrower (which must not be unreasonably withheld or delayed).
- (b) Subject to **paragraph (c)**, the Transaction Parties shall keep confidential and not disclose to any other person the terms of the Transaction Documents.
- (c) However, the Transaction Parties and any officers or employees of each Transaction Party may disclose such information:
 - (i) with the prior written consent of the Bank;
 - (ii) to the extent required by any applicable law or regulation;
 - (iii) to the extent it reasonably deems necessary in connection with any actual or contemplated proceedings or a claim with respect to this **clause 18.6**; or
 - (iv) to the extent permitted by clause 18.6(a) (other than paragraph (iii)) as if each reference in that clause to the 'Bank' were to a 'Transaction Party' and each reference to the 'Borrower' were to the 'Bank'; or
 - (v) Reading International, Inc. or any other holding company of a Transaction Party (who in turn may disclose such information to their officers or employees or to the extent required by any applicable law or regulation or rule of any stock exchange)..
- (d) The Bank and the Transaction Parties agree that:
 - (i) neither of them will disclose information of the kind mentioned in section 275(1) of the PPS Act; and
 - (ii) this document does not create a Security Interest.
- (e) This **clause 18.6** survives the termination of this document.
- (f) The Bank acknowledges that:
 - (i) information provided from time to time by the Transaction Parties to the Bank may constitute confidential non-public information; and
 - (ii) trading in marketable securities of Reading International Inc while in possession of the information referred to **clause 18.6(f)(i)** will violate United States' federal securities laws.
- (g) The Bank agrees to:
 - (i) take reasonable precautions to maintain the confidentiality of the information referred to in **clause 18.6(f)(i)**; and
 - (ii) advise any party to whom the information referred to in **clause 18.6(f)(i)** is disclosed that it may not trade in the marketable securities of Reading International Inc while in the possession of such information.
- (h) This **clause 18.6** will not be deemed to restrict the provision of information by any party to the Internal Revenue Service of the United

States of America.

18.7 Exchange rate

Subject to any express provision to the contrary, if for the purposes of a Transaction Document it is necessary to convert one currency into another currency, the conversion must be effected using an exchange rate selected by the Bank acting reasonably and in accordance with its usual practices.

18.8 Records as evidence

The Bank may maintain records specifying:

- (a) payments made by the Bank for the account of a Transaction Party under a Transaction Document;
- (b) payments by a Transaction Party for the account of the Bank under a Transaction Document; and
- (c) interest, fees, charges, costs and expenses payable in relation to the Transaction Documents,

and those records will against the Borrower constitute prima facie evidence of the matters set out in them.

18.9 Further assurances

The Borrower must promptly execute all documents and do all things that the Bank from time to time reasonably requires to:

- (a) effect, perfect or complete the provisions of each Transaction Document or any transaction contemplated by it;
- (b) establish the priority of or reserve or create any Security Interest contemplated by or purported to be reserved or created by a Transaction Document; and
- (c) stamp and register each Transaction Document in any relevant jurisdiction and by any person that the Bank thinks fit.

18.10 Amendment

This document may only be varied or replaced by a document executed by the parties.

18.11 Waiver and exercise of rights

- (a) A right in favour of the Bank under a Transaction Document, a breach of an obligation of the Borrower under a Transaction Document or an Event of Default can only be waived by an instrument signed by the Bank. No other act, omission or delay of the Bank constitutes a waiver binding, or estoppel against, the Bank.
- (b) A single or partial exercise or waiver by the Bank of a right relating to a Transaction Document does not prevent any other exercise of that right or the exercise of any other right.
- (c) The Bank and its Representatives are not liable for any loss, cost or

expense of the Borrower caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right and the Bank holds the benefit of this **clause 18.11** on trust for itself and its Representatives.

18.12 Rights cumulative

The rights of the Bank under the Transaction Documents are cumulative and in addition to its other rights.

18.13 Approval and consent

Except where a Transaction Document expressly provides otherwise, the Bank may conditionally or unconditionally give or withhold any consent under a Transaction Document and is not obliged to give its reasons for doing so.

18.14 Assignment

- (a) The Borrower must not dispose of or Encumber any right under the Transaction Documents without the consent of the Bank.
- (b) The Bank may assign any of its rights or novate, sub-participate, sell-down or transfer by whatever form or otherwise deal with any or all of its rights and obligations under any Transaction Document without the consent of, or notice to, the Borrower.
- (c) If an Event of Default subsists then, in order to facilitate the Bank to deal with its rights and obligations, the Bank may (but is not obliged to), from time to time, separate and sever any of its rights (or any part of any of its rights) described in a notice given by the Bank to the Borrower from its other rights and obligations under any Transaction Document. Any such notice is effective on the time of delivery to separate and sever the rights described in the notice so that:
 - (i) those rights and obligations are independent from, and may be assigned (including at law), novated, sub-participated, sold-down, transferred or otherwise dealt with separately from, any other of the rights and obligations of the Bank under that Transaction Document;
 - (ii) those rights and obligations may be exercised differently from any other rights and obligations of the Bank under that Transaction Document; and
 - (iii) the Outstanding Accommodation in respect of those rights may be calculated separately from the other Outstanding Accommodation.
- (d) If the Bank assigns its rights or transfers its rights and obligations under this document or any other Transaction Document, no Transaction Party will be required to pay any net increase in the aggregate amount of costs, Taxes, fees or charges which is a direct consequence of the assignment or transfer.

18.15 Counterparts

This document may consist of a number of counterparts and, if so, the

counterparts taken together constitute one document.

18.16 Sovereign immunity

The Borrower irrevocably waives any immunity that it or its property has from:

- (a) set-off;
 - (b) legal, arbitral or administrative proceedings;
 - (c) any process or order of any court, administrative tribunal or arbitrator for the satisfaction or enforcement of a judgment, order or arbitral award or for the arrest, detention or sale of any property; or
 - (d) service on it of any process, judgment, order or arbitral award,
- on the grounds of sovereignty or otherwise under any law of any jurisdiction where any proceedings may be brought or enforced in relation to any Event of Default under a Transaction Document.

18.17 Governing law and jurisdiction

- (a) This document is governed by and is to be construed in accordance with the laws applicable in the Relevant Jurisdiction.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in the Relevant Jurisdiction and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

18.18 Telephone recording

The Borrower consents to the Bank recording any telephone conversations between it and the Bank in relation to any Facility that are customarily recorded in the finance industry or where the Borrower is notified prior to the commencement of the telephone conversation and such recordings being used in any arbitral or legal proceedings and any telephone recording remains the Bank's sole property at all times.

18.19 Legal advice

The Borrower acknowledges that, except as expressly set out in a Transaction Document:

- (a) none of the Bank or any of its advisers have given any representation or warranty or other assurance to it in relation to any Transaction Document or the transactions contemplated by any Transaction Document, including as to Tax or other effects;
- (b) it has not relied on the Bank or any of its advisers or on any conduct (including any recommendation) by the Bank or any of its advisers; and
- (c) it has obtained its own independent financial, Tax and legal advice.

18.20 Further assurances

Whenever the Bank requests a Transaction Party to do anything:

- (a) to ensure any Transaction Document (or any security interest (as defined in the PPS Act) or other Security Interest, right or power under any Transaction Document) is fully effective, enforceable and perfected with the contemplated priority;
- (b) for more satisfactorily assuring or securing to the Bank the property the subject of any such security interest or other Security in a manner consistent with the Transaction Documents; or
- (c) for aiding the exercise of any right or power in any Transaction Document,

the Transaction Party shall do it promptly at its own cost. This may include obtaining consents, getting documents completed and signed, supplying information, delivering documents and evidence of title and executed blank transfers, and giving possession or control with respect to any Secured Property.

18.21 Exclusion of certain provisions

Where there is a Security Interest under any Transaction Document:

- (a) to the extent permitted, sections 142 and 143 of the PPS Act are excluded in full and will not apply to that Security Interest and the Bank need not comply with sections 95, 118, 121(4), 125, 130, 132(3)(d), and 132(4) of the PPS Act; and
- (b) each Transaction Party waives its right to receive from the Bank any notice required under s157 of the PPS Act or the provisions of the PPS Act referred to in s144 of the PPS Act, except section 135.

This does not affect any rights a person has or would have other than by reason of the PPS Act and applies despite any other clause in any Transaction Document.

18.22 Notice of changes

Each Transaction Party agrees to notify the Bank at least 14 days before:

- (a) a Transaction Party (or if the Transaction Party is trustee of a Trust or a partner of a partnership, the Trust or the partnership) changes its name;
- (b) any ABN, ARBN or ARSN allocated to a Transaction Party (or if the Transaction Party is trustee of a Trust or a partner of a partnership, the Trust or the partnership) changes, is cancelled or otherwise ceases to apply to it (or if it does not have an ABN, ARBN or ARSN, one is allocated, or otherwise starts to apply, to it); or
- (c) the Borrower becomes trustee of a trust, or a partner in a partnership, which is not expressly contemplated in the Transaction Documents.

19 Notices

19.1 General

A notice, demand, certification, process or other communication relating to a Transaction Document must be in writing in English and may be given by an Authorised Representative of the sender.

19.2 How to give a communication

In addition to any other lawful means, a communication may be given by being:

- (a) personally delivered;
- (b) left at the party's current address for notices;
- (c) sent to the party's current address for notices by pre-paid ordinary mail or, if the address is outside Australia, by pre-paid airmail; or
- (d) sent by fax to the party's current fax number for notices.

19.3 Particulars for delivery of notices

- (a) The particulars for delivery of notices are initially:

Transaction Parties:

As set out in **schedule 1. Bank:**

Address: Level 28, 500 Bourke Street, Melbourne, Victoria 300

Fax: 1300 889 390

Attention: Andrew Tham

- (b) Each party may change its particulars for delivery of notices by notice to each other party.

19.4 Communications by post

Subject to **clause 19.6**, a communication is given if posted:

- (a) within Australia to an Australian address, three Business Days after posting; or
- (b) in any other case, ten Business Days after posting.

19.5 Communications by fax

Subject to **clause 19.6**, a communication is given if sent by fax when the sender's fax machine produces a report that the fax was sent in full to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

19.6 After hours communications

If a communication is given:

- (a) after 5.00 pm in the place of receipt; or

(b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9.00 am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

19.7 Process service

Any process or other document relating to litigation, administrative or arbitral proceedings relating to a Transaction Document may be served on a party to this document by any method contemplated by this **clause 19.7** or in accordance with any applicable law.

Schedule 1

Original Guarantors

Name	ACN	Particulars for delivery of notices
Reading Entertainment Australia Pty Ltd	[Redacted]	Address: 98 York Street, South Melbourne VIC 3205 Australia Fax: 03 9685 0999 Attention: Managing Director AND TO: Reading International Inc. Address: 5995 Sepulveda Blvd, Suite 300 Culver City California 90230 United States of America Fax: +1 213 235 2229 Attention: Chief Financial Officer
Australia Country Cinemas Pty Ltd	[Redacted]	Same as for Borrower
Australian Equipment Supply Pty Ltd	[Redacted]	Same as for Borrower
Burwood Developments Pty Ltd	[Redacted]	Same as for Borrower
Epping Cinemas Pty Ltd	[Redacted]	Same as for Borrower
Hotel Newmarket Pty Ltd	[Redacted]	Same as for Borrower
Newmarket Properties Pty Ltd	[Redacted]	Same as for Borrower
Newmarket Properties No. 2 Pty Ltd	[Redacted]	Same as for Borrower
Newmarket Properties #3 Pty Ltd	[Redacted]	Same as for Borrower

Name	ACN	Particulars for delivery of notices
Reading Auburn Pty Ltd	[Redacted]	Same as for Borrower
Reading Australia Leasing (E&R) Pty Ltd	[Redacted]	Same as for Borrower
Reading Belmont Pty Ltd	[Redacted]	Same as for Borrower
Reading Charlestown Pty Ltd	[Redacted]	Same as for Borrower
Reading Cinemas Pty Ltd	[Redacted]	Same as for Borrower
Reading Cinemas Management Pty Ltd	[Redacted]	Same as for Borrower
Reading Colac Pty Ltd	[Redacted]	Same as for Borrower
Reading Dandenong Pty Ltd	[Redacted]	Same as for Borrower
Reading Elizabeth Pty Ltd	[Redacted]	Same as for Borrower
Reading Exhibition Pty Ltd	[Redacted]	Same as for Borrower
Reading Licences Pty Ltd	[Redacted]	Same as for Borrower
Reading Maitland Pty Ltd	[Redacted]	Same as for Borrower
Reading Melton Pty Ltd	[Redacted]	Same as for Borrower
Reading Bundaberg 2012 Pty Ltd (formerly Reading Moonee Ponds Pty Ltd)	[Redacted]	Same as for Borrower
Reading Properties Pty Ltd	[Redacted]	Same as for Borrower
Reading Properties Indooroopilly Pty Ltd as trustee for The Landplan Property Partners Discretionary Trust	[Redacted]	Same as for Borrower
Reading Properties Taringa Pty Ltd as trustee for the Reading Property Partners No. 1 Discretionary Trust	[Redacted]	Same as for Borrower
Reading Property Holdings Pty Ltd	[Redacted]	Same as for Borrower
Reading Rouse Hill Pty Ltd	[Redacted]	Same as for Borrower
Reading Sunbury Pty Limited	[Redacted]	Same as for Borrower

Name	ACN	Particulars for delivery of notices
Rhodes Peninsula Cinema Pty Ltd	[Redacted]	Same as for Borrower
Westlakes Cinema Pty Ltd	[Redacted]	Same as for Borrower
A.C.N. [Redacted] Pty Ltd	[Redacted]	Same as for Borrower
Reading Cannon Park Pty Ltd	[Redacted]	Same as for Borrower

Schedule 2

Facilities

Facility Name	Granted pursuant to	Facility Limit	Purpose	Termination Date
Corporate Markets Loan Facility	Clause 4.1(a)(i)	\$120,000,000, subject to clause 5.6	General corporate purposes.	31 December 2023
Bank Guarantee Facility	Clause 4.1(a)(ii)	\$5,000,000	To support other cinema operations now or in the future operating from third party leased premises.	30 June 2023

Schedule 3

Collateral Security

Item	Description	Grantor	Secured Party	Details
1	Fixed and floating charge	Each Transaction Party	The Bank	Over all present and after acquired property but excluding the land and improvements known as 78 Middleborough Road, Old Burwood Road, Burwood Victoria and the other Excluded Property.
2	First ranking mortgage	Originally granted by the Borrower but subsequently assumed by Reading Properties Pty Ltd	The Bank	The land and improvements known as 98 York Street, South Melbourne, Victoria and described in certificate of title volume 9944 folio 571.
3	First ranking mortgage	Originally granted by Reading Properties Pty Ltd but subsequently assumed by Reading Auburn Pty Ltd	The Bank	The land and improvements known as Red Yard Entertainment Centre, 100 Parramatta Road, Auburn New South Wales and described in certificate of title 202/1039922.
4	First ranking mortgage	Originally granted by Reading Properties Pty Ltd but subsequently assumed by Reading Maitland Pty Ltd	The Bank	The land and improvements known as Reading Maitland Cinema, Ken Tubman Drive, Maitland New South Wales and described in certificate of title 1/SP41681.
5	First ranking mortgage	Originally granted by Reading Properties Pty Ltd but subsequently assumed by Reading Belmont Pty Ltd	The Bank	The land and improvements known as Reading Cloverdale Cinema 237 Knutsford Avenue, Cloverdale Western Australia and described in certificate of title volume 2189 folio 801.

Item	Description	Grantor	Secured Party	Details
6	First ranking mortgage	Originally granted by Reading Properties Pty Ltd but subsequently assumed by Reading Bundaberg 2012 Pty Ltd (formerly Reading Moonee Ponds Pty Ltd)	The Bank	The land and improvements known as Reading Bundaberg Cinema 1 Johanna Boulevard, Kensington, Queensland and described in certificate of title 50013631.
7	First ranking mortgage	Newmarket Properties Pty Ltd	The Bank	The land and improvements known as Reading Newmarket Shopping Centre, 400 Newmarket Road, Newmarket Queensland and described in certificate of title 50617438.
8	First ranking mortgage	Newmarket Properties No. 2 Pty Ltd	The Bank	The land and improvements known as Corner Enoggera Road and Edmondstone Street, Newmarket Queensland and described in certificate of title 16548229.
9	First ranking mortgage	Originally granted by A.C.N. [Redacted] Pty Ltd, but subsequently assumed by Newmarket Properties #3 Pty Ltd	The Bank	The land and improvements known as 14 Edmondstone Street, Newmarket Queensland and described in certificate of title 12106104.
10	Guarantee and indemnity	Transaction Parties	The Bank	Set out in clause 16 .
11	Mortgage of lease	Reading Cinemas Pty Ltd	The Bank	The leasehold land improvements known as Reading Cinema Waurm Ponds, Corner Pioneer Road and Princes Highway, Waurm Ponds Victoria and described in certificate of title volume 10530 folio 739.
12	Deed of consent	Relevant landlords	The Bank	Deeds of consent landlords of leased cinema properties except for cinema properties located in Dubbo <u>and</u> Mt Gravatt

Item	Description	Grantor	Secured Party	Details
13	Deed of subordination	Borrower Reading International Cinemas LLC	The Bank	Deed of subordination between the Borrower, Reading International Cinemas LLC and the Bank.
14	First ranking mortgage	Reading Cannon Park Pty Ltd ACN [Redacted]	The Bank	The land and improvements known as Cannon Park City Centre and Cannon Park Discount Centre, Corner Hervey Range Road and Pioneer Drive, Thurwingowa Central, Queensland, described in title references 50442105, 50442106 and 51155321

Schedule 4

Not Used

Schedule 5

Not Used

Schedule 6

Verification Certificate

To: National Australia Bank Limited
Level 28, 500 Bourke Street
Melbourne VIC 3000

[date]

Reading Entertainment Australia Pty Ltd Facility Agreement

I, [] being the person whose name and signature appear at the bottom of this document, am a Director of the company named at the bottom of this document (**Transaction Party**) refer to the Corporate Markets Loan & Bank Guarantee Facility Agreement dated on or about the date of this document between, amongst others, Reading Entertainment Australia Pty Ltd as Borrower and National Australia Bank Limited as Bank (**Facility Agreement**) and certify as follows:

1 Certificate of incorporation

A copy of the certificate of incorporation/registration and any certificate of change of name of the Transaction Party is attached and marked A. The copy is true, complete and up-to-date and there have been no amendments or variations since the date of the copy.

2 Extract of minutes of meeting of directors

A true and correct extract of minutes of meeting of directors of the Transaction Party duly convened and held on the date mentioned in the extract is attached and marked B. The resolutions set out in the extract were duly approved, remain in full force and effect and have not been rescinded, amended, modified or revoked. The resolutions confirm that the Transaction Party derives a corporate benefit from the Transaction Documents.

3 Power of attorney

[If applicable: An original power of attorney of the Transaction Party dated [date] appointing attorneys in respect of the Transaction Documents is attached and marked C. This power of attorney remains in full force and has not been revoked.]

4 Specimen signatures

- [In the case of the Borrower, insert: The following are the signatures of the persons appointed as Authorised Representatives of the Transaction Party for the purposes of the Transaction Documents.]
- [In the case of any other Transaction Party insert: The signatures of

Transaction Party for the purposes of the Transaction Documents are set out in the Verification Certificate provided by the Borrower.]

□ [In the case of the Borrower, insert:

Authorised Representatives

Signature:
Name:
Title:

Signature:
Name:
Title:

Signature:
Name:
Title:

5 Solvency declaration

- (a) As at the date of execution of each Transaction Document the Transaction Party is solvent (as defined in section 95A(1) of the Corporations Act) and will not become insolvent (as defined in section 95A(2) of the Corporations Act) by entering into and complying with its obligations under each Transaction Document to which it is expressed to be a party.
- (b) To the best of my knowledge, no application or order has been made, no proceedings have been commenced, no resolutions have been passed or proposed in a notice of meeting and no other steps have been taken for:
 - (i) the winding up, dissolution or administration of the Transaction Party; or
 - (ii) the Transaction Party entering into an arrangement, compromise or composition with or assignment of the benefit of its creditors or a class of them.

6 Trust deed

[If applicable: A copy of the Trust Deed of the Trust of which the Transaction Party is sole trustee is attached and marked D. The copy is true, complete and up-to-date and there have been no amendments or variations since the date of the copy.]

7 Definitions

Terms given a defined or specific meaning in the Facility Agreement and not separately defined in this certificate have the same meaning in this document unless the context requires otherwise.

[Name of person] who is a
Director of [name of Transaction Party]

Date:

Schedule 7

Funding Notice

To: National Australia Bank Limited
Level 28, 500 Bourke Street
Melbourne VIC 3000

[date]

Reading Entertainment Australia Pty Ltd Facility Agreement

I refer to the Corporate Markets Loan & Bank Guarantee Facility Agreement dated [insert date] between, amongst others, Reading Entertainment Australia Pty Ltd as Borrower and National Australia Bank Limited as Bank (**Facility Agreement**). A term which has a defined meaning in the Facility Agreement has the same meaning in this Funding Notice.

The Borrower requires an Advance/a Drawing details of which are as follows:

- (a) the Funding Date is [];
- [either]**
- (b) the amount of the Advance is [];
- (c) the duration of the first Pricing
Period for the Advance is [];

[or]

- (d) the Beneficiary, Face Value and Expiry Date of each Bank Guarantee is:

Beneficiary	Face value	Expiry date

[Name of person] who is an
Authorised Representative of Reading Entertainment Australia Pty Ltd

Schedule 8

Guarantor Accession Deed

Date

Parties

[New Guarantor] (Guarantor)

National Australia Bank Limited ABN 12 004 044 937 of Pier 3 Level 4, 800 Bourke Street, Docklands, Victoria 3008 (**Bank**)

Agreed terms

1 Interpretation

Facility Agreement means the Corporate Markets Loan & Bank Guarantee Facility Agreement dated [date] between, amongst others, Reading Entertainment Australia Pty Ltd as Borrower and National Australia Bank Limited as Bank together with all supplements to it.

Terms defined or given a meaning in the Facility Agreement have the same meaning in this document.

2 Transaction Document

This document is a Transaction Document for the purposes of the Facility Agreement.

3 Accession

- (a) The Guarantor:
 - (i) agrees with each person who is or becomes a party to the Facility Agreement that with effect on and from the date of this document, it will be bound by the Facility Agreement as a Guarantor and a Transaction Party; and
 - (ii) makes in relation to itself in favour of the Bank the representations and warranties set out in **clause 8.1** of the Facility Agreement.
- (b) Each party agrees with the Guarantor that, with effect from the date of this document, the Guarantor will have the benefit of the Facility Agreement as a Transaction Party and Guarantor.

4 Notice

The address for notice of the Guarantor for the purposes of **clause 19.3** of the Facility Agreement is:

Address: Fax:

Attention:

5 Governing law

This document is governed by the laws of Victoria.

Executed as a deed.

Schedule 9

Annual Compliance Certificate

To: National Australia Bank Limited
Level 28, 500 Collins Street
Melbourne VIC 3000

[date]

Reading Entertainment Australia Pty Ltd Facility Agreement

1 We refer to the Facility Agreement (**Facility Agreement**) dated [insert date] between, amongst others, Reading Entertainment Australia Pty Ltd as Borrower and National Australia Bank Limited as Bank. A term which has a defined meaning in the Facility Agreement has the same meaning in this Compliance Certificate.

This is an Annual Compliance Certificate given for the purpose of **clause 9.4(b)** of the Facility Agreement.

2 We confirm that:

- (a) the Fixed Charges Cover Ratio for the Financial Year ending [date] was [].
- (b) the Leverage Ratio for the Financial Year ending [date] was [].
- (c) the Debt to Debt plus Equity Ratio for the Financial Year ending [date] was [].
- (d) the Loan to Value Ratio for the Financial Year ending [date] was [].

3 We confirm that, as at the date of this Compliance Certificate:

- (a) no Event of Default, Review Event or Potential Event of Default has occurred and is continuing [or provide details of any Event of Default, Review Event or Potential Event of Default];
- (b) there are no Taxes or other statutory payments which are due and payable by a Transaction Party but unpaid [or provide details of any Taxes and other statutory payments which are being contested]; and
- (c) the representations and warranties in **clause 8.1** of the Facility Agreement which are to be repeated as at the date of this Compliance Certificate are correct.

4 We confirm that the position of the Reading Entertainment Australia Group with respect to the following liabilities is as follows:

Liability	Lodgement Cycle (Ann/Qtr/Mth - Please Circle)	Current (Yes/No - Please Circle)	If current, last payment details (Use brackets where refund)	If not current, Outstanding Details	Comments (eg – Arrangement with ATO)
GST	A Q M	Yes No	Amt: Date:	Amt: Date:	
PAYG- Withholding	A Q M	Yes No	Amt: Date:	Amt: Date:	
PAYG- Instalments (Income Tax)	A Q M	Yes No	Amt: Date:	Amt: Date:	
Employer Superannuation Contributions	A Q M	Yes No	Amt: Date:	Amt: Date:	
Payroll Tax	A M	Yes No	Amt: Date:	Amt: Date:	
Workcover		Yes No	Amt: Date:	Amt: Date:	
Other Taxes?		Yes No	Amt: Date:	Amt: Date:	

*** Where amounts are outstanding please provide the following information to support the advised position:**

- Copy of the latest ATO Running Balance Account Statement (RBA);
- Have all BAS's/IAS's have been lodged? **Yes / No** (please circle);

If No - What statements are outstanding with associated liability amount?

Is any Group Member required to provide superannuation coverage under an industrial award?

Yes / No (please circle)

If Yes – With reference to Industrial Awards, in accordance with any Award(s) that may have application to my/our industry and employees, I/We confirm that the prescribed amounts provided for in the Award(s) are being contributed to an eligible fund(s).

[Name of person] who is a
Director of Reading Entertainment Australia Pty Ltd
For and on behalf of Reading Entertainment Australia Pty Ltd

Schedule 10

Interim Compliance Certificate

To: National Australia Bank Limited
Level 28, 500 Collins Street
Melbourne VIC 3000

[date]

Reading Entertainment Australia Pty Ltd Facility Agreement

- 1 We refer to the Facility Agreement (**Facility Agreement**) dated *[insert date]* between, amongst others, Reading Entertainment Australia Pty Ltd as Borrower and National Australia Bank Limited as Bank. A term which has a defined meaning in the Facility Agreement has the same meaning in this Compliance Certificate.

This is an Interim Compliance Certificate given for the purpose of **clause 9.4(c)** of the Facility Agreement.
- 2 We confirm that:
 - (a) the Fixed Charges Cover Ratio for the 12 month period ending *[Calculation Date]* was [].
 - (b) the Leverage Ratio for the 12 month period ending *[Calculation Date]* was [].
 - (c) the Loan to Value Ratio for the 12 month period ending *[Calculation Date]* was [].
- 3 We confirm that, as at the date of this Compliance Certificate:
 - (a) no Event of Default, Review Event or Potential Event of Default has occurred and is continuing *[or provide details of any Event of Default, Review Event or Potential Event of Default]*; and
 - (b) the representations and warranties in **clause 8.1** of the Facility Agreement which are to be repeated as at the date of this Compliance Certificate are correct.
- 4 I confirm that the position of the Reading Entertainment Australia Group with respect to the following liabilities is as follows:

Liability Description	Lodgement Cycle Ann/Qtr/Mth (Please Circle)	Current (Yes/No) (Please Circle)	If Current Last Payment Details (Use brackets where refund)	If Not Current Outstanding Details	Comments (eg – Repayment Arrangement entered with ATO)
GST	A Q M	Yes No	Amt: Date:	Amt: Date:	
PAYG- Withholding	A Q M	Yes No	Amt: Date:	Amt: Date:	
PAYG- Instalments (Income Tax)	A Q M	Yes No	Amt: Date:	Amt: Date:	
Employer Superannuation Contributions	Q M %	Yes No	Amt: Date:	Amt: Date:	
Payroll Tax	A M	Yes No	Amt: Date:	Amt: Date:	
Workcover		Yes No	Amt: Date:	Amt: Date:	
Other Taxes?		Yes No	Amt: Date:	Amt: Date:	

*** Where amounts are outstanding please provide the following information to support the advised position:**

- Copy of the latest ATO Running Balance Account Statement (RBA);
- Have all BAS's/IAS's have been lodged? **Yes / No** (please circle);

If No - What statements are outstanding with associated liability amount?

Is any Group Member required to provide superannuation coverage under an industrial award?

Yes / No (please circle)

If Yes – With reference to Industrial Awards, in accordance with any Award(s) that may have application to my/our industry and employees, I/We confirm that the prescribed amounts provided for in the Award(s) are being contributed to an eligible fund(s).

[Name of person] who is a
Director of Reading Entertainment Australia Pty Ltd
For and on behalf of Reading Entertainment Australia Pty Ltd

Corporate & Institutional Banking

Level 28, 500 Bourke Street
Melbourne VIC 3000
AUSTRALIA

9 April 2020

The Directors
Reading Entertainment Australia Pty Ltd (ACN [Redacted]) (**Borrower** and/or **you**)
98 York Street
South Melbourne VIC 3205

Copy to:

Each entity listed in Schedule 1 (each, a **Guarantor** and together with the Borrower, the **Transaction Parties**)

Dear Directors,

LETTER OF WAIVER

We refer to the “Corporate Markets Loan & Bank Guarantee Facility Agreement” originally dated 24 June 2011 between, among others, National Australia Bank Limited ABN 12 004 044 937 (**Bank** and/or **we**) and you (as amended from time to time, including on 27 March 2019 (**Facility Agreement**)). Terms defined in the Facility Agreement have the same meanings in this letter.

We understand that, due to the closure of all cinemas operated by the Reading Entertainment Australia Group as a direct result of the COVID-19 coronavirus pandemic, a Material Adverse Effect is subsisting under paragraph (a) of that definition (**MAE Event**). The MAE Event is an Event of Default under clause 10.1(i) (“Material Adverse Effect”) of the Facility Agreement.

- 1 The Borrower has requested that the Bank waive its rights under clause 10.2(a) (“Effect of Event of Default”) of the Facility Agreement with respect to:
 - (a) the MAE Event; and
 - (b) an Event of Default that may arise solely as a result of the failure by the Borrower to comply with clause 9.7(a)(i) (“Fixed Charges Cover Ratio”) or 9.7(a)(ii) (“Leverage Ratio”) in respect of the Calculation Period ending on 30 June 2020 or 30 September 2020 only (together with the MAE Event, the **Relevant Events**),

on, and subject to, the terms of this letter.

- 2 Subject to the following conditions:
 - (a) receipt by the Bank of an original of this letter, duly executed by each Transaction Party; and
 - (b) each Transaction Party complying at all times with its obligations in paragraph 3 below,

the Bank agrees to waive its rights under clause 10.2(a) (“Effect of Event of Default”) of the Facility Agreement with respect to each Relevant Event. For the avoidance of doubt, the waiver in this clause 2 does not extend to any other event or circumstance that is subsisting or that may arise after the date of this letter (including, without limitation, any Material Adverse Effect that may arise or subsist due to a change in the circumstances, business or condition of a Transaction Party or the Reading Entertainment Australia Group after the date of this letter as a result of the COVID-19 pandemic).

- 3 Notwithstanding the waivers in paragraph 2 above or any other term of a Transaction Document to the contrary, each Transaction Party agrees and acknowledges that it will not make any Distribution without the prior written consent of the Bank.
- 4 If paragraph 3 is not complied with at any time, any waiver given by the Bank in this letter ceases, the Bank's rights are reinstated and preserved and, at the option of the Bank, an Event of Default under the Facility Agreement will occur.
- 5 Except to the extent expressly set out in this letter, nothing in this letter or otherwise operates as a waiver of any obligation of a Transaction Party nor shall anything prevent any further or other exercise, or the exercise, of any other right or remedy of the Bank.
- 6 Each Transaction Party acknowledges incurring obligations and giving rights under this letter for valuable consideration received from the Bank.
- 7 The Facility Agreement continues in full force and effect. Rights given to the Bank under or in connection with any Transaction Document, and the obligations of the Transaction Parties under it, are not affected by any act or omission or any other thing which might otherwise affect them under law or otherwise.
- 8 The parties acknowledge and agree that this letter is a "Transaction Document" for the purposes of the Facility Agreement. If there is a conflict between the Facility Agreement and this letter, the terms of this letter prevail.
- 9 This letter:
- (a) may consist of a number of copies, each signed by one or more parties to this letter. If so, the signed copies are treated as making up the one letter; and
 - (b) will be governed by and construed in accordance with the laws in force in Victoria and each party submits to the non-exclusive jurisdiction of the courts of Victoria.

Yours faithfully

Signed by or on behalf of National Australia Bank Limited



Jonathan Kerr
Associate Director, NAB Corporate Email:
Jonathan.Kerr@nab.com.au

Schedule 1 – Guarantors

Guarantor	Notice details
Reading Entertainment Australia Pty Ltd	98 York Street South Melbourne VIC 3205 Attention: Managing Director AND TO: Reading International Inc. 5995 Sepulveda Blvd, Suite 300 Culver City, California 90230 United States of America Attention: EVP, Chief Financial Officer and Treasurer
Australia Country Cinemas Pty Ltd	As above
Australian Equipment Supply Pty Ltd	As above
Burwood Developments Pty Ltd	As above
Epping Cinemas Pty Ltd	As above
Hotel Newmarket Pty Ltd	As above
Newmarket Properties Pty Ltd	As above
Newmarket Properties No. 2 Pty Ltd	As above
Newmarket Properties #3 Pty Ltd	As above
Reading Auburn Pty Ltd	As above
Reading Australia Leasing (E&R) Pty Ltd	As above
Reading Belmont Pty Ltd	As above
Reading Bundaberg 2012 Pty Ltd	As above
Reading Charlestown Pty Ltd	As above
Reading Cinemas Pty Ltd	As above
Reading Cinemas Management Pty Ltd	As above
Reading Colac Pty Ltd	As above
Reading Dandenong Pty Ltd	As above
Reading Elizabeth Pty Ltd	As above
Reading Exhibition Pty Ltd	As above
Reading Licences Pty Ltd	As above
Reading Maitland Pty Ltd	As above
Reading Melton Pty Ltd	As above
Reading Properties Pty Ltd	As above
Reading Properties Indooroopilly Pty Ltd as trustee for the Landplan Property Partners Discretionary Trust	As above
Reading Properties Taringa Pty Ltd as trustee for the Reading Property Partners No. 1 Discretionary Trust	As above
Reading Property Holdings Pty Ltd	As above
Reading Rouse Hill Pty Ltd	As above
Reading Sunbury Pty Limited	As above
Rhodes Peninsula Cinema Pty Limited	As above
Westlakes Cinema Pty Ltd	As above
A.C.N. 143 633 096 Pty Ltd	As above
Reading Cannon Park Pty Ltd	As above

Each Transaction Party accepts and agrees to the terms of this letter by signing below.

EXECUTED by READING)
ENTERTAINMENT AUSTRALIA PTY LTD)
ACN [Redacted] in accordance with section)
127(1) of the Corporations Act 2001 (Cwlth) by)
authority of its directors:)

/s/ Ellen Cotter)
Signature of director)

Ellen Cotter)
Name of director (block letters))

/s/ Andrzej Matyczynski)
Signature of director/~~company secretary~~*)
*delete whichever is not applicable

Andrzej Matyczynski)
Name of director/~~company secretary~~* (block letters))
*delete whichever is not applicable

EXECUTED by each of

AUSTRALIA COUNTRY CINEMAS PTY LTD ACN [Redacted];
AUSTRALIAN EQUIPMENT SUPPLY PTY LTD ACN [Redacted];
BURWOOD DEVELOPMENTS PTY LTD ACN [Redacted];
EPPING CINEMAS PTY LTD ACN [Redacted];
HOTEL NEWMARKET PTY LTD ACN [Redacted];
NEWMARKET PROPERTIES PTY LTD ACN [Redacted];
NEWMARKET PROPERTIES NO. 2 PTY LTD ACN [Redacted];
NEWMARKET PROPERTIES #3 PTY LTD ACN [Redacted];
READING AUBURN PTY LTD ACN [Redacted];
READING AUSTRALIA LEASING (E&R) PTY LTD ACN [Redacted];
READING BELMONT PTY LTD ACN [Redacted];
READING BUNDABERG 2012 PTY LTD ACN [Redacted];
READING CHARLESTOWN PTY LTD ACN [Redacted];
READING CINEMAS PTY LTD ACN [Redacted];
READING CINEMAS MANAGEMENT PTY LTD ACN [Redacted];
READING COLAC PTY LTD ACN [Redacted];
READING DANDENONG PTY LTD ACN [Redacted];
READING ELIZABETH PTY LTD ACN [Redacted];
READING EXHIBITION PTY LTD ACN [Redacted];
READING LICENCES PTY LTD ACN [Redacted];
READING MAITLAND PTY LTD ACN [Redacted];
READING MELTON PTY LTD ACN [Redacted];
READING PROPERTIES PTY LTD [Redacted];
READING PROPERTIES INDOOROOPILLY PTY LTD ACN [Redacted] AS TRUSTEE FOR
THE LANDPLAN PROPERTY PARTNERS DISCRETIONARY TRUST;
READING PROPERTIES TARINGA PTY LTD ACN [Redacted] AS TRUSTEE FOR THE
READING PROPERTY PARTNERS NO. 1 DISCRETIONARY TRUST;
READING PROPERTY HOLDINGS PTY LTD ACN [Redacted];
READING ROUSE HILL PTY LTD ACN [Redacted];
READING SUNBURY PTY LIMITED ACN [Redacted];
RHODES PENINSULA CINEMA PTY LIMITED ACN [Redacted];
WESTLAKES CINEMA PTY LTD ACN [Redacted];
A.C.N. 143 633 096 PTY LTD ACN [Redacted]; and READING
CANNON PARK PTY LTD ACN [Redacted],

in accordance with section 127(1) of the Corporations Act 2001 (Cwlth) by authority of each of its directors:

/s/ Ellen Cotter

Signature of director

Ellen Cotter

Name of director (block letters)

/s/ Andrzej Matyczynski

Signature of director/~~company secretary~~*

*delete whichever is not applicable

Andrzej Matyczynski

Name of director/~~company secretary~~* (block letters)

*delete whichever is not applicable

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of March 6, 2020

among

CONSOLIDATED AMUSEMENT HOLDINGS, LLC,

as the Borrower,

THE AFFILIATES OF THE BORROWER PARTY HERETO,

as the Guarantors,

BANK OF AMERICA, N.A.,

as Administrative Agent, Swingline Lender and

L/C Issuer,

and

THE LENDERS PARTY HERETO

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as Sole Lead Arranger and Sole Bookrunner

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SECOND AMENDED AND RESTATED CREDIT AGREEMENT

This SECOND AMENDED AND RESTATED CREDIT AGREEMENT is entered into as of March 6, 2020, among CONSOLIDATED AMUSEMENT HOLDINGS, LLC, a Nevada limited liability company (the “**Borrower**”), the Guarantors (defined herein), the Lenders (defined herein), and BANK OF AMERICA, N.A., as Administrative Agent, Swingline Lender and L/C Issuer.

PRELIMINARY STATEMENTS:

A. The parties hereto are parties to an Amended and Restated Credit Agreement dated as of November 28, 2014, as amended (collectively, the “**Existing Credit Agreement**”) and certain other Loan Documents entered into in connection with (and as defined in) the Existing Credit Agreement (collectively with the Existing Credit Agreement, the “**Existing Loan Documents**”), pursuant to which the Lenders provide senior revolving and letter of credit facilities to the Borrower in the aggregate principal amount of up to \$55,000,000 as set forth in the Existing Credit Agreement.

B. The parties hereto wish to enter into this Agreement, which shall amend, restate, replace and supersede (but not cause a novation of) the Existing Credit Agreement and the other Existing Loan Documents.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I DEFINITIONS AND ACCOUNTING TERMS

1.01 **Defined Terms.**

As used in this Agreement, the following terms shall have the respective meanings set forth below:

“**Acquisition**” means the acquisition, whether through a single transaction or a series of related transactions, of (a) a majority of the Voting Stock or other controlling ownership interest in another Person, whether by purchase of such equity or other ownership interest or upon the exercise of an option or warrant for, or conversion of securities into, such equity or other ownership interest, or (b) assets of another Person which constitute all or substantially all of the assets of such Person or of a division, line of business or other business unit of such Person.

“**Additional Secured Obligations**” means (a) all obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements and (b) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, expenses and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, expenses and fees are allowed

claims in such proceeding; provided that Additional Secured Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor.

“Administrative Agent” means Bank of America in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

“Administrative Agent’s Office” means the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 1.01(a), or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

“Administrative Questionnaire” means an Administrative Questionnaire in substantially the form of Exhibit A or any other form approved by the Administrative Agent.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Aggregate Commitments” means the Commitments of all the Lenders.

“Agreement” means this Second Amended and Restated Credit Agreement, as it may be amended or amended and restated from time to time.

“Amendment Effective Date” means the date hereof.

“Annualized” means, in the case of the distributions and dividends described in clause (a) (vi) of the definition of Consolidated Fixed Charge Coverage Ratio made during 2020: (a) for the fiscal quarter ending March 31, 2020, the amount of such distributions and dividends for such fiscal quarter multiplied by 4; (b) for the fiscal quarter ending June 30, 2020, the amount of such distributions and dividends for such fiscal quarter and for the fiscal quarter ending March 31, 2020 multiplied by 2; (c) for the fiscal quarter ending September 30, 2020, the amount of such distributions and dividends for such fiscal quarter and for the fiscal quarters ending March 31, 2020 and June 30, 2020 multiplied by 4/3; and (d) for the fiscal quarter ending December 31, 2020, the amount of such distributions and dividends for such fiscal quarter and for the fiscal quarters ending March 31, 2020, June 30, 2020 and September 30, 2020 multiplied by 1.

“Applicable Percentage” means, with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Facility represented by such Lender’s Commitment at such time, subject to adjustment as provided in Section 2.15. If the Commitment of all of the Lenders to make Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, or if the Commitments have expired, then the Applicable Percentage of each Lender in respect of the Facility shall be determined based on the Applicable Percentage of such Lender in respect of the Facility most recently in effect, giving effect to any subsequent assignments. The Applicable Percentage of each Lender in respect of the Facility is set forth opposite the name of such Lender on Schedule 1.01(b) or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

“Applicable Rate” means, for any day, the rate per annum set forth below opposite the applicable Level then in effect (based on the Consolidated Leverage Ratio), it being understood

that the Applicable Rate for (a) Base Rate Loans shall be the percentage set forth under the column “Base Rate,” (b) Eurodollar Rate Loans shall be the percentage set forth under the column “Eurodollar Rate & Letter of Credit Fee,” (c) the Letter of Credit Fee shall be the percentage set forth under the column “Eurodollar Rate & Letter of Credit Fee,” and (d) the Commitment Fee shall be the percentage set forth under the column “Commitment Fee”:

Applicable Rate				
Level	Consolidated Leverage Ratio	Eurodollar Rate & Letter of Credit Fee	Base Rate	Commitment Fee
1	≤2.25:1	2.50%	1.50%	0.20%
2	>2.25: 1 but ≤2.50:1	2.75%	1.75%	0.25%
3	>2.50:1	3.00%	2.00%	0.30%

Any increase or decrease in the Applicable Rate resulting from a change in the Consolidated Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(b) to the Administrative Agent; provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, then, upon the request of the Required Lenders, Pricing Level 3 shall apply, in each case as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and in each case shall remain in effect until the first Business Day following the date on which such Compliance Certificate is delivered. In addition, at all times while the Default Rate is in effect, the highest rate set forth in each column of the Applicable Rate shall apply.

Notwithstanding anything to the contrary contained in this definition, (a) the determination of the Applicable Rate for any period shall be subject to the provisions of Section 2.10(b) and (b) the initial Applicable Rate shall be set forth in Level 3 until the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(b) for the first full fiscal quarter to occur following the Amendment Effective Date to the Administrative Agent. Any adjustment in the Applicable Rate shall be applicable to all Credit Extensions then existing or subsequently made or issued.

The Applicable Rate set forth above shall be increased as, and to the extent, required by Section 2.16.

“**Appropriate Lender**” means, at any time, (a) a Lender that has a Commitment with respect to the Facility or holds a Loan under the Facility at the time, (b) with respect to the Letter of Credit Sublimit, (i) the L/C Issuer and (ii) if any Letters of Credit have been issued pursuant to Section 2.03, the Lenders and (c) with respect to the Swingline Sublimit, (i) the Swingline Lender and (ii) if any Swingline Loans are outstanding pursuant to Section 2.04(a), the Lenders.

“**Approved Fund**” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arranger” means Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation’s or any of its subsidiaries’ investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), in its capacity as sole lead arranger and sole bookrunner.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit B or any other form (including an electronic documentation form generated by use of an electronic platform) approved by the Administrative Agent.

“Audited Financial Statements” means the audited Consolidated balance sheet of the Borrower and its Subsidiaries for the fiscal year ended December 31, 2018, and the related Consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year of the Borrower and its Subsidiaries, including the notes thereto.

“Availability Period” means the period from and including the Amendment Effective Date to the earliest of (i) the Maturity Date, (ii) the date of termination of the Commitments pursuant to Section 2.06, and (iii) the date of termination of the Commitment of each Lender to make Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 8.02.

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

“Bail-In Legislation” means, 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.

“Bank of America” means Bank of America, N.A. and its successors.

“Base Rate” means for any day a fluctuating rate of interest per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate,” and (c) the Eurodollar Rate plus 1.00% subject to the interest rate floors set forth therein; provided that if the Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

“Base Rate Loan” means a Loan that bears interest based on the Base Rate.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan.”

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Borrower” has the meaning specified in the introductory paragraph hereto.

“Borrower Materials” has the meaning specified in Section 6.02.

“Borrowing” means a Revolving Borrowing or a Swingline Borrowing, as the context may require.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent’s Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day that is also a London Banking Day.

“Capital Expenditures” means, with respect to any Person for any period, any expenditure in respect of the purchase or other acquisition of any fixed or capital asset that, in accordance with GAAP, should be included in “purchases of and additions to property and equipment” or similar items reflected in the consolidated statement of cash flows of such Person (excluding normal replacements and maintenance which are properly charged to current operations).

“Carmel” means Carmel Theatres, LLC, a Nevada limited liability company.

“Cash Collateral Account” means a blocked, non-interest bearing deposit account of one or more of the Loan Parties at Bank of America in the name of the Administrative Agent and under the sole dominion and control of the Administrative Agent, and otherwise established in a manner satisfactory to the Administrative Agent.

“Cash Collateralize” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the L/C Issuer or the Swingline Lender (as applicable) or the Lenders, as collateral for the L/C Obligations, the Obligations in respect of Swingline Loans, or obligations of the Lenders to fund participations in respect of either thereof (as the context may require), (a) cash or deposit account balances, (b) backstop letters of credit entered into on terms, from issuers and in amounts satisfactory to the Administrative Agent and the L/C Issuer, and/or (c) if the Administrative Agent and the L/C Issuer or Swingline Lender shall agree, in their sole discretion, other credit support, in each case, in Dollars and pursuant to documentation in form and substance satisfactory to the Administrative Agent and the L/C Issuer or Swingline Lender (as applicable). **“Cash Collateral”** shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“Cash Equivalents” means any of the following types of Investments, to the extent owned by the Borrower or any of its Subsidiaries free and clear of all Liens (other than Permitted Liens):

(a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than three hundred sixty days (360) days from the date of acquisition thereof; provided that the full faith and credit of the United States is pledged in support thereof;

(b) time deposits with, or insured certificates of deposit or bankers’ acceptances of, any commercial bank that (i) (A) is a Lender or (B) is organized under the laws of the United States, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (c) of this definition and (iii) has combined capital and surplus of at least \$1,000,000,000, in each case with maturities of not more than ninety (90) days from the date of acquisition thereof;

(c) commercial paper issued by any Person organized under the laws of any state of the United States and rated at least “Prime-1” (or the then equivalent grade) by Moody’s or at least “A-1” (or the then equivalent grade) by S&P, in each case with maturities of not more than one hundred eighty (180) days from the date of acquisition thereof;

(d) Investments, classified in accordance with GAAP as current assets of the Borrower or any of its Subsidiaries, in money market investment programs registered under the Investment Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody’s or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (a), (b) and (c) of this definition; and

(e) demand deposit accounts maintained in the ordinary course of business.

“Cash Management Agreement” means any agreement that is not prohibited by the terms hereof to provide treasury or cash management services, including deposit accounts, overnight draft, credit cards, debit cards, p-cards (including purchasing cards and commercial cards), funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

“Cash Management Bank” means any Person in its capacity as a party to a Cash Management Agreement that, (a) at the time it enters into a Cash Management Agreement with a Loan Party or any Subsidiary, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Cash Management Agreement with a Loan Party or any Subsidiary, in each case in its capacity as a party to such Cash Management Agreement (even if such Person ceases to be a Lender or such Person’s Affiliate ceased to be a Lender); provided, however, that for any of the foregoing to be included as a “Secured Cash Management Agreement”

on any date of determination by the Administrative Agent, the applicable Cash Management Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

“**CFC**” means a Person that is a controlled foreign corporation under Section 957 of the Code.

“**Change in Law**” means the occurrence, after the Amendment Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“**Change of Control**” means an event or series of events by which:

(a) at any time Parent shall cease to own all of the Equity Interests in the Borrower;

(b) at any time Reading shall cease to own, directly or indirectly, at least 51% of the Equity Interests in Parent; or

(c) at any time neither Ellen Cotter nor Margaret Cotter, directly or indirectly, through any combination of (i) their individual beneficial ownership of any such shares, (ii) their respective roles as the sole executors of the Estate of James J. Cotter, Sr., as the co-trustees of the James J. Cotter, Sr., Living Trust, and/or as the trustee or trustees of any trust formed for the benefit of the grandchildren of James J. Cotter, Sr., or (iii) their direct or indirect control of any other trust, entity or partnership, controls in the aggregate at least 51% of the voting power of Reading, or any successor to Reading.

“**Code**” means the Internal Revenue Code of 1986.

“**Collateral**” means all personal property of the Loan Parties that is or is intended under the terms of the Collateral Documents to be subject to Liens in favor of the Administrative Agent for the benefit of the Secured Parties.

“**Collateral Documents**” means, collectively, the Security Agreement, each Joinder Agreement, each of the collateral assignments, security agreements, pledge agreements or other

similar agreements delivered to the Administrative Agent pursuant to Section 6.14, and each of the other agreements, instruments or documents that creates or purports to create a Lien in favor of the Administrative Agent for the benefit of the Secured Parties.

“Commitment” means, as to each Lender, its obligation to (a) make Revolving Loans to the Borrower pursuant to Section 2.01, (b) purchase participations in L/C Obligations, and (c) purchase participations in Swingline Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 1.01(b) under the caption “Commitment” or opposite such caption in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

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

“Compliance Certificate” means a certificate substantially in the form of Exhibit C.

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated” means, when used with reference to financial statements or financial statement items of any Person and its Subsidiaries, such statements or items on a consolidated basis in accordance with the consolidation principles of GAAP, provided that as of the Amendment Effective Date, the entities holding the theaters and circuit set forth on Schedule 1.01(c) will be considered to be Consolidated Subsidiaries of the Borrower and Subsidiaries of the Borrower for the purposes of this Agreement.

“Consolidated Cash Interest Charges” means, for any Measurement Period, the sum of (a) all cash interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (b) all cash interest paid or payable with respect to discontinued operations and (c) the portion of rent expense in respect of Finance Lease Obligations that is treated as interest in accordance with GAAP, in each case, of or by the Borrower and its Subsidiaries on a Consolidated basis with respect to such Measurement Period.

“Consolidated Debt Service Coverage Ratio” means, at any date of determination, the ratio of (a) Consolidated EBITDA to (b) the sum of (i) Consolidated Cash Interest Charges for the most recently completed Measurement Period and (ii) (A) the aggregate principal amount of Revolving Loans outstanding on such date divided by (B) five (5).

“Consolidated EBITDA” means, at any date of determination, an amount equal to Consolidated Net Income for the most recently completed Measurement Period plus the following to the extent deducted in accordance with GAAP in calculating such Consolidated Net Income (without duplication):

- (a) interest expense, determined on a consolidated basis,

(b) the provision for federal, state, local and foreign income taxes payable including distributions made in reliance upon Section 7.06(b) hereof during such period,

(c) depreciation and amortization expense,

(d) expenses, charges and other adjustments in any case reducing such Consolidated Net Income and which do not represent a cash item in such period or any future period, including, without limitation, any compensation paid in the form of equity, stock option and/or restricted stock option grants,

(e) any expenses or charges related to any Equity Issuance, Investment, Disposition, recapitalization or incurrence or repayment of Indebtedness, including a refinancing thereof, in each case to the extent permitted hereunder and in each case whether or not consummated, and any amendment or modification to the terms of any such transactions, including such fees, expenses or charges related to the consummation of the transactions contemplated to be consummated hereby on the Amendment Effective Date,

(f) any losses from such period resulting from the Disposition (or Involuntary Disposition) of any asset of the Borrower or any Subsidiary outside of the ordinary course of business, including, without limitation, any net loss from discontinued operations and any net loss on disposal of discontinued operations, in any case to the extent permitted by this Agreement (minus any gains resulting from the foregoing), and

(g) other extraordinary expenses for such period up to an aggregate amount not to exceed \$10,000,000 in the aggregate over the life of this Agreement (it being understood and agreed that (i) Item 10(e) of Regulation S-K under the Securities Act shall not constitute a limitation on any such determination, and (ii) expenses shall be extraordinary only if classified as such by the Loan Parties' independent certified public accountants and if approved by the Required Lenders.

“Consolidated Fixed Charge Coverage Ratio” means, at any date of determination, the ratio of (a) (i) Consolidated EBITDA, plus (ii) rentals payable under leases of real or personal, or mixed, property, less (iii) the aggregate amount of Capital Expenditures, plus (iv) the increase in the aggregate outstanding principal amount of the Revolving Loans minus any portion of such increase used by the Borrower to pay the purchase consideration for any Acquisition permitted by the Lenders pursuant to Section 7.03(g) hereof, provided that the amount derived pursuant to this clause (b)(iv) shall not exceed the aggregate amount of Capital Expenditures, plus (v) capital contributions that are permitted Investments pursuant to Section 7.03(c)(iii) or Section 7.03(c)(iv), not to exceed (A) the aggregate amount of Capital Expenditures less (B) the amount of Capital Expenditures made with the proceeds of Revolving Loans, minus (vi) the sum of (A) without duplication of any amount covered by clause (b)(ii) below, the aggregate amount of all distributions and dividends for taxes made or paid in cash in compliance with Section 7.06(b) hereof and (B) all other discretionary or non-discretionary dividends or distributions made or paid in cash, in each case, of or by the Borrower and its Subsidiaries (or solely in the case of subclause (A) of this clause (a)(vi), of or by Borrower and its Subsidiaries or Parent), excluding (1), in each case of subclause (A) or (B) of this clause (a)(vi), any dividends or distributions made by Carmel to Parent the proceeds of which are contributed by Parent to the Borrower and (2) any

Special Distributions; to (b) the sum of (i) Consolidated Cash Interest Charges, (ii) the aggregate amount of federal, state, local and foreign income taxes paid in cash, (iii) rentals payable under leases of real or personal, or mixed, property, and (iv) the current portion of long-term debt, except to the extent relating to the Indebtedness evidenced hereby, for the most recently completed Measurement Period. The distributions and dividends described in clause (a)(vi) of this definition shall be determined, (a) in the case of any test date that includes one or more fiscal quarters ending in 2020, on an Annualized basis and (b) in the case of any test date that includes one or more fiscal quarters ending after 2020, on a trailing four quarters basis.

“Consolidated Funded Indebtedness” means, as of any date of determination, for the Borrower and its Subsidiaries on a Consolidated basis, the sum of (a) the outstanding principal amount of all obligations, whether current or long-term, for borrowed money (including Obligations hereunder) and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (b) all purchase money Indebtedness and Finance Lease Obligations, (c) the maximum amount available to be drawn under issued and outstanding letters of credit (including standby and commercial), bankers’ acceptances, and bank guaranties, except to the extent cash collateralized, (d) all obligations in respect of the deferred purchase price of property or services (other than (i) trade accounts payable in the ordinary course of business and other accrued expenses incurred in the ordinary course of business, (ii) deferred compensation and (iii) any earn-out obligation until such obligation is not paid after becoming due and payable), (e) all obligations to purchase, redeem, retire, defease or otherwise make any payment prior to the Maturity Date in respect of any Equity Interests or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, (f) without duplication, all Guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) through (e) above of Persons other than the Borrower or any Subsidiary (including, without limitation, the Borrower’s guarantee obligations with respect to the Reading Indebtedness), and (g) all Indebtedness of the types referred to in clauses (a) through (f) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which the Borrower or a Subsidiary is a general partner or joint venturer, unless such Indebtedness is expressly made non-recourse to the Borrower or such Subsidiary.

“Consolidated Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness as of such date to (b) Consolidated EBITDA for the most recently completed Measurement Period.

“Consolidated Net Income” means, at any date of determination, the net income (or loss) of the Borrower and its Subsidiaries on a Consolidated basis for the most recently completed Measurement Period determined in accordance with GAAP; provided that Consolidated Net Income shall exclude (a) extraordinary gains and extraordinary losses for such Measurement Period, as determined by the Borrower and subject to confirmation by the Required Lenders, (b) the net income of any Subsidiary during such Measurement Period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of any agreement applicable to such Subsidiary during such Measurement Period, except that the Borrower’s equity in any net loss of any such Subsidiary for such Measurement Period shall be included in determining Consolidated Net Income, and (c) any income (or loss) for such Measurement Period of any Person if such Person is not a

Subsidiary, except that the Borrower's equity in the net income of any such Person for such Measurement Period shall be included in Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such Measurement Period to the Borrower or a Subsidiary as a dividend or other.

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

Control means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

Covered Entity means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

Credit Extension means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

Debtor Relief Laws means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

Default means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

Default Rate means (a) with respect to any Obligation for which a rate is specified, a rate per annum equal to two percent (2%) in excess of the rate otherwise applicable thereto and (b) with respect to any Obligation for which a rate is not specified or available, a rate per annum equal to the Base Rate plus the Applicable Rate for Base Rate Loans plus two percent (2%), in each case, to the fullest extent permitted by applicable Law.

Default Right has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

Defaulting Lender means, subject to [Section 2.15\(b\)](#), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the L/C Issuer, the Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swingline Loans) within two (2) Business Days of the date when due, (b) has notified the

Borrower, the Administrative Agent, the L/C Issuer or the Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower, the L/C Issuer, the Swingline Lender and each other Lender promptly following such determination.

"Deposit Account" has the meaning set forth in the UCC.

"Disposition" or **"Dispose"** means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any property by any Loan Party or Subsidiary (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, but excluding any Involuntary Disposition.

"Dollar" and **"\$"** mean lawful money of the United States.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of any political subdivision of the United States.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA

Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 11.06 (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

“Environmental Laws” means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Environmental Permit” means any permit, approval, identification number, license or other authorization required under any Environmental Law.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“Equity Issuance” means, any issuance by any Loan Party or any Subsidiary of a Loan Party to any Person of its Equity Interests, other than (a) any issuance of its Equity Interests pursuant to the exercise of options or warrants, (b) any issuance of its Equity Interests pursuant to the conversion of any debt securities to equity or the conversion of any class of equity securities to any other class of equity securities, (c) any issuance of options or warrants relating to its Equity Interests, and (d) any issuance of its Equity Interests as consideration for a Permitted Acquisition. The term **“Equity Issuance”** shall not be deemed to include any Disposition.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate or the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate or (i) failure by the Borrower or any ERISA Affiliate to make any required contribution to a Multiemployer Plan.

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

“Eurodollar Rate” means:

(a) for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the London Interbank Offered Rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for U.S. Dollars for a period equal in length to such Interest Period) (“**LIBOR**”), as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the “**LIBOR Rate**”) at or about 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the LIBOR Rate, at or about 11:00 a.m., London time, two (2) London Banking Days prior to such date for Dollar deposits with a term of one (1) month commencing that day;

provided that, if the Eurodollar Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

“Eurodollar Rate Loan” means a Loan that bears interest at a rate based on clause (a) of the definition of “Eurodollar Rate.”

“Event of Default” has the meaning specified in Section 8.01.

“Excess Cash Flow” means, for any fiscal year of Borrower and its Subsidiaries, the positive difference (if any) between:

(a)(i) Consolidated EBITDA, plus (ii) rentals payable under leases of real or personal, or mixed, property, less (iii) the aggregate amount of Capital Expenditures, plus (iv) the increase in the aggregate outstanding principal amount of the Revolving Loans minus any portion of such increase used by the Borrower to pay the purchase consideration for any Acquisition permitted by the Lenders pursuant to Section 7.03(g) hereof, provided that the amount derived pursuant to this clause (b)(iv) shall not exceed the aggregate amount of Capital Expenditures, plus (v) capital contributions that are permitted Investments pursuant to Section 7.03(c)(iii) or Section 7.03(c)(iv), not to exceed (A) the aggregate amount of Capital Expenditures less (B) the amount of Capital Expenditures made with the proceeds of Revolving Loans, minus (vi) the sum of (A) without duplication of any amount covered by clause (b)(ii) below, the aggregate amount of all distributions and dividends for taxes made or paid in cash in compliance with Section 7.06(b) hereof and (B) all other discretionary or non-discretionary dividends or distributions made or paid in cash, in each case, of or by the Borrower and its Subsidiaries (or solely in the case of subclause (A) of this clause (a)(vi), of or by Borrower and its Subsidiaries or Parent); and

(b) the sum of (i) Consolidated Cash Interest Charges, (ii) the aggregate amount of federal, state, local and foreign income taxes paid in cash, (iii) rentals payable under leases of real or personal, or mixed, property, and (iv) the current portion of long-term debt, except to the extent relating to the Indebtedness evidenced hereby.

“Excluded Equity Issuance” means any issuance or sale of Equity Interests by (a) a Loan Party or Subsidiary thereof to a Loan Party or (b) the Parent to Reading or any other subsidiary thereof.

“Excluded Perfection Assets” means those items of Collateral in which the Loan Parties are not required, in accordance with the Collateral Documents, to perfect the Lien of the Administrative Agent therein.

“Excluded Property” means, with respect to any Loan Party, (a) any owned or leased real property, (b) any Intellectual Property for which a perfected Lien thereon is not effected either by filing of a Uniform Commercial Code financing statement or by appropriate evidence of such Lien being filed in either the United States Copyright Office or the United States Patent and Trademark Office, (c) the Equity Interests of any Foreign Subsidiary of any Loan Party to the extent not required to be pledged to secure the Secured Obligations pursuant to the Collateral Documents, (d) the Equity Interests of any Excluded Subsidiary, and (e) any other property of a Loan Party that is excluded from the Collateral in accordance with the Collateral Documents.

“Excluded Subsidiary” means Angelika Film Centers (Dallas), Inc., Reading Beverages (California), LLC, S Note Liquidating Company, LLC, Consolidated Cinemas Kapolei, LLC, or

any other Subsidiary with immaterial assets or operations or that may not lawfully be a Guarantor, as designated by the Borrower and approved by the Required Lenders.

“Excluded Swap Obligation” means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant by such Guarantor of a Lien to secure, 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 thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act (determined after giving effect to Section 10.11 and any other “keepwell, support or other agreement for the benefit of such Guarantor and any and all guarantees of such Guarantor’s Swap Obligations by other Loan Parties) at the time the Guaranty of such Guarantor, or grant by such Guarantor of a Lien, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Guaranty or Lien is or becomes excluded in accordance with the first sentence of this definition.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 11.13) or (ii) such Lender changes its Lending Office except in each case to the extent that, pursuant to Section 3.01(a)(ii), (a)(iii) or (c), amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office (or otherwise changes its residence, Tax classification, place of incorporation, or location of its principal place of business), (c) Taxes attributable to such Recipient’s failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Existing Credit Agreement” has the meaning specified in the Preliminary Statement to this Agreement.

“Existing Loan Documents” has the meaning specified in the Preliminary Statements to this Agreement.

“Extraordinary Receipt” means any cash received by or paid to or for the account of any Person in respect of tax refunds, pension plan reversions, proceeds of insurance (other than proceeds of business interruption insurance to the extent such proceeds constitute compensation for lost earnings and proceeds of Involuntary Dispositions), indemnity payments and any purchase price adjustments; provided, however, that an Extraordinary Receipt shall not include cash receipts

from proceeds of insurance or indemnity payments to the extent that such proceeds, awards or payments are received by any Person in respect of any third party claim against such Person and applied to pay (or to reimburse such Person for its prior payment of) such claim and the costs and expenses of such Person with respect thereto.

“**Facility**” means, at any time, the aggregate amount of the Lenders’ Commitments at such time. As of the Amendment Effective Date, the Facility is \$55,000,000.

“**Facility Termination Date**” means the date as of which all of the following shall have occurred: (a) the Aggregate Commitments have terminated, (b) all Obligations have been paid in full (other than contingent indemnification obligations), and (c) all Letters of Credit have terminated or expired (other than Letters of Credit as to which other arrangements with respect thereto satisfactory to the Administrative Agent and the L/C Issuer shall have been made).

“**FASB ASC**” means the Accounting Standards Codification of the Financial Accounting Standards Board.

“**FATCA**” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and 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 Rate**” means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“**Fee Letter**” means the second amended and restated letter agreement, dated as of the date hereof, between the Borrower, the Administrative Agent and the Arranger.

“**Finance Lease Obligations**” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or mixed property, which obligations are required to be classified and accounted for as capital leases or finance leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“**Foreign Lender**” means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“**Foreign Subsidiary**” means any Subsidiary that is not a Domestic Subsidiary.

“FRB” means the Board of Governors of the Federal Reserve System of the United States.

“Fronting Exposure” means, at any time there is a Defaulting Lender (a) with respect to the L/C Issuer, such Defaulting Lender’s Applicable Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (b) with respect to the Swingline Lender, such Defaulting Lender’s Applicable Percentage of Swingline Loans other than Swingline Loans as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“Funding Indemnity Letter” means a funding indemnity letter, substantially in the form of Exhibit N.

“GAAP” means generally accepted accounting principles in the United States set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession) including, without limitation, the FASB Accounting Standards Codification, that are applicable to the circumstances as of the date of determination, consistently applied and subject to Section 1.03.

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

“Guarantee” means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness of the kind described in clauses (a) through (g) of the definition thereof or other obligation payable or performable by another Person (the **“primary obligor”**) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any

Indebtedness of the kind described in clauses (a) through (g) of the definition thereof or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed or expressly undertaken by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien); provided, however, that the term “Guarantee” shall not include endorsements of instruments for deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations in effect on the Amendment Effective Date or otherwise entered into in the ordinary course of business, including in connection with any acquisition or Disposition of assets, or the incurrence of Indebtedness, in any case to the extent permitted under this Agreement. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, or if recourse is limited to a particular asset or assets, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. For the avoidance of doubt, the stated or determinable amount of any undrawn revolving facility shall be zero. The term “Guarantee” as a verb has a corresponding meaning.

“**Guaranteed Obligations**” has the meaning set forth in Section 10.01.

“**Guarantors**” means, collectively, (a) Parent, the Borrower and such Subsidiaries or Affiliates of the Borrower as are parties to this Agreement as of the Amendment Effective Date or as may from time to time become parties to this Agreement pursuant to Section 6.13, and (b) with respect to Additional Secured Obligations owing by any Loan Party or any of its Subsidiaries and any Swap Obligation of a Specified Loan Party (determined before giving effect to Sections 10.01 and 10.11) under the Guaranty, the Borrower. No Excluded Subsidiary shall be required to become a Guarantor.

“**Guaranty**” means, collectively, the continuing guaranty made by the Guarantors under Article X in favor of the Secured Parties, together with each other guaranty delivered pursuant to Section 6.13.

“**Hazardous Materials**” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, toxic mold, infectious or medical wastes and all other substances, wastes, chemicals, pollutants, contaminants or compounds of any nature in any form regulated pursuant to any Environmental Law.

“**Hedge Bank**” means any Person in its capacity as a party to a Swap Contract that, (a) at the time it enters into a Swap Contract required by or not prohibited under Article VI or VII, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Swap Contract required by or not prohibited under Article VI or VII, in each case, in its capacity as a party to such Swap Contract (even if such Person ceases to be a Lender or such Person’s Affiliate ceased to be a Lender); provided, in the case of a Secured Hedge Agreement with a Person who is no longer a Lender (or Affiliate of a Lender), such Person shall be considered a Hedge Bank only through the stated termination date (without extension or renewal) of such Secured Hedge Agreement and provided further that for any of the foregoing to be included as a “Secured Hedge Agreement” on any date of determination by the Administrative Agent, the

applicable Hedge Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

“**Honor Date**” has the meaning set forth in Section 2.03(c).

“**IFRS**” means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements delivered under or referred to herein.

“**Indebtedness**” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount of all direct or contingent obligations of such Person arising under standby letters of credit, bankers’ acceptances, bank guaranties and similar instruments;

(c) the Swap Termination Value of any Swap Contract;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) trade accounts payable and other accrued expenses in each case incurred in the ordinary course of business, (ii) deferred compensation and (iii) any earn-out obligation or other contingent obligation related to an acquisition or an Investment permitted hereunder until such obligation is not paid after becoming due and payable);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Finance Lease Obligations;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner, unless such Indebtedness is expressly made non-recourse to such Person.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Indemnitees” has the meaning specified in Section 11.04(b).

“Information” has the meaning specified in Section 11.07.

“Intellectual Property” has the meaning set forth in the Security Agreement.

“Intercompany Debt” has the meaning specified in Section 7.02.

“Interest Payment Date” means, (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three (3) months, the respective dates that fall every three (3) months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or Swingline Loan, the last Business Day of each March, June, September and December and the Maturity Date (with Swingline Loans being deemed made under the Facility for purposes of this definition).

“Interest Period” means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one (1), two (2), three (3) or six (6) months thereafter, as selected by the Borrower in its Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date of the Facility under which such Loan was made.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person (including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor guaranties Indebtedness of such other Person), or (c) an Acquisition. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“Investment” shall not include the acquisition of equipment in the ordinary course of business, including, without limitation, through the exercise of the right to buy any equipment held under the terms of any equipment lease, whether now or in the future existing.

“Involuntary Disposition” means any loss of, damage to or destruction of, or any condemnation or other taking for public use of, any property of any Loan Party or any Subsidiary.

“IRS” means the United States Internal Revenue Service.

“ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“Issuer Documents” means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the L/C Issuer and the Borrower (or any Subsidiary) or in favor of the L/C Issuer and relating to such Letter of Credit.

“Joinder Agreement” means a joinder agreement substantially in the form of Exhibit D executed and delivered in accordance with the provisions of [Section 6.13](#).

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“L/C Advance” means, with respect to each Lender, such Lender’s funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage.

“L/C Borrowing” means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Revolving Borrowing.

“L/C Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“L/C Issuer” means Bank of America, through itself or through one of its designated Affiliates or branch offices, in its capacity as issuer of Letters of Credit hereunder, or any successor issuer of Letters of Credit hereunder.

“L/C Obligations” means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with [Section 1.06](#). For all purposes of this Agreement, if on any date of determination

a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“**Lender**” means each of the Persons identified as a “Lender” on the signature pages hereto, each other Person that becomes a “Lender” in accordance with this Agreement and, their successors and assigns and, unless the context requires otherwise, includes the Swingline Lender.

“**Lending Office**” means, as to the Administrative Agent, the L/C Issuer or any Lender, the office or offices of such Person described as such in such Person’s Administrative Questionnaire, or such other office or offices as such Person may from time to time notify the Borrower and the Administrative Agent; which office may include any Affiliate of such Person or any domestic or foreign branch of such Person or such Affiliate.

“**Letter of Credit**” means any standby letter of credit issued hereunder and shall include any standby letter of credit issued under the Existing Credit Agreement and outstanding on the Amendment Effective Date.

“**Letter of Credit Application**” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the L/C Issuer or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer.

“**Letter of Credit Expiration Date**” means the day that is seven (7) days prior to the Maturity Date (or, if such day is not a Business Day, the next preceding Business Day).

“**Letter of Credit Fee**” has the meaning specified in Section 2.03(h).

“**Letter of Credit Sublimit**” means an amount equal to the lesser of (a) \$5,000,000 and (b) the Facility. The Letter of Credit Sublimit is part of, and not in addition to, the Facility.

“**LIBOR**” has the meaning specified in the definition of Eurodollar Rate.

“**LIBOR Successor Rate**” has the meaning specified in Section 3.03(c).

“**LIBOR Successor Rate Conforming Changes**” has the meaning specified in Section 3.03(f).

“**Lien**” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property and any financing lease having substantially the same economic effect as any of the foregoing).

“**Loan**” means an extension of credit by a Lender to the Borrower under Article II in the form of a Revolving Loan or a Swingline Loan.

“Loan Documents” means, collectively, (a) this Agreement, (b) the Notes, (c) the Guaranty, (d) the Collateral Documents, (e) each Issuer Document, (f) each Joinder Agreement, and (g) any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14 (but specifically excluding any Secured Hedge Agreement or any Secured Cash Management Agreement); provided, however, that for purposes of Section 11.01, “Loan Documents” shall mean only this Agreement, the Guaranty and the Collateral Documents.

“Loan Notice” means a notice of (a) a Borrowing, (b) a conversion of Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, pursuant to Section 2.02(a), which shall be substantially in the form of Exhibit E or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

“Loan Parties” means, collectively, the Borrower and each Guarantor.

“London Banking Day” means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

“Master Agreement” has the meaning set forth in the definition of “Swap Contract.”

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), or financial condition of the Borrower and its Subsidiaries taken as a whole; (b) a material impairment of the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of the Loan Parties, taken as a whole, to perform their obligations under any Loan Document to which they are parties; or (c) a material adverse effect upon the legality, validity, binding effect or legal enforceability against the Loan Parties, taken as a whole, of any Loan Document to which they are parties.

“Maturity Date” means the third anniversary of the Amendment Effective Date; provided, however, that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

“Measurement Period” means, at any date of determination, the most recently completed four (4) fiscal quarters of the Borrower.

“Minimum Collateral Amount” means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances provided to reduce or eliminate Fronting Exposure during any period when a Lender constitutes a Defaulting Lender, an amount equal to 105% of the Fronting Exposure of the L/C Issuer with respect to Letters of Credit issued and outstanding at such time, (b) with respect to Cash Collateral consisting of cash or deposit account balances provided in accordance with the provisions of Section 2.14(a)(i), (a)(ii), (a)(iii) or (a)(iv), an amount equal to 105% of the Outstanding Amount of all L/C Obligations, and (c) otherwise, an amount determined by the Administrative Agent and the L/C Issuer in their sole discretion.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Multiemployer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

“Multiple Employer Plan” means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

“Net Cash Proceeds” means the aggregate cash or Cash Equivalents proceeds received by any Loan Party or any Subsidiary in respect of any Disposition, Equity Issuance, or Involuntary Disposition, net of (a) direct costs incurred in connection therewith (including, without limitation, legal, accounting and investment banking fees and sales commissions), (b) taxes paid or payable as a result thereof, (c) in the case of any Disposition or any Involuntary Disposition, (i) the amount necessary to retire any Indebtedness secured by a Permitted Lien (ranking senior to any Lien of the Administrative Agent) on the applicable property, and (ii) any reserve for adjustment in respect of (1) the sale price of such asset or assets established in accordance with GAAP and (2) any liabilities associated with such asset or assets and retained by a Loan Party or any Subsidiary after such sale or other disposition thereof, including pension and other postemployment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction, and (d) in the case of any Disposition or Involuntary Disposition by a non-wholly-owned Subsidiary, the pro rata portion of the Net Cash Proceeds thereof attributable to minority interests and not available for distribution to or for the account of a Loan Party or a wholly-owned Subsidiary as a result thereof; it being understood that “Net Cash Proceeds” shall include, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received by any Loan Party or any Subsidiary in any Disposition, Equity Issuance, or Involuntary Disposition.

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.01 and (b) has been approved by the Required Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Note” means a promissory note made by the Borrower in favor of a Lender evidencing Revolving Loans or Swingline Loans, as the case may be, made by such Lender, substantially in the form of Exhibit G.

“Notice of Loan Prepayment” means a notice of prepayment with respect to a Loan, which shall be substantially in the form of Exhibit R or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer.

“NPL” means the National Priorities List under CERCLA.

“Obligations” means (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, or Letter of Credit and (b) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the reasonable fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, expenses and fees that accrue after the commencement by or against any Loan Party pursuant to any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, expenses and fees are allowed claims in such proceeding; provided that Obligations of a Loan Party shall exclude any Excluded Swap Obligations with respect to such Loan Party.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Organization Documents” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement or limited liability company agreement (or equivalent or comparable documents with respect to any non-U.S. jurisdiction); (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction) and (d) with respect to all entities, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction).

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to [Section 3.06](#)).

“Outstanding Amount” means (a) with respect to Revolving Loans and Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Revolving Loans and Swingline Loans, as the case may be, occurring on such date; and (b) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension

occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrower of Unreimbursed Amounts.

“**Parent**” means the Guarantor that holds all of the Equity Interests in the Borrower, which initially shall be Reading Consolidated Holdings, Inc., a Nevada corporation.

“**Participant**” has the meaning specified in Section 11.06(d).

“**Participant Register**” has the meaning specified in Section 11.06(d).

“**PBGC**” means the Pension Benefit Guaranty Corporation.

“**Pension Act**” means the Pension Protection Act of 2006.

“**Pension Funding Rules**” means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

“**Pension Plan**” means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“**Permitted Transfers**” means (a) Dispositions of inventory in the ordinary course of business; (b) Dispositions of property to the Borrower or any Subsidiary; provided, that if the transferor of such property is a Loan Party then the transferee thereof must be a Loan Party; (c) Dispositions of accounts receivable in connection with the collection or compromise thereof; (d) licenses, sublicenses, leases or subleases granted to others in the ordinary course of business or, to the extent not in the ordinary course of business, which could not reasonably be expected to have a Material Adverse Effect; (e) the sale or disposition of Cash Equivalents for fair market value; (f) the surrender or waiver of contractual rights or the settlement, release or surrender of contract or tort claims in the ordinary course of business; (g) the granting, creation or existence of a Permitted Lien, and any dispositions of assets pursuant to an exercise of remedies, including by way of foreclosure, against the underlying assets subject to such Permitted Liens; (h) Investments and Restricted Payments not otherwise prohibited hereby; (i) Dispositions of equipment or property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement property, and (j) the sale or issuance of Equity Interests by a Loan Party, so long as (i) no Change of Control would result therefrom and (ii) all Equity Interests of each Loan Party (other than the Parent) are held by another Loan Party.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“**Plan**” means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Borrower or any ERISA Affiliate or any such Plan to which the Borrower or any ERISA Affiliate is required to contribute on behalf of any of its employees.

“**Platform**” has the meaning specified in Section 6.02.

“**Pledged Equity**” has the meaning specified in the Security Agreement.

“**Pro Forma Basis**” and “**Pro Forma Effect**” means, for any Disposition of all or substantially all of a division or a line of business or for any Acquisition, whether actual or proposed, for purposes of determining compliance with the financial covenants set forth in Section 7.11, each such transaction or proposed transaction shall be deemed to have occurred on and as of the first day of the relevant Measurement Period, and the following pro forma adjustments shall be made:

(a) in the case of an actual or proposed Disposition, all income statement items (whether positive or negative) attributable to the line of business or the Person subject to such Disposition shall be excluded from the results of the Borrower and its Subsidiaries for such Measurement Period;

(b) in the case of an actual or proposed Acquisition, income statement items (whether positive or negative) attributable to the property, line of business or the Person subject to such Acquisition shall be included in the results of the Borrower and its Subsidiaries for such Measurement Period;

(c) interest accrued during the relevant Measurement Period on, and the principal of, any Indebtedness repaid or to be repaid or refinanced in such transaction shall be excluded from the results of the Borrower and its Subsidiaries for such Measurement Period; and

(d) any Indebtedness actually or proposed to be incurred or assumed in such transaction shall be deemed to have been incurred as of the first day of the applicable Measurement Period, and interest thereon shall be deemed to have accrued from such day on such Indebtedness at the applicable rates provided therefor (and in the case of interest that does or would accrue at a formula or floating rate, at the rate in effect at the time of determination) and shall be included in the results of the Borrower and its Subsidiaries for such Measurement Period.

“**PTE**” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“**Public Lender**” has the meaning specified in Section 6.02.

“**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“Qualified ECP Guarantor” means, at any time, each Loan Party with total assets exceeding \$10,000,000 or that qualifies at such time as an “eligible contract participant” under the Commodity Exchange Act and can cause another Person to qualify as an “eligible contract participant” at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

“Qualifying Control Agreement” means an agreement, among a Loan Party, a depository institution or securities intermediary and the Administrative Agent, which agreement is in form and substance acceptable to the Administrative Agent and which provides the Administrative Agent with “control” (as such term is used in Article 9 of the UCC) over the deposit account(s) or securities account(s) described therein.

“Reading” means Reading International, Inc., a Nevada corporation.

“Reading Indebtedness” means the Indebtedness of Reading under its revolving credit facility with Bank of America in the amount of \$5,000,000, as such amount may be increased from time to time.

“Reading Loan Agreement” means the Loan Agreement dated as of July 31, 2010 by and between Bank of America and Reading, as amended, with respect to the Reading Indebtedness.

“Recipient” means the Administrative Agent, any Lender, the L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

“Register” has the meaning specified in Section 11.06(c).

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty (30) day notice period has been waived.

“Request for Credit Extension” means (a) with respect to a Borrowing, conversion or continuation of Revolving Loans, a Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application, and (c) with respect to a Swingline Loan, a Swingline Loan Notice.

“Required Lenders” means, at any time, at least two (2) Lenders having Total Credit Exposures representing at least 85% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that, the amount of any participation in any Swingline Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Swingline Lender or L/C Issuer, as the case may be, in making such determination.

“Responsible Officer” means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party, solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan

Party and, solely for purposes of notices given pursuant to Article II, any other officer or employee of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means (a) any dividend or other distribution, direct or indirect, on account of any shares (or equivalent) of any class of Equity Interests of the Borrower, any of its Subsidiaries, or Carmel, now or hereafter outstanding, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares (or equivalent) of any class of Equity Interests of the Borrower, any of its Subsidiaries, or Carmel, now or hereafter outstanding, and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of Equity Interests of any Loan Party or any of its Subsidiaries, now or hereafter outstanding.

“Revolving Borrowing” means a borrowing consisting of simultaneous Revolving Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

“Revolving Exposure” means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Lender’s participation in L/C Obligations and Swingline Loans at such time.

“Revolving Loan” has the meaning specified in Section 2.01.

“S&P” means Standard & Poor’s Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and any successor thereto.

“Sale and Leaseback Transaction” means, with respect to any Loan Party or any Subsidiary, any arrangement, directly or indirectly, with any Person whereby such Loan Party or such Subsidiary shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred (except transactions solely among Loan Parties).

“Sanction(s)” means any sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty’s Treasury (“**HMT**”) or other applicable sanctions authority.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Secured Cash Management Agreement” means any Cash Management Agreement between the any Loan Party and any of its Subsidiaries and any Cash Management Bank.

“Secured Hedge Agreement” means any interest rate, currency, foreign exchange, or commodity Swap Contract required or not prohibited under Article VI or VII between any Loan Party and any of its Subsidiaries and any Hedge Bank.

“Secured Obligations” means (a) all Obligations, (b) all Additional Secured Obligations and (c) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“Secured Party Designation Notice” shall mean a notice from any Lender or an Affiliate of a Lender substantially in the form of Exhibit H.

“Secured Parties” means, collectively, the Administrative Agent, the Lenders, the L/C Issuer, the Hedge Banks, the Cash Management Banks, the Indemnitees, each co-agent or subagent appointed by the Administrative Agent from time to time pursuant to Section 9.05.

“Security Agreement” means the Second Amended and Restated Security and Pledge Agreement, dated as of the Amendment Effective Date, executed in favor of the Administrative Agent by each of the Loan Parties.

“Solvency Certificate” means a solvency certificate substantially in the form of Exhibit I.

“Solvent” and **“Solvency”** mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person’s property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Special Distributions” means annual cash distributions and dividends in an aggregate amount not to exceed seventy-five percent (75%) of Excess Cash Flow for the immediately preceding fiscal year of the Borrower, its Subsidiaries, and Carmel, which the Borrower, its Subsidiaries and Carmel may make or pay, commencing 2021, (a) following, but no later than 90 days after, the Borrower’s delivery to the Administrative Agent of the audited financial statements and other information required by Section 6.01(a) hereof for the immediately preceding

fiscal year and (b) so long as the Borrower would be in pro forma compliance with each of the financial covenants set forth in [Section 7.11](#) after giving effect to such distribution or dividend.

“Specified Loan Party” means any Loan Party that is not then an “eligible contract participant” under the Commodity Exchange Act (determined prior to giving effect to [Section 10.11](#)).

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Parent.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a **“Master Agreement”**), including any such obligations or liabilities under any Master Agreement.

“Swap Obligations” means with respect to any Guarantor any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Swingline Borrowing” means a borrowing of a Swingline Loan pursuant to [Section 2.04](#).

“Swingline Lender” means Bank of America, through itself or through one of its designated Affiliates or branch offices, in its capacity as provider of Swingline Loans, or any successor swingline lender hereunder.

“Swingline Loan” has the meaning specified in Section 2.04(a).

“Swingline Loan Notice” means a notice of a Swingline Borrowing pursuant to Section 2.04(b), which shall be substantially in the form of Exhibit J or such other form as approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

“Swingline Sublimit” means an amount equal to the lesser of (a) \$1,000,000 and (b) the Facility. The Swingline Sublimit is part of, and not in addition to, the Facility.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Threshold Amount” means \$2,000,000.

“Total Credit Exposure” means, as to any Lender at any time, the unused Commitment and the Revolving Exposure of such Lender at such time.

“Total Revolving Outstandings” means the aggregate Outstanding Amount of all Revolving Loans, Swingline Loans and L/C Obligations.

“Type” means, with respect to a Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

“UCC” means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“UCP” means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce (“**ICC**”) Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

“United States” and **“U.S.”** mean the United States of America.

“Unreimbursed Amount” has the meaning specified in Section 2.03(c)(i).

“U.S. Loan Party” means any Loan Party that is organized under the laws of one of the states of the United States and that is not a CFC.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 3.01(e)(ii)(B)(3).

“Voting Stock” means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right to so vote has been suspended by the happening of such contingency.

“Write-Down and Conversion Powers” means, 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 writedown and conversion powers are described in the EU Bail-In Legislation Schedule.

1.02 Other Interpretive Provisions.

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, amended and restated, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “hereto,” “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including;” the words “to” and “until” each mean “to but excluding;” and the word “through” means “to and including.”

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

(b) Changes in GAAP. If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. For purposes of this Agreement, lease obligations (whether in effect as of the Amendment Effective Date or thereafter incurred) that are classified and accounted for as operating leases (including, for the avoidance of doubt, leases of real property relating to cinemas) under GAAP will be excluded from the definition of Finance Lease Obligation, Consolidated Funded Indebtedness or other Indebtedness.

(c) Pro Forma Treatment. Each Disposition of all or substantially all of a line of business, and each Acquisition, by the Borrower and its Subsidiaries that is consummated during any Measurement Period shall, for purposes of determining compliance with the financial covenants set forth in Section 7.11 and for purposes of determining the Applicable Rate, be given Pro Forma Effect as of the first day of such Measurement Period.

1.04 Rounding.

Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and

rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day.

Unless otherwise specified, all references herein to times of day shall be references to Pacific time (daylight or standard, as applicable).

1.06 Letter of Credit Amounts.

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

1.07 Amendment and Restatement.

In order to facilitate the Amendment and Restatement.

(a) Existing Credit Agreement Superseded. Each of the Borrower and each other Loan Party, the Administrative Agent, the L/C Issuer and the Lenders hereby agree that upon the effectiveness of this Agreement, (i) the terms and provisions of the Existing Credit Agreement shall be and hereby are amended and restated in their entirety by the terms, conditions and provisions of this Agreement, and the terms and provisions of the Existing Credit Agreement shall be superseded by this Agreement and (ii) all references in the other Loan Documents to the Existing Credit Agreement shall be deemed to refer without further amendment to this Agreement, as the same may from time to time be amended, restated, supplemented or otherwise modified.

(b) Continuing Obligations. All of the “Obligations” (as defined in the Existing Credit Agreement, the “**Existing Obligations**”) outstanding under the Existing Credit Agreement and the other Existing Loan Documents shall continue as Obligations hereunder to the extent not repaid on the Amendment Effective Date, and each of this Agreement and any other Loan Document (as defined herein) that is amended and restated in connection with this Agreement is given as a substitution of and modification of, and not as a payment of or novation of, the indebtedness, liabilities and Existing Obligations of the Borrower under the Existing Credit Agreement or any other Existing Loan Document, and neither the execution and delivery of such documents nor the consummation of any other transaction contemplated hereunder is intended to constitute a novation of or reborrowing or termination of, the Existing Credit Agreement or of any of the other Existing Loan Documents or any obligations thereunder.

(c) Reallocation of Commitments. Upon the effectiveness of this Agreement, all outstanding “Loans” given by the Lenders under and as defined in the Existing Credit Agreement owing by the Borrower under the Existing Credit Agreement shall be deemed

to be Loans hereunder. The parties hereto acknowledge and agree that, notwithstanding the provisions regarding assignments set forth in Section 11.06 hereof, as of the Amendment Effective Date, (i) the Commitments and Applicable Percentages for each of the Lenders are as set forth on Schedule 1.01(b) and (ii) each Lender whose loan commitments under the Existing Credit Agreement is greater than its Commitments hereunder shall be deemed to have assigned, without recourse, to one or more Lenders such portion of such decreasing Lender's existing loans and commitments under the Existing Credit Agreement as shall be necessary to effectuate the reallocation of commitments and existing loans contemplated hereby. Notwithstanding anything to the contrary in the Existing Credit Agreement or this Agreement, no other documents or instruments, including any Assignment and Assumption, shall be executed in connection with such assignments (all of which requirements are hereby waived), and such assignments shall be deemed to be made with all applicable representations, warranties and covenants as if evidenced by an Assignment and Assumption. On the Amendment Effective Date, the Lenders shall make full cash settlement with each other through the Administrative Agent with respect to all assignments, reallocations and other changes in commitments contemplated hereby such that after giving effect to such settlements each Lender's Applicable Percentage with respect to the applicable Facility shall be as set forth on Schedule 1.01(b); provided, that the foregoing re-allocations and deemed assignments shall not give rise to, and each Lender hereby waives, payment of any additional amounts under Section 3.05.

1.08 UCC Terms.

Terms defined in the UCC in effect on the Amendment Effective Date and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions. Subject to the foregoing, the term "UCC" refers, as of any date of determination, to the UCC then in effect.

**ARTICLE II
COMMITMENTS AND CREDIT EXTENSIONS**

2.01 Revolving Loans.

Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans (each such loan, a "**Revolving Loan**") to the Borrower, in Dollars, from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment; provided, however, that after giving effect to any Revolving Borrowing, (i) the Total Revolving Outstandings shall not exceed the Facility, and (ii) the Revolving Exposure of any Lender shall not exceed such Lender's Commitment. Within the limits of each Lender's Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow Revolving Loans, prepay under Section 2.05, and reborrow under this Section 2.01. Revolving Loans may be Base Rate Loans or Eurodollar Rate Loans, as further provided herein; provided, however, any Revolving Borrowings made on the Amendment Effective Date or any of the three (3) Business Days following the Amendment Effective Date shall be made as Base Rate Loans unless the Borrower delivers a Funding Indemnity Letter not less than three (3) Business Days prior to the date of such Revolving Borrowing.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Notice of Borrowing. Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by (A) telephone, or (b) a Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Loan Notice. Each such Loan Notice must be received by the Administrative Agent not later than 9:00 a.m. (i) three (3) Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of \$1,000,000 or a whole multiple of \$100,000 in excess thereof. Except as provided in Sections 2.03(c) and 2.04(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof. Each Loan Notice and each telephonic notice shall specify (A) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Loans, as the case may be, (B) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (C) the principal amount of Loans to be borrowed, converted or continued, (D) the Type of Loans to be borrowed or to which existing Loans are to be converted, and (E) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of Loan in a Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month. Notwithstanding anything to the contrary herein, a Swingline Loan may not be converted to a Eurodollar Rate Loan.

(b) Advances. Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Appropriate Lender of the amount of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Appropriate Lender of the details of any automatic conversion to Base Rate Loans described in Section 2.02(a). In the case of a Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 11:00 a.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower; provided, however, that if, on the date a Loan

Notice with respect to a Revolving Borrowing is given by the Borrower, there are L/C Borrowings outstanding, then the proceeds of such Revolving Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the Borrower as provided above.

(c) Eurodollar Rate Loans. Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders.

(d) Notice of Interest Rates. The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) Interest Rates. 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.

(f) Interest Periods. After giving effect to all Revolving Borrowings, all conversions of Revolving Loans from one Type to the other, and all continuations of Revolving Loans as the same Type, there shall not be more than five (5) Interest Periods in effect in respect of the Facility.

2.03 Letters of Credit

(a) The Letter of Credit Commitment. Subject to the terms and conditions set forth herein, (A) the L/C Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section, (1) from time to time on any Business Day during the period from the Amendment Effective Date until the Letter of Credit Expiration Date, to issue Letters of Credit in Dollars for the account of the Borrower or any of its Subsidiaries, and to amend Letters of Credit previously issued by it, in accordance with Section 2.03(b), and (2) to honor drawings under the Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (x) the Total Revolving Outstandings shall not exceed the Facility, (y) the Revolving Exposure of any Lender shall not exceed such Lender's Commitment, and (z) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and

accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(i) The L/C Issuer shall not issue any Letter of Credit if:

(A) the expiry date of the requested Letter of Credit would occur more than twelve (12) months after the date of issuance, unless the Required Lenders have approved such expiry date; or

(B) the expiry date of the requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Revolving Lenders have approved such expiry date.

The L/C Issuer shall not be under any obligation to issue any Letter of Credit if:

(C) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the L/C Issuer from issuing the Letter of Credit, or any Law applicable to the L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the L/C Issuer shall prohibit, or request that the L/C Issuer refrain from, the issuance of letters of credit generally or the Letter of Credit in particular or shall impose upon the L/C Issuer with respect to the Letter of Credit any restriction, reserve or capital requirement (for which the L/C Issuer is not otherwise compensated hereunder) not in effect on the Amendment Effective Date, or shall impose upon the L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Amendment Effective Date and which the L/C Issuer in good faith deems material to it;

(D) the issuance of the Letter of Credit would violate one or more policies of the L/C Issuer applicable to letters of credit generally;

(E) except as otherwise agreed by the Administrative Agent and the L/C Issuer, the Letter of Credit is in an initial stated amount less than \$100,000;

(F) the Letter of Credit is to be denominated in a currency other than Dollars;

(G) any Lender is at that time a Defaulting Lender, unless the L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the L/C Issuer (in its sole discretion) with the Borrower or such Lender to eliminate the L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations

as to which the L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion; or

(H) the Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(ii) The L/C Issuer shall not amend any Letter of Credit if the L/C Issuer would not be permitted at such time to issue the Letter of Credit in its amended form under the terms hereof.

(iii) The L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) the L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to the Letter of Credit.

(iv) The L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included the L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to the L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower. Such Letter of Credit Application may be sent by fax transmission, by United States mail, by overnight courier, by electronic transmission using the system provided by the L/C Issuer, by personal delivery or by any other means acceptable to the L/C Issuer. Such Letter of Credit Application must be received by the L/C Issuer and the Administrative Agent not later than 9:00 a.m. at least two (2) Business Days (or such later date and time as the Administrative Agent and the L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the

requested Letter of Credit; and (H) such other matters as the L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer (1) the Letter of Credit to be amended; (2) the proposed date of amendment thereof (which shall be a Business Day); (3) the nature of the proposed amendment; and (4) such other matters as the L/C Issuer may require. Additionally, the Borrower shall furnish to the L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the L/C Issuer or the Administrative Agent may require.

(c) Promptly after receipt of any Letter of Credit Application, the L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, the L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the L/C Issuer has received written notice from any Lender, the Administrative Agent or any Loan Party, at least one (1) Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower (or the applicable Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Revolving Percentage times the amount of such Letter of Credit.

(i) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the L/C Issuer will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(ii) If the Borrower so requests in any applicable Letter of Credit Application, the L/C Issuer may, in its sole discretion, agree to issue a standby Letter of Credit that has automatic extension provisions (each, an "**Auto-Extension Letter of Credit**"); provided that any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve (12) month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "**Non-Extension Notice Date**") in each such twelve (12) month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the L/C Issuer, the Borrower shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided,

however, that the L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted, or would have no obligation at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Lender or the Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each such case directing the L/C Issuer not to permit such extension.

(d) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the L/C Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 9:00 a.m. on the date of any payment by the L/C Issuer under a Letter of Credit (each such date, an "**Honor Date**"), the Borrower shall reimburse the L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing. If the Borrower fails to so reimburse the L/C Issuer by such time, the Administrative Agent shall promptly notify each Lender of the Honor Date, the amount of the unreimbursed drawing (the "**Unreimbursed Amount**"), and the amount of such Lender's Applicable Percentage thereof. In such event, the Borrower shall be deemed to have requested a Revolving Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Revolving Commitments and the conditions set forth in Section 4.02 (other than the delivery of a Loan Notice). Any notice given by the L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral provided for this purpose) for the account of the L/C Issuer at the Administrative Agent's Office in an amount equal to its Applicable Revolving Percentage of the Unreimbursed Amount not later than 11:00 a.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Revolving Borrowing of Base Rate Loans because the conditions

set forth in Section 4.02 cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Lender's payment to the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c) (ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section.

(iv) Until each Lender funds its Revolving Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Revolving Percentage of such amount shall be solely for the account of the L/C Issuer.

(v) Each Lender's obligation to make Revolving Loans or L/C Advances to reimburse the L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the L/C Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default; or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Revolving Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Borrower of a Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse the L/C Issuer for the amount of any payment made by the L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Revolving Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), then, without limiting the other provisions of this Agreement, the L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving Loan included in the relevant Revolving Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of the L/C Issuer submitted to any Lender (through the Administrative Agent) with respect to any

amounts owing under this Section 2.03(c)(vi), shall be conclusive absent manifest error.

(e) Repayment of Participations. At any time after the L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Applicable Revolving Percentage thereof in the same funds as those received by the Administrative Agent.

(i) If any payment received by the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the L/C Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the L/C Issuer its Applicable Revolving Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(f) Obligations Absolute. The obligation of the Borrower to reimburse the L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the L/C Issuer or any other Person, whether in connection with this Agreement or by such Letter of Credit, the transactions contemplated hereby or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, endorsement, certificate or other document presented under or in connection with such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by the L/C Issuer of any requirement that exists for the L/C Issuer's protection and not the protection of the Borrower or any waiver by the L/C Issuer which does not in fact materially prejudice the Borrower;

(v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vi) any payment made by the L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

(vii) any payment by the L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(viii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower or any of its Subsidiaries.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will immediately notify the L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against the L/C Issuer and its correspondents unless such notice is given as aforesaid.

(g) Role of L/C Issuer. Each Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the L/C Issuer shall not have any responsibility to obtain any document (other than any sight or time draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or

transferee at law or under any other agreement. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable or responsible for any of the matters described in Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against the L/C Issuer, and the L/C Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves, as determined by a final nonappealable judgment of a court of competent jurisdiction, were caused by the L/C Issuer's willful misconduct or gross negligence or the L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight or time draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring, endorsing or assigning or purporting to transfer, endorse or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason. The L/C Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("**SWIFT**") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(h) Applicability of ISP; Limitation of Liability. Unless otherwise expressly agreed by the L/C Issuer and the Borrower when a Letter of Credit is issued, the rules of the ISP shall apply to each Letter of Credit. Notwithstanding the foregoing, the L/C Issuer shall not be responsible to the Borrower for, and the L/C Issuer's rights and remedies against the Borrower shall not be impaired by, any action or inaction of the L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where the L/C Issuer or the beneficiary is located, the practice stated in the ISP or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(i) Letter of Credit Fees. The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance, subject to Section 2.15, with its Applicable Percentage a Letter of Credit fee (the "**Letter of Credit Fee**") for each Letter of Credit equal to the Applicable Rate times the daily amount available to be drawn under such Letter of Credit. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (A) due and payable on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (B) computed on a quarterly basis in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn

under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(j) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Borrower shall pay directly to the L/C Issuer for its own account a fronting fee with respect to each Letter of Credit, at the rate per annum specified in the Fee Letter, computed on the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, the Borrower shall pay directly to the L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the L/C Issuer as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(k) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(l) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

2.04 Swingline Loans.

(a) The Swingline. Subject to the terms and conditions set forth herein, the Swingline Lender, in reliance upon the agreements of the other Lenders set forth in this Section, may in its sole discretion make loans to the Borrower (each such loan, a "**Swingline Loan**"). Each such Swingline Loan may be made, subject to the terms and conditions set forth herein, to the Borrower, in Dollars, from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of the Swingline Sublimit, notwithstanding the fact that such Swingline Loans, when aggregated with the Applicable Percentage of the Outstanding Amount of Revolving Loans and L/C Obligations of the Lender acting as Swingline Lender, may exceed the amount of such Lender's Commitment; provided, however, that (i) after giving effect to any Swingline Loan, (A) the Total Revolving Outstandings shall not exceed the Facility at such time, and (B) the Revolving Exposure of any Lender at such time shall not exceed such Lender's Commitment, (ii) the Borrower shall not use the proceeds of any Swingline Loan to refinance any outstanding Swingline Loan, and (iii) the Swingline Lender shall not be under any obligation to make any Swingline Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that

it has, or by such Credit Extension may have, Fronting Exposure. Within the foregoing limits, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section, prepay under Section 2.05, and reborrow under this Section. Each Swingline Loan shall bear interest only at a rate based on the Base Rate. Immediately upon the making of a Swingline Loan, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swingline Lender a risk participation in such Swingline Loan in an amount equal to the product of such Lender's Applicable Revolving Percentage times the amount of such Swingline Loan.

(b) Borrowing Procedures. Each Swingline Borrowing shall be made upon the Borrower's irrevocable notice to the Swingline Lender and the Administrative Agent, which may be given by (A) telephone or (B) a Swingline Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Swingline Lender and the Administrative Agent of a Swingline Loan Notice. Each such Swingline Loan Notice must be received by the Swingline Lender and the Administrative Agent not later than 10:00 a.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum of \$100,000, and (ii) the requested date of the Borrowing (which shall be a Business Day). Promptly after receipt by the Swingline Lender of any telephonic Swingline Loan Notice, the Swingline Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swingline Loan Notice and, if not, the Swingline Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swingline Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Revolving Lender) prior to 2:00 p.m. on the date of the proposed Swingline Borrowing (A) directing the Swingline Lender not to make such Swingline Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, the Swingline Lender will, not later than 3:00 p.m. on the borrowing date specified in such Swingline Loan Notice, make the amount of its Swingline Loan available to the Borrower at its office by crediting the account of the Borrower on the books of the Swingline Lender in immediately available funds.

(c) Refinancing of Swingline Loans.

(i) The Swingline Lender at any time in its sole discretion may request, on behalf of the Borrower (which hereby irrevocably authorizes the Swingline Lender to so request on its behalf), that each Lender make a Base Rate Loan in an amount equal to such Lender's Applicable Revolving Percentage of the amount of Swingline Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the unutilized portion of the Facility and the conditions set forth in Section 4.02. The Swingline Lender shall furnish the Borrower with a copy of the applicable Loan Notice promptly after delivering such notice to the Administrative Agent. Each Lender shall make an amount equal to its Applicable Percentage of

the amount specified in such Loan Notice available to the Administrative Agent in immediately available funds (and the Administrative Agent may apply Cash Collateral available with respect to the applicable Swingline Loan) for the account of the Swingline Lender at the Administrative Agent's Office not later than 12:00 p.m. on the day specified in such Loan Notice, whereupon, subject to Section 2.04(c)(ii), each Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the Swingline Lender.

(ii) If for any reason any Swingline Loan cannot be refinanced by such a Revolving Borrowing in accordance with Section 2.04(c)(i), the request for Base Rate Loans submitted by the Swingline Lender as set forth herein shall be deemed to be a request by the Swingline Lender that each of the Lenders fund its risk participation in the relevant Swingline Loan and each Lender's payment to the Administrative Agent for the account of the Swingline Lender pursuant to Section 2.04(c)(i) shall be deemed payment in respect of such participation.

(iii) If any Lender fails to make available to the Administrative Agent for the account of the Swingline Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(i), the Swingline Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swingline Lender at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the Swingline Lender in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Swingline Lender in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving Loan included in the relevant Revolving Borrowing or funded participation in the relevant Swingline Loan, as the case may be. A certificate of the Swingline Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Lender's obligation to make Revolving Loans or to purchase and fund risk participations in Swingline Loans pursuant to this Section 2.04(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the Swingline Lender, the Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Revolving Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Borrower of a Loan Notice). No such funding of risk participations shall relieve or otherwise impair the obligation of the Borrower to repay Swingline Loans, together with interest as provided herein.

(d) Repayment of Participations. At any time after any Lender has purchased and funded a risk participation in a Swingline Loan, if the Swingline Lender receives any payment on account of such Swingline Loan, the Swingline Lender will distribute to such Lender its Applicable Percentage thereof in the same funds as those received by the Swingline Lender.

(i) If any payment received by the Swingline Lender in respect of principal or interest on any Swingline Loan is required to be returned by the Swingline Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the Swingline Lender in its discretion), each Lender shall pay to the Swingline Lender its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Rate. The Administrative Agent will make such demand upon the request of the Swingline Lender. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Interest for Account of Swingline Lender. The Swingline Lender shall be responsible for invoicing the Borrower for interest on the Swingline Loans. Until each Lender funds its Base Rate Loan or risk participation pursuant to this Section to refinance such Lender's Applicable Percentage of any Swingline Loan, interest in respect of such Applicable Percentage shall be solely for the account of the Swingline Lender.

(f) Payments Directly to Swingline Lender. The Borrower shall make all payments of principal and interest in respect of the Swingline Loans directly to the Swingline Lender.

2.05 Prepayments.

(a) Optional.

(i) The Borrower may, upon notice to the Administrative Agent pursuant to delivery to the Administrative Agent of a Notice of Loan Prepayment, at any time or from time to time voluntarily prepay Revolving Loans in whole or in part without premium or penalty; provided that, unless otherwise agreed by the Administrative Agent, (A) such notice must be received by the Administrative Agent not later than 9:00 a.m. (1) three (3) Business Days prior to any date of prepayment of Eurodollar Rate Loans and (2) on the date of prepayment of Base Rate Loans; (B) any prepayment of Eurodollar Rate Loans shall be in a principal amount of \$1,000,000 or a whole multiple of \$100,000 in excess thereof; and (C) any prepayment of Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Revolving Loans to be prepaid and, if Eurodollar Rate Loans are to be prepaid, the Interest Period(s) of such Revolving Loans. The Administrative Agent will promptly notify each Lender of

its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (based on such Lender's Applicable Percentage). If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein; provided that such notice may state that it is conditioned upon the effectiveness of other credit facilities, the consummation of a particular Disposition or the occurrence of a Change of Control, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified prepayment date) if such condition is not satisfied. Any prepayment of principal shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, such prepayments shall be paid to the Lenders in accordance with their respective Applicable Percentages.

(ii) The Borrower may, upon notice to the Swingline Lender pursuant to delivery to the Swingline Lender of a Notice of Loan Prepayment (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swingline Loans in whole or in part without premium or penalty; provided that, unless otherwise agreed by the Swingline Lender, (A) such notice must be received by the Swingline Lender and the Administrative Agent not later than 11:00 a.m. on the date of the prepayment, and (B) any such prepayment shall be in a minimum principal amount of \$100,000 or a whole multiple of \$100,000 in excess thereof (or, if less, the entire principal thereof then outstanding). Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of principal shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05.

(b) Mandatory.

(i) Dispositions and Involuntary Dispositions. The Borrower shall prepay the Loans (and permanently reduce the Facility) and/or Cash Collateralize the L/C Obligations as hereinafter provided in an aggregate amount equal to 100% of the Net Cash Proceeds received by any Loan Party or any Subsidiary from all Dispositions (other than those Dispositions permitted pursuant to Sections 7.05(a), (b), (c) and (d)) and Involuntary Dispositions within thirty (30) days after the receipt of such Net Cash Proceeds following the date of such Disposition or Involuntary Disposition; provided, however, that so long as no Default shall have occurred and be continuing, such Net Cash Proceeds shall not be required to be so applied (A) until the aggregate amount of the Net Cash Proceeds derived from any such Disposition or Involuntary Disposition in any fiscal year of the Borrower is equal to or greater than \$1,000,000 and (B) at the election of the Borrower (as notified by the Borrower to the Administrative Agent on or prior to the date of such Disposition or Involuntary Disposition) to the extent such Loan Party or such Subsidiary reinvests (or has made binding commitments to reinvest) all or any portion of such Net Cash Proceeds in like assets (but specifically excluding current

assets as classified by GAAP) within three hundred and sixty (360) days after the receipt of such Net Cash Proceeds; provided further that if such Net Cash Proceeds shall have not been so reinvested, they shall be immediately applied to prepay the Loans (and permanently reduce the Facility) and/or Cash Collateralize the L/C Obligations.

(ii) Equity Issuance. Promptly, but in any event within two (2) Business Days, following the receipt by any Loan Party or any Subsidiary of the Net Cash Proceeds of any Equity Issuance (including any Equity Issuance of the type described in clause (a) or in clause (b) of the definition of Change of Control, but excluding any Excluded Equity Issuance), the Borrower shall prepay the Loans (and permanently reduce the Facility) and/or Cash Collateralize the L/C Obligations as hereinafter provided in an aggregate amount equal to 100% of such Net Cash Proceeds.

(iii) Extraordinary Receipts. Immediately upon receipt by any Loan Party or any Subsidiary of any Extraordinary Receipt received by or paid to or for the account of any Loan Party or any of its Subsidiaries, and not otherwise included in clause (ii), (iii) or (iv) of this Section, the Borrower shall prepay the Loans (and permanently reduce the Facility) and/or Cash Collateralize the L/C Obligations as hereinafter provided in an aggregate principal amount equal to 100% of all Net Cash Proceeds received therefrom; provided, however, that so long as no Default shall have occurred and be continuing, such Net Cash Proceeds shall not be required to be so applied until the aggregate amount of the Net Cash Proceeds derived from all such Extraordinary Receipts in any fiscal year of the Borrower is equal to or greater than \$1,000,000.

(iv) Each prepayment of Loans pursuant to the foregoing provisions of Section 2.05(b)(i)-(iii) shall be applied to the Revolving Facility in the manner set forth in Section 2.05(b)(vii). Subject to Section 2.15, such prepayments shall be paid to the Lenders in accordance with their respective Applicable Percentages in respect of the Facility.

(v) Revolving Outstandings. If for any reason the Total Revolving Outstandings at any time exceed the Facility at such time, the Borrower shall immediately prepay Revolving Loans, Swingline Loans and L/C Borrowings (together with all accrued but unpaid interest thereon) and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided, however, that the Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.05(b)(v) unless, after the prepayment of the Revolving Loans and Swingline Loans, the Total Revolving Outstandings exceed the Facility at such time.

(vi) Application of Other Payments. Except as otherwise provided in Section 2.15, prepayments of the Facility made pursuant to this Section 2.05(b), first, shall be applied ratably to the L/C Borrowings and the Swingline Loans, second, shall be applied to the outstanding Revolving Loans, and, third, shall be

used to Cash Collateralize the remaining L/C Obligations; and, in the case of prepayments of the Facility required pursuant to clause (i), (ii), (iii) or (v) of this Section 2.05(b), the amount remaining, if any, after the prepayment in full of all L/C Borrowings, Swingline Loans and Revolving Loans outstanding at such time and the Cash Collateralization of the remaining L/C Obligations in full (the sum of such prepayment amounts, cash collateralization amounts and remaining amount being, collectively, the "**Reduction Amount**") may be retained by the Borrower for any use not otherwise prohibited hereby, and the Facility shall be automatically and permanently reduced by the Reduction Amount as set forth in Section 2.06(b)(ii). Upon the drawing of any Letter of Credit that has been Cash Collateralized, the funds held as Cash Collateral shall be applied (without any further action by or notice to or from the Borrower or any other Loan Party or any Defaulting Lender that has provided Cash Collateral) to reimburse the L/C Issuer or the Lenders, as applicable.

Within the parameters of the applications set forth above, prepayments pursuant to this Section 2.05(b) shall be applied first to Base Rate Loans and then to Eurodollar Rate Loans in direct order of Interest Period maturities. All prepayments under this Section 2.05(b) shall be subject to Section 3.05, but otherwise without premium or penalty, and shall be accompanied by interest on the principal amount prepaid through the date of prepayment.

2.06 Termination or Reduction of Commitments.

(a) Optional. The Borrower may, upon notice to the Administrative Agent, terminate the Facility, the Letter of Credit Sublimit or the Swingline Sublimit, or from time to time permanently reduce the Facility, the Letter of Credit Sublimit or the Swingline Sublimit; provided that (i) any such notice shall be received by the Administrative Agent not later than 9:00 a.m. five (5) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of \$1,000,000 or any whole multiple of \$500,000 in excess thereof and (iii) the Borrower shall not terminate or reduce (A) the Facility if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Facility, (B) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit, or (C) the Swingline Sublimit if, after giving effect thereto and to any concurrent prepayments hereunder, the Outstanding Amount of Swingline Loans would exceed the Letter of Credit Sublimit.

(b) Mandatory.

(i) The Facility shall be automatically and permanently reduced on each date on which the prepayment of Revolving Loans outstanding thereunder is required to be made pursuant to Section 2.05(b)(i), Section 2.05(b)(ii), or Section 2.05(b)(iii) by an amount equal to the applicable Reduction Amount.

(ii) If after giving effect to any reduction or termination of Commitments under this Section 2.06, the Letter of Credit Sublimit or the

Swingline Sublimit exceeds the Facility at such time, the Letter of Credit Sublimit or the Swingline Sublimit, as the case may be, shall be automatically reduced by the amount of such excess.

(c) Application of Commitment Reductions; Payment of Fees. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Letter of Credit Sublimit, Swingline Sublimit or the Commitment under this Section 2.06. Upon any reduction of the Commitments, the Commitment of each Lender shall be reduced by such Lender's Applicable Percentage of such reduction amount. All fees in respect of the Facility accrued until the effective date of any termination of the Facility shall be paid on the effective date of such termination.

2.07 Repayment of Loans.

(a) Revolving Loans. The Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of all Revolving Loans outstanding on such date.

(b) Swingline Loans. The Borrower shall repay each Swingline Loan on the earlier to occur of (i) the date ten (10) Business Days after such Loan is made and (ii) the Maturity Date.

2.08 Interest and Default Rate.

(a) Interest. Subject to the provisions of Section 2.08(b), (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period from the applicable borrowing date at a rate per annum equal to the Eurodollar Rate for such Interest Period plus the Applicable Rate; (ii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate; and (iii) each Swingline Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(b) Default Rate.

(i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists (including a payment default), all outstanding Obligations (including Letter of Credit Fees) may accrue at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest Payments. Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees

In addition to certain fees described in subsections (h) and (i) of Section 2.03:

(a) Commitment Fee. The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Applicable Percentage, a commitment fee equal to the Applicable Rate times the actual daily amount by which the Facility exceeds the sum of (i) the Outstanding Amount of Revolving Loans and (ii) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15. For the avoidance of doubt, the Outstanding Amount of Swingline Loans shall not be counted towards or considered usage of the Aggregate Commitments. The commitment fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Amendment Effective Date, and on the last day of the Availability Period. The commitment fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) [Reserved].

2.10 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate

(a) Computation of Interest and Fees. All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurodollar Rate) shall be made on the basis of a year of three hundred sixty-five (365) or three hundred sixty-six (366) days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a three hundred sixty-five (365) day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid

on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one (1) day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) Financial Statement Adjustments or Restatements. If, as a result of any restatement of or other adjustment to the financial statements of the Borrower and its Subsidiaries or for any other reason, the Borrower, or the Lenders (acting reasonably) determine that (i) the Consolidated Leverage Ratio as calculated by the Borrower as of any applicable date was inaccurate and (ii) a proper calculation of the Consolidated Leverage Ratio would have resulted in higher pricing for such period, the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the Lenders or the L/C Issuer, as the case may be, promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent, any Lender or the L/C Issuer), an amount equal to the excess of the amount of interest and fees that should have been paid for such period over the amount of interest and fees actually paid for such period. This paragraph shall not limit the rights of the Administrative Agent, any Lender or the L/C Issuer, as the case may be, under any provision of this Agreement to payment of any Obligations hereunder at the Default Rate or under Article VIII. The Borrower's obligations under this paragraph shall survive for ninety (90) days following the termination of the Aggregate Commitments and the repayment of all other Obligations hereunder.

2.11 Evidence of Debt.

(a) Maintenance of Accounts. The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) Maintenance of Records. In addition to the accounts and records referred to in Section 2.11(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swingline Loans. In the event of

any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) **General.** All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 12:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage in respect of the Facility (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 12:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. Subject to Section 2.07(a) and as otherwise specifically provided for in this Agreement, if any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) **Funding by Lenders; Presumption by Administrative Agent.** Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurodollar Rate Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by

the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(i) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the L/C Issuer hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Appropriate Lenders or the L/C Issuer, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Appropriate Lenders or the L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Revolving Loans, to fund participations in Letters of Credit and Swingline Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) Pro Rata Treatment. Except to the extent otherwise provided herein: (i) each Borrowing (other than Swingline Borrowings) shall be made from the Appropriate Lenders, each payment of fees under Section 2.09 and 2.03(h) and (i) shall be made for

account of the Appropriate Lenders, and each termination or reduction of the amount of the Commitments shall be applied to the respective Commitments of the Lenders, pro rata according to the amounts of their respective Commitments; (ii) each Borrowing shall be allocated pro rata among the Lenders according to the amounts of their respective Commitments (in the case of the making of Revolving Loans) or their respective Loans that are to be included in such Borrowing (in the case of conversions and continuations of Loans); (iii) each payment or prepayment of principal of Loans by the Borrower shall be made for account of the Appropriate Lenders pro rata in accordance with the respective unpaid principal amounts of the Loans held by them; and (iv) each payment of interest on Loans by the Borrower shall be made for account of the Appropriate Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Appropriate Lenders.

2.13 Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of (a) Obligations in respect of the Facility due and payable to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time to (ii) the aggregate amount of the Obligations in respect of the Facility due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Facility due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (b) Obligations in respect of the Facility owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations owing (but not due and payable) to such Lender at such time to (ii) the aggregate amount of the Obligations in respect of the Facility owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Facility owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all of the Lenders at such time, then, in each case under clauses (a) and (b) above, the Lender receiving such greater proportion shall (A) notify the Administrative Agent of such fact, and (B) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations and Swingline Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of Obligations in respect of the Facility then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be, provided that:

(a) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(b) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the

existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.14, or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations or Swingline Loans to any assignee or participant, other than an assignment to any Loan Party or any Affiliate thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.14 Cash Collateral.

(a) Certain Credit Support Events. If (i) the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, (ii) as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, (iii) the Borrower shall be required to provide Cash Collateral pursuant to Section 2.05 or 8.02(c), or (iv) there shall exist a Defaulting Lender, the Borrower shall immediately (in the case of clause (iii) above) or within one (1) Business Day (in all other cases) following any request by the Administrative Agent or the L/C Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iv) above, after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuer and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the L/C Issuer as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in one or more Cash Collateral Accounts at Bank of America. The Borrower shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.05, 2.15 or 8.02 in respect of Letters of Credit shall be held and applied to the satisfaction of

the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Lender that is a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi))) or (ii) the determination by the Administrative Agent and the L/C Issuer that there exists excess Cash Collateral; provided, however, (A) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Loan Documents and the other applicable provisions of the Loan Documents, and (B) the Person providing Cash Collateral and the L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the L/C Issuer or Swingline Lender hereunder; third, to Cash Collateralize the L/C Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; fourth, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to (A) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (B) Cash Collateralize the L/C Issuer's future Fronting Exposure

with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.14; sixth, to the payment of any amounts owing to the Lenders, the L/C Issuer or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the L/C Issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise as may be required under the Loan Documents in connection with any Lien conferred thereunder or directed by a court of competent jurisdiction; provided that if (1) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (2) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(v). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) Fees. No Defaulting Lender shall be entitled to receive any fee payable under Section 2.09(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Letter of Credit Fees. Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(C) Defaulting Lender Fees. With respect to any fee payable under Section 2.09(a) or any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (B) above, the Borrower shall (1) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such

Defaulting Lender's participation in L/C Obligations or Swingline Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (2) pay to the L/C Issuer and Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's or Swingline Lender's Fronting Exposure to such Defaulting Lender, and (3) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (A) the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrower shall have otherwise notified the Administrative Agent at such time, the Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (B) such reallocation does not cause the aggregate Revolving Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. Subject to Section 11.20, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swingline Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, (A) first, prepay Swingline Loans in an amount equal to the Swingline Lender's Fronting Exposure and (B) second, Cash Collateralize the L/C Issuer's Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent, Swingline Lender and the L/C Issuer agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from

Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.16 Increase in Commitments.

(a) **Request for Increase.** Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower may, on a one-time basis, request an increase in the Aggregate Commitments by an amount not exceeding \$15,000,000 (an "**Incremental Facility**"). At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Lenders).

(b) **Lender Elections to Increase.** Each Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its Commitment and, if so, whether by an amount equal to, greater than, or less than its Applicable Revolving Percentage of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Commitment.

(c) **Notification by Administrative Agent; Additional Lenders.** The Administrative Agent shall notify the Borrower and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, and subject to the approval of the Administrative Agent, the L/C Issuer and the Swingline Lender, the Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement ("**New Lenders**") in form and substance satisfactory to the Administrative Agent.

(d) **Effective Date and Allocations.** If the Aggregate Commitments are increased in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "**Commitment Increase Effective Date**") and the final allocation of such increase. The Administrative Agent shall promptly notify the Borrower, the Lenders, and, if applicable, any New Lenders of the final allocation of such increase and the Commitment Increase Effective Date.

(e) **Conditions to Effectiveness of Increase.** As a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Commitment Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (ii) in the case of the Borrower, certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in Article V and the other Loan Documents are true and correct, on and as of the Commitment Increase Effective Date, and except that for purposes of this Section, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01, and (B) both before and after giving effect to the Incremental Facility, no Default exists. The Borrower shall deliver or cause to be delivered any other customary documents, including,

without limitation, legal opinions) as reasonably requested by the Administrative Agent in connection with any Incremental Facility. The Borrower shall prepay any Revolving Loans outstanding on the Commitment Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Revolving Loans ratable with any revised Applicable Revolving Percentages arising from any nonratable increase in the Commitments under this Section. The Borrower shall pay such fee as any Lender or New Lender may require in consideration of such Lender's or New Lender's agreement to provide all or any portion of the Incremental Facility to the Borrower.

(f) Conflicting Provisions. This Section shall supersede any provisions in Section 2.13 or 11.01 to the contrary.

(g) Incremental Facility. Except as otherwise specifically set forth herein, all of the other terms and conditions applicable to such Incremental Facility shall be identical to the terms and conditions applicable to the Revolving Loans.

ARTICLE III TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Borrower or the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the

applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes (other than Other Taxes imposed as a result of an assignment or transfer by a Lender (other than as a result of the Borrower request pursuant to Section 3.06)).

(c) Tax Indemnifications.

(i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or the L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or the L/C Issuer, shall be conclusive absent manifest error. Each of the Loan Parties shall also, and does hereby, jointly and severally indemnify the Administrative Agent, and shall make payment in respect thereof within ten (10) days after demand therefor, for any amount which a Lender or the L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.

(ii) Each Lender and the L/C Issuer shall, and does hereby, severally indemnify and shall make payment in respect thereof within ten (10) days after

demand therefor, (A) the Administrative Agent against any Indemnified Taxes attributable to such Lender or the L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (B) the Administrative Agent and the Loan Parties, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (C) the Administrative Agent and the Loan Parties, as applicable, against any Excluded Taxes attributable to such Lender or the L/C Issuer, in each case, that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender and the L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(iii) Notwithstanding any provision contained herein to the contrary, any indemnity payment to be made by the Borrower with respect to taxes, duties, levies, imposts, deductions, assessments, fees, withholdings or similar charges imposed by any Governmental Authority, or any liabilities with respect thereto, shall be governed solely and exclusively by this Section 3.01 and no other provisions of this Agreement shall be applicable.

(d) Evidence of Payments. Upon request by any Loan Party or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by

the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(e) (ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit M-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of

the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “**U.S. Tax Compliance Certificate**”) and (y) executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit M-2 or Exhibit M-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit M-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies (or originals, as required) of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the 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), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall promptly update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds and Credits. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or the L/C Issuer, or have any obligation to pay to any Lender or the L/C Issuer, any refund of Taxes withheld or deducted from funds paid, or Tax Credits, for the account of such Lender or the L/C Issuer, as the case may be. If any Recipient determines that it has received a refund of any Taxes or any Tax Credit as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to such Loan Party an amount equal to such refund or Tax Credit (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund or Tax Credit), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or Tax Credit), provided that the Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund or Tax Credit to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender or the L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurodollar Rate, or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (a) any obligation of such Lender to make or continue Eurodollar Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base

Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans and (ii) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates.

(a) If in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof, (i) the Administrative Agent determines that (A) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, or (B) (1) adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan and (2) the circumstances described in Section 3.03(c) (i) do not apply (in each case with respect to this clause (i), “**Impacted Loans**”), or (ii) the Administrative Agent or the Required Lenders determine that for any reason Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended (to the extent of the affected Eurodollar Rate Loans or Interest Periods), and (y) in the event of a determination described in the preceding sentence with respect to the Eurodollar Rate component of the Base Rate, the utilization of the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (or, in the case of a determination by the Required Lenders described in clause (ii) of this Section 3.03(a), until the Administrative Agent upon instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans (to the extent of the affected Eurodollar Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

(b) Notwithstanding the foregoing, if the Administrative Agent has made the determination described in clause (a)(i) of this Section 3.03, the Administrative Agent in consultation with the Borrower, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (i) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (a)(i) of this Section 3.03, (ii) the Administrative Agent determines or the Required Lenders notify the Administrative Agent and the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to the Lenders of funding the Impacted Loans, or (iii) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower written notice thereof.

(c) Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, but without limiting Sections 3.03(a) and (b) above, if the Administrative Agent determines (which determination shall be conclusive and binding upon all parties hereto absent manifest error), or the Borrower or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Borrower) that the Borrower or Required Lenders (as applicable) have determined (which determination likewise shall be conclusive and binding upon all parties hereto absent manifest error), that:

(i) adequate and reasonable means do not exist for ascertaining LIBOR for any requested Interest Period, including, without limitation, because the LIBOR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the administrator of the LIBOR Screen Rate or a Governmental Authority having or purporting to have jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which LIBOR or the LIBOR Screen Rate shall no longer be made available, or used for determining the interest rate of loans, provided that, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent, that will continue to provide LIBOR after such specific date (such specific date, the “**Scheduled Unavailability Date**”); or

(iii) syndicated loans currently being executed, or that include language similar to that contained in this Section 3.03, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace LIBOR,

then, reasonably promptly after such determination by the Administrative Agent or receipt by the Administrative Agent of such notice, as applicable, the Administrative Agent and the Borrower may amend this Agreement solely for purpose of replacing LIBOR in accordance with this Section 3.03 with (x) one or

more SOFR-Based Rates or another alternate benchmark rate giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated syndicated credit facilities for such alternative benchmarks and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated syndicated credit facilities for such benchmarks which adjustment or method for calculating such adjustment shall be published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion and may be periodically updated (the “**Adjustment;**” and any such proposed rate, a “**LIBOR Successor Rate**”), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders (A) in the case of an amendment to replace LIBOR with a rate described in clause (x), object to the Adjustment; or (B) in the case of an amendment to replace LIBOR with a rate described in clause (y), object to such amendment; provided that for the avoidance of doubt, in the case of clause (A), the Required Lenders shall not be entitled to object to any SOFRBased Rate contained in any such amendment. Such LIBOR Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such LIBOR Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

(d) If no LIBOR Successor Rate has been determined and the circumstances under clause (c)(i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (i) the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended, (to the extent of the affected Eurodollar Rate Loans or Interest Periods), and (ii) the Eurodollar Rate component shall no longer be utilized in determining the Base Rate. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans (to the extent of the affected Eurodollar Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans (subject to the foregoing clause (ii)) in the amount specified therein.

(e) Notwithstanding anything else herein, any definition of LIBOR Successor Rate shall provide that in no event shall such LIBOR Successor Rate be less than zero for purposes of this Agreement.

(f) In connection with the implementation of a LIBOR Successor Rate, the Administrative Agent will have the right to make LIBOR Successor Rate Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such LIBOR Successor Rate Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided that, with respect to any such amendment effected,

the Administrative Agent shall post each such amendment implementing such LIBOR Successor Conforming Changes to the Lenders reasonably promptly after such amendment becomes effective.

(g) For purposes hereof:

(i) “**LIBOR Successor Rate Conforming Changes**” means, with respect to any proposed LIBOR Successor Rate, any conforming changes to the definition of Base Rate, Interest Period, timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such LIBOR Successor Rate and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such LIBOR Successor Rate exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement);

(ii) “**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a benchmark rate to replace LIBOR in loan agreements similar to this Agreement;

(iii) “**SOFR**” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator) on the Federal Reserve Bank of New York’s website and that has been selected or recommended by the Relevant Governmental Body;

(iv) “**SOFR-Based Rate**” means SOFR or Term SOFR; and

(v) “**Term SOFR**” means the forward-looking term rate for any period that is approximately (as determined by the Administrative Agent”) as long as any of the Interest Period options set forth in the definition of “Interest Period” and that is based on SOFR and that has been selected or recommended by the Relevant Governmental Body, in each case as published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion.

3.04 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any

Lender (except any reserve requirement contemplated by Section 3.04(e)) or the L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Eurodollar Rate (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or the L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or the L/C Issuer, the Borrower will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender or the L/C Issuer or any Lending Office of such Lender or such Lender's or the L/C Issuer's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the L/C Issuer's capital or on the capital of such Lender's or the L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the L/C Issuer's policies and the policies of such Lender's or the L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The

Borrower shall pay such Lender or the L/C Issuer, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section 3.04 shall not constitute a waiver of such Lender's or the L/C Issuer's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender or the L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender or the L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Reserves on Eurodollar Rate Loans. The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "**Eurocurrency liabilities**"), additional interest on the unpaid principal amount of each Eurodollar Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, provided the Borrower shall have received at least ten (10) days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice ten (10) days prior to the relevant Interest Payment Date, such additional interest shall be due and payable ten (10) days from receipt of such notice.

3.05 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 11.13;

excluding any loss of anticipated profits but including loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable

to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender, the L/C Issuer, or any Governmental Authority for the account of any Lender or the L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower, such Lender or the L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of such Lender or the L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or the L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer, as the case may be. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 11.13.

3.07 Survival.

All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, resignation of the Administrative Agent and the Facility Termination Date.

ARTICLE IV
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions of Initial Credit Extension.

The obligation of the L/C Issuer and each Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent:

(a) Execution of Credit Agreement; Loan Documents. The Administrative Agent shall have received (i) counterparts of this Agreement, executed by a Responsible Officer of each Loan Party and a duly authorized officer of each Lender, (ii) for the account of each Lender requesting a Note, a Note executed by a Responsible Officer of the Borrower, (iii) counterparts of the Security Agreement and each other Collateral Document, executed by a Responsible Officer of the applicable Loan Parties and a duly authorized officer of each other Person party thereto, as applicable and (iv) counterparts of any other Loan Document, executed by a Responsible Officer of the applicable Loan Party and a duly authorized officer of each other Person party thereto.

(b) Officer's Certificate. The Administrative Agent shall have received a certificate of a Responsible Officer (in substantially the form of Exhibit L attached hereto) dated the Amendment Effective Date, certifying as to the Organization Documents of each Loan Party (which, to the extent filed with a Governmental Authority, shall be certified as of a recent date by such Governmental Authority), the resolutions of the governing body of each Loan Party, the good standing, existence or its equivalent of each Loan Party and of the incumbency of the Responsible Officers of each Loan Party.

(c) [Reserved].

(d) Financial Statements. The Administrative Agent and the Lenders shall have received copies of the financial statements referred to in Section 5.05, each in form and substance satisfactory to each of them.

(e) Personal Property Collateral. The Administrative Agent shall have received, in form and substance satisfactory to the Administrative Agent:

(i) (A) searches of UCC filings in the jurisdiction of incorporation or formation, as applicable, of each Loan Party and each jurisdiction where any Collateral is located or where a filing would need to be made in order to perfect the Administrative Agent's security interest in the Collateral, copies of the financing statements on file in such jurisdictions and evidence that no Liens exist other than Permitted Liens and (B) tax lien, judgment and bankruptcy searches;

(ii) searches of ownership of Intellectual Property in the appropriate governmental offices and such patent/trademark/copyright filings as requested by the Administrative Agent in order to perfect the Administrative Agent's security interest in the Intellectual Property;

(iii) completed UCC financing statements for each appropriate jurisdiction as is necessary, in the Administrative Agent's sole discretion, to perfect the Administrative Agent's security interest in the Collateral;

(iv) stock or membership certificates, if any, evidencing the Pledged Equity and undated stock or transfer powers duly executed in blank; in each case to the extent such Pledged Equity is certificated;

(v) to the extent required to be delivered pursuant to the terms of the Collateral Documents, all instruments, documents and chattel paper in the possession of any of the Loan Parties, together with allonges or assignments as may be necessary or appropriate to perfect the Administrative Agent's and the Lenders' security interest in the Collateral; and (vi) Qualifying Control Agreements satisfactory to the Administrative Agent to the extent required to be delivered pursuant to Section 6.14.

(f) [Reserved].

(g) Liability, Casualty, Property, Terrorism and Business Interruption Insurance. The Administrative Agent shall have received copies of insurance policies, declaration pages, certificates, and endorsements of insurance or insurance binders evidencing liability, casualty, business interruption and property insurance meeting the requirements set forth herein or in the Collateral Documents or as required by the Administrative Agent. The Loan Parties shall have delivered to the Administrative Agent an Authorization to Share Insurance Information in substantially the form of Exhibit Q (or such other form as required by each of the Loan Parties' insurance companies).

(h) Solvency Certificate. The Administrative Agent shall have received a Solvency Certificate signed by a Responsible Officer of the Borrower as to the financial condition, solvency and related matters of the Loan Parties, on a Consolidated basis, after giving effect to the initial borrowings under the Loan Documents and the other transactions contemplated hereby.

(i) Closing Certificate. The Administrative Agent shall have received a certificate executed by a Responsible Officer of the Borrower as of the Amendment Effective Date, substantially in the form of Exhibit P.

(j) Borrowing Notice. The Administrative Agent shall have received a Borrowing Notice with respect to any Loans to be made on the Amendment Effective Date.

(k) Existing Indebtedness of the Loan Parties. All of the existing Indebtedness for borrowed money of the Borrower and its Subsidiaries (other than Indebtedness permitted to exist pursuant to Section 7.02) shall be repaid in full and all security interests related thereto shall be terminated on or prior to the Amendment Effective Date.

(l) Consents. The Administrative Agent shall have received evidence that all boards of directors, governmental, shareholder and material third party consents and

approvals necessary in connection with the entering into of this Agreement have been obtained.

(m) Due Diligence; Know Your Customer. The Lenders shall have completed a due diligence investigation of the Borrower and its Subsidiaries in scope, and with results, satisfactory to the Lenders, including, without limitation, U.S. Department of Treasury Office of Foreign Assets Control, Foreign Corrupt Practices Act and “know your customer” due diligence. The Loan Parties shall have provided to the Administrative Agent and the Lenders the documentation and other information requested by the Administrative Agent and the Lenders in order to comply with applicable law, including without limitation, the PATRIOT Act.

(n) No Material Adverse Effect. There shall not have occurred since December 31, 2018 any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect.

(o) No Litigation or Investigations. There shall be no action, suit, investigation or proceeding pending or, to the knowledge of the Borrower, threatened in any court or before any arbitrator or governmental authority against any Loan Party that could reasonably be expected to have a Material Adverse Effect.

(p) Payoff Letter. The Administrative Agent shall have received a payoff letter from Central Pacific Bank in form and substance reasonably satisfactory to the Administrative Agent and the Lenders.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Amendment Effective Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions.

The obligation of each Lender and the L/C Issuer to honor any Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurodollar Rate Loans) is subject to the following conditions precedent:

(a) Representations and Warranties. The representations and warranties of the Borrower and each other Loan Party contained in Article II, Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall (i) with respect to representations and warranties that contain a materiality qualification, be true and correct on and as of the date of such Credit Extension and (ii) with respect to representations and warranties that do not contain a materiality qualification, be true and correct in all material respects on and as of the date of such Credit Extension, and except that for purposes of this Section 4.02, the representations and warranties contained in Sections 5.05(a) and (b) shall be deemed to

refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b), respectively.

(b) Default. No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) Stop Funding Change of Control Event. The event described in clause (c) of the definition of Change of Control shall not have occurred, or if such event shall have occurred, not more than five (5) Business Days shall have elapsed since the date on which the Administrative Agent notified the Borrower that the Required Lenders and the L/C Issuer have elected not to honor any additional Requests for Credit Extensions in consequence of the occurrence of such event.

(d) Reading Payment Default. No default by Reading in the payment of any interest, principal or fee when due under the Reading Loan Agreement shall have occurred and be continuing for more than thirty (30) days.

(e) Request For Credit Extension. The Administrative Agent and, if applicable, the L/C Issuer or the Swingline Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type or a continuation of Eurodollar Rate Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and the Lenders, as of the date made or deemed made, that:

5.01 Existence, Qualification and Power.

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

5.02 Authorization; No Contravention.

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is or is to be a party have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law; except in each case referred to in clause (b) or (c), to the extent that any such conflict, breach, contravention or violation could not reasonably be expected to have a Material Adverse Effect.

5.03 Governmental Authorization; Other Consents.

No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the first priority nature thereof) or (d) the exercise by the Administrative Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Collateral Documents, other than (i) authorizations, approvals, actions, notices and filings which have been duly obtained, (ii) filings and other actions necessary to perfect the Liens created by the Collateral Documents and (iii) such approvals, consents, exemptions, authorizations, actions, notices or filings, the failure to make or obtain could not reasonably be expected to result in a Material Adverse Effect.

5.04 Binding Effect.

This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principals of equity (whether enforcement is sought by proceedings in equity or at law).

5.05 Financial Statements; No Material Adverse Effect.

(a) Audited Financial Statements. The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present on a Consolidated basis the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in shareholder's equity for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show on a

Consolidated basis, to the extent required to be disclosed on financial statements (or related footnotes) prepared in accordance with GAAP, all material indebtedness and other liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(b) Quarterly Financial Statements. The unaudited Consolidated balance sheet of the Borrower and its Subsidiaries dated December 31, 2019, and the related Consolidated statements of income or operations, shareholders' equity and cash flows of the Borrower and its Subsidiaries for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present on a Consolidated basis in all material respects the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in shareholder's equity for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Material Adverse Effect. Since the date of the balance sheet included in the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

5.06 Litigation.

There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties after due and diligent investigation, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any Subsidiary or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document or any of the transactions contemplated hereby, or (b) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

5.07 No Default.

Neither any Loan Party nor any Subsidiary thereof is in default under or with respect to, or a party to, any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.08 Ownership of Property.

Each Loan Party and each of its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.09 Environmental Compliance.

(a) The Loan Parties and their respective Subsidiaries conduct in the ordinary course of business a review of the effect of existing claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof the Loan Parties have reasonably concluded that have complied with all Environmental Laws, such Environmental Laws could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) None of the properties currently or formerly owned or operated by any Loan Party or any of its Subsidiaries is listed or proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or is adjacent to any such property; to the knowledge of the Loan Parties, there are no and never have been any underground or above-ground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned or operated by any Loan Party or any of its Subsidiaries or, to the best of the knowledge of the Loan Parties, on any property formerly owned or operated by any Loan Party or any of its Subsidiaries; to the knowledge of the Loan Parties, there is no asbestos or asbestos-containing material on any property currently owned or operated by any Loan Party or any of its Subsidiaries; and Hazardous Materials have not been released, discharged or disposed of on any property currently or formerly owned or operated by any Loan Party or any of its Subsidiaries that has or could result in claims that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(c) All Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned or operated by any Loan Party or any of its Subsidiaries have been disposed of in a manner not reasonably expected to result in material liability to any Loan Party or any of its Subsidiaries.

5.10 Insurance.

The properties of the Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Borrower, in such amounts with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party or the applicable Subsidiary operates. The general liability, casualty, business interruption and property insurance coverage of the Loan Parties as in effect on the Amendment Effective Date, and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is outlined as to carrier on Schedule 5.10 and such insurance coverage complies with the requirements set forth in this Agreement and the other Loan Documents.

5.11 Taxes.

Each Loan Party and its Subsidiaries have filed all federal, state and other material income tax returns and reports required to be filed, and have paid all federal, state and other material

income taxes shown on such returns and reports as being due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no known proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect, nor is there any tax sharing agreement applicable to the Borrower or any Subsidiary that could reasonably be expected to result in a Material Adverse Effect.

5.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state laws, except as would not reasonably be expected to have a Material Adverse Effect. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter or is subject to a favorable opinion letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the IRS to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the IRS. To the best knowledge of the Loan Parties, nothing has occurred that would reasonably be expected to prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no non-exempt prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) Except as would not reasonably be expected to result in a Material Adverse Effect: (i) no ERISA Event has occurred and no Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan or Multiemployer Plan; (ii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is 60% or higher and no Loan Party nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; (iii) no Loan Party nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (iv) neither the Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (v) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

5.13 Margin Regulations; Investment Company Act.

(a) Margin Regulations. The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than 25% of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a Consolidated basis) subject to the provisions of Section 7.01 or Section 7.05 or subject to any restriction contained in any agreement or instrument between the Borrower and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 8.01(e) will be margin stock.

(b) Investment Company Act. None of the Borrower, any Person Controlling the Borrower, or any Subsidiary is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

5.14 Disclosure.

The Borrower has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries or any other Loan Party is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other information (other than (i) projected financial information, (ii) other forward looking information and (iii) information of a general economic or industry specific nature) furnished (whether in writing or orally) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that (i) with respect to projected financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time, (ii) with respect to information relating to the Borrower’s industry generally and trade data which relates to a Person that is not the Borrower or a Subsidiary thereof, the Borrower represents only that such information is believed by it in good faith to be accurate in all material respects and (iii) with respect to financial statements, other than projected financial information, the Borrower represents only that such financial statements present fairly in all material respects the consolidated financial condition of the applicable Person as of the dates indicated.

5.15 Compliance with Laws.

Each Loan Party and each Subsidiary thereof is in compliance with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.16 Solvency.

The Loan Parties are, on a Consolidated basis, Solvent.

5.17 Casualty, Etc.

Neither the businesses nor the properties of any Loan Party or any of its Subsidiaries are affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance) that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.18 Sanctions Concerns; and Anti-Corruption Laws.

(a) Sanctions Concerns. No Loan Party, nor any Subsidiary, nor, to the knowledge of the Loan Parties and their Subsidiaries, any director, officer, employee, agent, Affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

(b) Anti-Corruption Laws. The Loan Parties and their Subsidiaries have conducted their business in compliance with the United States Foreign Corrupt Practices Act of 1977 and, to the extent applicable, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions, and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

5.19 Theaters.

As of the Amendment Effective Date, the Loan Parties' theaters are as set forth in Schedule 5.19.

5.20 Subsidiaries; Equity Interests; Loan Parties.

(a) Subsidiaries, Joint Ventures, Partnerships and Equity Investments. Set forth on Schedule 5.20(a), is the following information which is true and complete in all respects as of the Amendment Effective Date and as of the last date such Schedule was required to

be updated in accordance with Section 6.02: (i) a complete and accurate list of all Subsidiaries, joint ventures and partnerships and other equity investments of the Loan Parties as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, (ii) the number of shares of each class of Equity Interests in each Subsidiary outstanding, (iii) the number and percentage of outstanding shares of each class of Equity Interests owned by the Loan Parties and their Subsidiaries and (iv) the class or nature of such Equity Interests (i.e. voting, non-voting, preferred, etc.). The outstanding Equity Interests in all Subsidiaries are validly issued, fully paid and (in the case of any issuer that is a corporation) nonassessable and are owned free and clear of all Liens, other than non-consensual Liens arising by operation of law. There are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments (other than stock options granted to employees or directors and directors' qualifying shares) of any nature relating to the Equity Interests of any Loan Party or any Subsidiary thereof, except as contemplated in connection with the Loan Documents.

(b) Loan Parties. Set forth on Schedule 5.20(b) is a complete and accurate list of all Loan Parties, showing as of the Amendment Effective Date, or as of the last date such Schedule was required to be updated in accordance with Section 6.02, (as to each Loan Party) (i) the exact legal name, (ii) any former legal names of such Loan Party in the four (4) months prior to the Amendment Effective Date, (iii) the jurisdiction of its incorporation or organization, as applicable, (iv) the type of organization, (v) the address of its chief executive office, (vi) the address of its principal place of business, (vii) its U.S. federal taxpayer identification number or, in the case of any non-U.S. Loan Party that does not have a U.S. taxpayer identification number, its unique identification number issued to it by the jurisdiction of its incorporation or organization, (viii) the organization identification number, and (ix) ownership information (e.g. publicly held or if private or partnership, the owners and partners of each of the Loan Parties).

5.21 Collateral Representations

(a) Collateral Documents. The provisions of the Collateral Documents are effective to create in favor of the Administrative Agent for the benefit of the Secured Parties a legal, valid and enforceable first priority Lien (subject to Permitted Liens) on all right, title and interest of the respective Loan Parties in the Collateral described therein. Except for (i) filings and such other actions completed prior to the Amendment Effective Date and as contemplated hereby and by the Collateral Documents, and (ii) such other filings and actions as may hereafter be necessary in order to perfect the Lien granted in favor of the Administrative Agent, no filing or other action will be necessary to perfect such Liens.

(b) Intellectual Property. Set forth on Schedule 5.21(b), as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a list of all registered or issued Intellectual Property (including all applications for registration and issuance) owned by each of the Loan Parties or that each of the Loan Parties has the right to (including the name/title, current owner, registration or application number, and registration or application date and such other information as reasonably requested by the Administrative Agent).

(c) Documents, Instrument, and Tangible Chattel Paper. Set forth on Schedule 5.21(c), as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a description of all Documents (as defined in the UCC), Instruments (as defined in the UCC), and Tangible Chattel Paper (as defined in the UCC) of the Loan Parties (including the Loan Party owning such Document, Instrument and Tangible Chattel Paper and such other information as reasonably requested by the Administrative Agent).

(d) Deposit Accounts, Electronic Chattel Paper, Letter-of-Credit Rights, and Securities Accounts.

(i) Set forth on Schedule 5.21(d)(i), as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a description of all Deposit Accounts (as defined in the UCC) and Securities Accounts (as defined in the UCC) of the Loan Parties, including the name of (A) the applicable Loan Party, (B) in the case of a Deposit Account, the depository institution and whether such account is a ZBA account or a payroll account, and (C) in the case of a Securities Account, the Securities Intermediary (as defined in the UCC) or issuer, as applicable.

(ii) Set forth on Schedule 5.21(d)(ii), as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a description of all Electronic Chattel Paper and Letter of Credit Rights of the Loan Parties, including the name of (A) the applicable Loan Party, (B) in the case of Electronic Chattel Paper, the account debtor and (C) in the case of Letter-of-Credit Rights, the issuer or nominated person, as applicable.

(e) Commercial Tort Claims. Set forth on Schedule 5.21(e), as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a description of all Commercial Tort Claims (as defined in the UCC) of the Loan Parties (detailing such Commercial Tort Claim in such detail as reasonably requested by the Administrative Agent).

(f) Pledged Equity Interests. Set forth on Schedule 5.21(f), as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a list of (i) all Pledged Equity and (ii) all other Equity Interests required to be pledged to the Administrative Agent pursuant to the Collateral Documents (in each case, detailing the Grantor (as defined in the Security Agreement), the Person whose Equity Interests are pledged, the number of shares of each class of Equity Interests, the certificate number and percentage ownership of outstanding shares of each class of Equity Interests and the class or nature of such Equity Interests (i.e. voting, non-voting, preferred, etc.).

(g) Properties. Set forth on Schedule 5.21(g), as of the Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a list of (A) each headquarter location of the Loan Parties, (B) each other location where any significant administrative or governmental functions are performed,

(C) each other location where the Loan Parties maintain any books or records (electronic or otherwise) and (D) each location where any material personal property Collateral is located at any premises owned or leased by a Loan Party (in each case, including (1) an indication if such location is leased or owned, (2), if leased, the name of the lessor, and if owned, the name of the Loan Party owning such property, and (3) the address of such property (including, the city, county, state and zip code).

5.22 Intellectual Property; Licenses, Etc.

The Borrower and each of its Subsidiaries own, or possess the right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person, except to the extent the failure to own or possess rights in any of the foregoing could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. To the knowledge of the Borrower, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by the Borrower or any of its Subsidiaries infringes upon any rights held by any other Person, where such infringement could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. No claim or litigation regarding any of the foregoing is pending or, to the knowledge of the Borrower, threatened, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.23 Labor Matters.

There are no collective bargaining agreements or Multiemployer Plans covering the employees of the Borrower or any of its Subsidiaries as of the Amendment Effective Date and neither the Borrower nor any Subsidiary has suffered any strikes, walkouts, work stoppages or other material labor difficulty within the last five (5) years preceding the Amendment Effective Date.

5.24 Beneficial Ownership Certification.

The information included in the Beneficial Ownership Certification, if any, most recently provided to each Lender, if applicable, is true and correct in all respects.

5.25 EEA Financial Institutions.

No Loan Party is an EEA Financial Institution.

ARTICLE VI
AFFIRMATIVE COVENANTS

Each of the Loan Parties hereby covenants and agrees that on the Amendment Effective Date and thereafter until the Facility Termination Date, such Loan Party shall, and shall cause each of its Subsidiaries to:

6.01 Financial Statements.

Deliver to the Administrative Agent:

(a) Audited Financial Statements. As soon as available, but in any event within ninety (90) days after the end of each fiscal year of the Borrower (commencing with the fiscal year ended December 31, 2019), a Consolidated balance sheet of the Borrower and its Subsidiaries and Carmel as at the end of such fiscal year, and the related Consolidated statements of income or operations, changes in shareholders' equity and cash flows of the Borrower and its Subsidiaries and Carmel for such fiscal year. Commencing with the fiscal year ended December 31, 2020, all financial statements delivered pursuant to this Section 6.01(a) shall set forth in comparative form the Consolidated figures for the Borrower and its Subsidiaries and Carmel for the previous fiscal year. All financial statements delivered pursuant to this Section 6.01(a) shall be in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit (other than such a qualification that is solely with respect to, or resulting solely from, the upcoming maturity date of any of the Loans hereunder being scheduled to occur within twelve months from the time such report is delivered).

(b) Quarterly Financial Statements. As soon as available, but in any event within forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year of the Borrower (commencing with the fiscal quarter ending March 31, 2020), a Consolidated balance sheet of the Borrower and its Subsidiaries and Carmel as at the end of such fiscal quarter, and the related Consolidated statements of income or operations, changes in shareholders' equity and cash flows of the Borrower and its Subsidiaries and Carmel for such fiscal quarter and for the portion of the Borrower's fiscal year then ended. All financial statements delivered pursuant to this Section 6.01(b) shall set forth in comparative form the Consolidated figures for the Borrower and its Subsidiaries for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year. All financial statements delivered pursuant to this Section 6.01(b) shall be in reasonable detail and prepared in accordance with GAAP, certified by the chief executive officer, chief financial officer, treasurer or controller who is a Responsible Officer of the Borrower as fairly presenting in all material respects the Consolidated financial condition, results of operations, shareholders' equity and cash flows of the Borrower and its Subsidiaries and Carmel, subject only to normal year-end audit adjustments and the absence of footnotes.

(c) Individual Theater Information. As soon as available, but in any event within forty-five (45) days after the end of each fiscal quarter of each fiscal year (including the final fiscal quarter of each fiscal year) of the Borrower (commencing with the fiscal quarter ending March 31, 2020), a statement of the Borrower's individual theater revenue and attendance.

(d) Business Plan and Budget. As soon as available, but in any event within forty-five (45) days after the end of each fiscal year of the Borrower, an annual business plan and budget of the Borrower and its Subsidiaries on a Consolidated basis, including forecasts prepared by management of the Borrower, in form consistent with the projections previously provided to the Administrative Agent or otherwise reasonably satisfactory to the Administrative Agent, of Consolidated balance sheets and statements of income or operations and cash flows of the Borrower and its Subsidiaries on a monthly basis for the immediately following fiscal year.

As to any information contained in materials furnished pursuant to Section 6.02(g), the Borrower shall not be separately required to furnish such information under Section 6.01(a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Borrower to furnish the information and materials described in Sections 6.01(a) and (b) above at the times specified therein.

6.02 Certificates; Other Information.

Deliver to the Administrative Agent:

(a) Accountants' Certificate. Concurrently with the delivery of the financial statements referred to in Section 6.01(a) (commencing with the delivery of the financial statements for the fiscal year ended December 31, 2019), a certificate of the Borrower's independent certified public accountants certifying such financial statements and stating that in making the examination necessary therefor no knowledge was obtained of any Default under the financial covenants set forth herein or, if any such Default shall exist, stating the nature and status of such event.

(b) Compliance Certificate. Concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b), a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller which is a Responsible Officer of the Borrower.

(c) Updated Schedules. Concurrently with the delivery of the Compliance Certificate referred to in Section 6.02(b) required to be delivered with the financial statement referred to in Section 6.01(a), the following updated Schedules to this Agreement (which may be attached to the Compliance Certificate) to the extent required to make the representation related to such Schedule true and correct as of the date of such Compliance Certificate: Schedules 5.10, 5.20(a), 5.20(b), 5.21(b), 5.21(d)(i), 5.21(d)(ii), 5.21(e), 5.21(f), 5.21(g), and 5.21(h).

(d) Reports of Cash Dividends and Distributions. Concurrently with the delivery of the Compliance Certificate referred to in Section 6.02(b) required to be

delivered with the quarterly financial statements referred to in Section 6.01(b), a report of all cash dividends and distributions made by the Loan Parties (including, for the avoidance of doubt, all reductions in amounts due from Parent to any other Loan Party) for the immediately preceding fiscal quarter and for the fiscal year-to-date period then ended, in a form reasonably satisfactory to the Administrative Agent.

(e) Changes in Entity Structure. Provide notice to the Administrative Agent, not more than ten (10) days after (or such extended period of time as agreed to by the Administrative Agent) of any change in any Loan Party's legal name, state of organization, or organizational existence.

(f) Audit Reports; Management Letters; Recommendations. Promptly after any request by the Administrative Agent or any Lender, copies of any detailed audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of any Loan Party by independent accountants in connection with the accounts or books of any Loan Party or any of its Subsidiaries, or any audit of any of them.

(g) Annual Reports; Etc. Promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Borrower in their capacities as such, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto.

(h) Debt Securities Statements and Reports. Promptly after the furnishing thereof, copies of any material statement or report furnished to any holder of debt securities (excluding statements or reports to Affiliates) of any Loan Party or of any of its Subsidiaries, in any case with an aggregate principal amount outstanding of greater than the Threshold Amount, pursuant to the terms of any indenture, loan or credit or similar agreement governing such debt securities and not otherwise required to be furnished to the Lenders pursuant to Section 6.01 or any other clause of this Section.

(i) SEC Notices. Promptly, and in any event within five (5) Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof.

(j) Notices. Not later than five (5) Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of all material notices, requests and other documents (including amendments, waivers and other modifications) so received under or pursuant to any instrument, indenture, loan or credit or similar agreement evidencing Indebtedness of greater than the Threshold Amount and, from time to time upon request by the Administrative Agent, such information and reports regarding such instruments,

indentures and loan and credit and similar agreements as the Administrative Agent may reasonably request.

(k) **Environmental Notice.** Promptly after the assertion or occurrence thereof, notice of any action or proceeding against or of any noncompliance by any Loan Party or any of its Subsidiaries with any Environmental Law or Environmental Permit that could reasonably be expected to have a Material Adverse Effect.

(l) **Additional Information.** Promptly, such additional information regarding the business, financial, legal or corporate affairs of any Loan Party or any Subsidiary thereof, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request; provided, however, that the Loan Parties shall not be required to deliver any information that is subject to a confidentiality undertaking with a third party or which is subject to attorney-client or similar privilege or constitutes attorney work product.

Documents required to be delivered pursuant to Section 6.01(a) or (b) or Section 6.02(g) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (a) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 1.01(a); or (b) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Borrower shall notify the Administrative Agent and each Lender (by fax transmission or e-mail transmission) of the posting of any such documents and provide to the Administrative Agent by e-mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (A) the Administrative Agent and/or an Affiliate thereof may, but shall not be obligated to, make available to the Lenders and the L/C Issuer materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "**Borrower Materials**") by posting the Borrower Materials on IntraLinks, Syndtrak, ClearPar or a substantially similar electronic system (the "**Platform**") and (B) certain of the Lenders (each, a "**Public Lender**") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees that so long as the Borrower is the issuer of any outstanding debt or Equity Interests that are registered or issued pursuant to a private offering or is actively contemplating issuing any such securities it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and

that (1) all such Borrower Materials shall be clearly and conspicuously marked “PUBLIC” which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof; (2) by marking Borrower Materials “PUBLIC,” the Borrower shall be deemed to have authorized the Administrative Agent, any Affiliate thereof, the Arranger, the L/C Issuer and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to the Borrower or its securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (3) all Borrower Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated “Public Side Information;” and (4) the Administrative Agent and the any Affiliate thereof and the Arranger shall be entitled to treat any Borrower Materials that are not marked “PUBLIC” as being suitable only for posting on a portion of the Platform not designated “Public Side Information.” Notwithstanding the foregoing, the Borrower shall be under no obligation to mark any Borrower Materials “PUBLIC.”

6.03 Notices.

Promptly, but in any event within two (2) Business Days, notify the Administrative Agent:

(a) of the occurrence of any Default of which a Responsible Officer of a Loan Party is aware;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect;

(c) of the occurrence of any ERISA Event that is reasonably expected to have a Material Adverse Effect;

(d) of any material change in accounting policies or financial reporting practices by any Loan Party or any Subsidiary thereof; and

(e) of any occurrence of any Disposition of property or assets for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.05(b)(i).

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and to the extent applicable, stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04 Payment of Obligations.

Pay and discharge as the same shall become due and payable (a) all material tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless either (i) the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Borrower or such Subsidiary; or (ii) the failure to make payment in respect thereof could not reasonably be expected to result in a Material Adverse Effect; (b) all lawful claims which, if unpaid, would by law become

a Lien (other than a Permitted Lien) upon its property; and (c) all Indebtedness, as and when due and payable to the extent the failure to pay when due and payable would result in an Event of Default hereunder, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness.

6.05 Preservation of Existence, Etc.

(a) Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.04 or 7.05;

(b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and

(c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

6.06 Maintenance of Properties.

(a) Maintain all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect;

(b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; and

(c) use the standard of care typical in the industry in the operation and maintenance of its facilities, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.07 Maintenance of Insurance.

(a) Maintenance of Insurance. Maintain with financially sound and reputable insurance companies not Affiliates of the Borrower, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons.

(b) Evidence of Insurance. Cause the Administrative Agent to be named as lenders' loss payable, loss payee or mortgagee, as its interest may appear, and/or additional insured with respect of any such insurance providing liability coverage or coverage in respect of any Collateral, and cause, unless otherwise agreed to by the Administrative Agent, each provider of any such insurance to agree, by endorsement upon the policy or

policies issued by it or by independent instruments furnished to the Administrative Agent that it will give the Administrative Agent thirty (30) days prior written notice before any such policy or policies shall be altered or cancelled (or ten (10) days prior notice in the case of cancellation due to the nonpayment of premiums). Annually, upon expiration of current insurance coverage, the Loan Parties shall provide, or cause to be provided, to the Administrative Agent, such evidence of insurance as required by the Administrative Agent, including, but not limited to evidence of such insurance policies (including, without limitation and as applicable, ACORD Form 28 certificates (or similar form of insurance certificate), and ACORD Form 25 certificates (or similar form of insurance certificate)), (iii) declaration pages for each insurance policy and (iv) lender's loss payable endorsement if the Administrative Agent for the benefit of the Secured Parties is not on the declarations page for such policy. As requested by the Administrative Agent, the Loan Parties agree to deliver to the Administrative Agent an Authorization to Share Insurance Information in substantially the form of Exhibit Q (or such other form as required by each of the Loan Parties' insurance companies).

6.08 Compliance with Laws.

Comply with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.09 Books and Records.

Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary, as the case may be.

6.10 Inspection Rights.

(a) Permit representatives and independent contractors of the Administrative Agent (and each Lender, to the extent accompanied by the Administrative Agent) to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and (with the Borrower's participation) independent public accountants, all at the reasonable expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower; provided, however, that (i) so long as no Event of Default has occurred and is continuing, the Borrower shall not be obligated to pay or otherwise reimburse the Administrative Agent and the Lenders for more than one such visit or inspection in any fiscal year and (ii) when an Event of Default exists the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice.

(b) If requested by the Administrative Agent in its sole discretion, permit the Administrative Agent, and its representatives, upon reasonable advance notice to the Borrower, to conduct an annual audit of the Collateral at the expense of the Borrower.

(c) If requested by the Administrative Agent in its sole discretion following the occurrence and during the continuance of an Event of Default, promptly deliver to the Administrative Agent (i) asset appraisal reports with respect to all of the real and personal property owned by the Borrower and its Subsidiaries, and (ii) a written audit of the accounts receivable, inventory, payables, controls and systems of Borrower and its Subsidiaries.

6.11 Use of Proceeds.

Use the proceeds of the Credit Extensions to refinance the Borrower's existing revolving and letter credit facilities under the Existing Credit Agreement, for Acquisitions approved by the Lenders pursuant to Section 7.03(g) and for working capital, capital expenditures, Restricted Payments and other general corporate purposes not in contravention of any Law or of any Loan Document.

6.12 [Reserved].

6.13 Covenant to Guarantee Obligations.

The Loan Parties will cause each of their Domestic Subsidiaries (other than any Excluded Subsidiary) whether newly formed, after acquired or otherwise existing to promptly (and in any event within thirty (30) days after such Subsidiary is formed or acquired (or such longer period of time as agreed to by the Administrative Agent in its reasonable discretion)) become a Guarantor hereunder by way of execution of a Joinder Agreement. In connection with the foregoing, the Loan Parties shall deliver to the Administrative Agent, with respect to each new Guarantor to the extent applicable, substantially the same documentation required pursuant to Sections 4.01(b) – (e) and 6.14 and such other documents or agreements as the Administrative Agent may reasonably request.

6.14 Covenant to Give Security.

Except with respect to Excluded Property:

(a) Equity Interests and Personal Property. Each Loan Party will cause the Pledged Equity and all of its tangible and intangible personal property now owned or hereafter acquired by it (other than Excluded Perfection Assets) to be subject at all times to a first priority, perfected Lien (subject to Permitted Liens to the extent permitted by the Loan Documents) in favor of the Administrative Agent for the benefit of the Secured Parties to secure the Secured Obligations pursuant to the terms and conditions of the Collateral Documents. Each Loan Party shall provide any filings and deliveries reasonably necessary in connection therewith to perfect the security interests therein, all in form and substance reasonably satisfactory to the Administrative Agent.

(b) [Reserved].

(c) [Reserved].

(d) Account Control Agreements. Each of the Loan Parties shall not open, maintain or otherwise have any deposit or other accounts (including securities accounts) at any bank or other financial institution, or any other account where money or securities are or may be deposited or maintained with any Person, other than (a) deposit accounts held at Bank of America, (b) deposit accounts established after the Amendment Effective Date that are maintained at all times with depository institutions as to which the Administrative Agent shall have received a Qualifying Control Agreement, (c) securities accounts that are maintained at all times with financial institutions as to which the Administrative Agent shall have received a Qualifying Control Agreement, (d) deposit accounts established solely for purposes of funding payroll, salary, benefits, trust, employee benefits, withholding or escrow or fiduciary deposits, (e) zero balance accounts, and (f) other deposit accounts, so long as at any time the balance in any such account does not exceed \$200,000 and the aggregate balance in all such accounts does not exceed \$500,000.

(e) Further Assurances. At any time upon reasonable request of the Administrative Agent, promptly execute and deliver any and all further instruments and documents and take all such other action as the Administrative Agent may deem necessary or desirable to maintain in favor of the Administrative Agent, for the benefit of the Secured Parties, Liens and insurance rights on the Collateral that are duly perfected in accordance with the requirements of, or the obligations of the Loan Parties under, the Loan Documents and all applicable Laws.

6.15 Further Assurances

Promptly upon request by the Administrative Agent, or any Lender through the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable Law, subject any Loan Party's properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other instrument executed in connection with any Loan Document to which any Loan Party or any of its Subsidiaries is or is to be a party, and cause each of its Subsidiaries to do so.

6.16 Landlord Consents

Use commercially reasonable efforts to cause such theatre lessors of the Loan Parties as the Administrative Agent may reasonably request to issue in favor of the Administrative Agent

within sixty (60) days after the Amendment Effective Date a landlord consent in form and substance reasonably satisfactory to the Administrative Agent.

6.17 Compliance with Terms of Leaseholds.

Make all payments and otherwise perform all obligations in respect of all leases of real property to which the Borrower or any of its Subsidiaries is a party, keep such leases in full force and effect and not allow such leases to lapse or be terminated or any rights to renew such leases to be forfeited or cancelled, notify the Administrative Agent of any default by any party with respect to such leases and cooperate with the Administrative Agent in all respects to cure any such default, and cause each of its Subsidiaries to do so, except, in any case, where the failure to do so, either individually or in the aggregate, could not be reasonably likely to have a Material Adverse Effect.

6.18 [Reserved].

6.19 Know Your Customer; Anti-Money Laundering.

Promptly following any request therefor, provide information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable “know your customer” and anti-money-laundering rules and regulations, including, without limitation, the PATRIOT Act and, if the Borrower qualifies as a “legal entity customer” thereunder, the Beneficial Ownership Regulation.

6.20 Anti-Corruption Laws.

Conduct its business in compliance with the United States Foreign Corrupt Practices Act of 1977 and, to the extent applicable, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions and maintain policies and procedures designed to promote and achieve compliance with such laws.

6.21 Carmel.

No later than the first anniversary of the Amendment Effective Date, cause Carmel to become a Subsidiary of the Borrower.

**ARTICLE VII
NEGATIVE COVENANTS**

Each of the Loan Parties hereby covenants and agrees that on the Amendment Effective Date and thereafter until the Facility Termination Date, no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

7.01 Liens.

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except for the following (the "**Permitted Liens**"):

- (a) Liens pursuant to any Loan Document;
- (b) Liens existing on the Amendment Effective Date and listed on Schedule 7.01 and any renewals or extensions thereof, provided that (i) the property covered thereby is not changed, (ii) the amount secured or benefited thereby is not increased except as contemplated by Section 7.02(b), (iii) the direct or any contingent obligor with respect thereto is not changed, and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 7.02(b);
- (c) Liens for Taxes not yet delinquent or payable with penalty or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;
- (d) Statutory Liens such as carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than thirty (30) days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person; provided that a reserve or other appropriate provision shall have been made therefor;
- (e) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;
- (f) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;
- (g) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which do not materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens securing judgments (or appeal or other surety bonds relating to such judgments) not constituting an Event of Default under Section 8.01(h);

(i) Liens securing Indebtedness permitted under Section 7.02(c); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) the Indebtedness secured thereby does not exceed the cost of the property being acquired on the date of acquisition;

(j) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by the Borrower or any of its Subsidiaries, in each case in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing solely the customary amounts owing to such bank with respect to cash management and operating account arrangements; provided, that in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness, other than Indebtedness arising under Cash Management Agreements;

(k) Liens arising out of judgments or awards not resulting in an Event of Default;

(l) Any interest or title of a lessor, licensor or sublessor under any lease, license or sublease entered into by any Loan Party or any Subsidiary thereof in the ordinary course of business and covering only the assets so leased, licensed or subleased, together with (i) any Lien or restriction that the interest or title of such lessor, licensor or sublessor may be subject to and (ii) any subordination of the interest of the lessee, licensee or sublessee to any Lien or restriction referred to in the preceding clause (i), so long as the holder of such Lien or restriction agrees to recognize the rights of such lessee, licensee or sublessee or where loss of such lease, license or sublease could not reasonably be anticipated to result in a Material Adverse Effect;

(m) Liens of a collection bank arising under Section 4-210 of the UCC on items in the course of collection;

(n) Any zoning, building or similar laws or rights reserved to or vested in any Governmental Authority;

(o) deposits of cash with the owner or lessor of premises leased, licenses or operated by the Parent or any of its Subsidiaries in the ordinary course of business of the Parent and/or such Subsidiary to secure the performance of the Parent's or such Subsidiary's obligations under the terms of the lease, license or management agreement for such premises;

(p) Liens on assets of a Person (and its Subsidiaries) existing at the time such Person is acquired or merged with or into or consolidated with the Borrower or any of its Subsidiaries (and not created in anticipation or contemplation thereof); provided that, such Liens do not extend to assets not subject to such Liens at the time of acquisition (other than improvements thereon);

(q) Liens solely on any cash earnest money deposits made by the Parent or any of its Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;

(r) assignments of insurance or condemnation proceeds provided to landlords or licensors (or their mortgagees) pursuant to the terms of any lease or license and Liens and rights reserved in any lease or license for rent or for compliance with the terms of such lease or license;

(s) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(t) rights of set-off against credit balances of the Parent or any of its Subsidiaries with credit card issuers or credit card processors, digital payment processors, internet ticket or product sellers or VPF collection agencies (such as Cinedigm) or amounts owing by such credit card issuers or credit card processors internet ticket or product sellers or VPF collection agencies to the Parent or any of its Subsidiaries in the ordinary course of business;

(u) Liens consisting of an agreement of the Parent or any Subsidiary to dispose of assets in connection with a disposition permitted hereunder; and

(v) other Liens securing Indebtedness outstanding in an aggregate principal amount not to exceed \$1,000,000.

7.02 Indebtedness.

Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) Indebtedness outstanding on the date hereof and listed on Schedule 7.02(b) and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and the direct or any contingent obligor with respect thereto is not changed, as a result of or in connection with such refinancing, refunding, renewal or extension;

(c) Indebtedness in respect of Finance Lease Obligations and purchase money obligations for fixed or capital assets within the limitations set forth in Section 7.01(i); provided, however, that the aggregate amount of all such Indebtedness at any one time outstanding shall not exceed \$2,000,000;

(d) Unsecured Indebtedness of the Parent or a Subsidiary of the Borrower owed to the Parent or another Loan Party, as the case may be, which Indebtedness shall (i) to the extent required by the Administrative Agent, be evidenced by promissory notes which shall

be pledged to the Administrative Agent as Collateral for the Secured Obligations in accordance with the terms of the Security Agreement, (ii) be on terms (including subordination terms) reasonably acceptable to the Administrative Agent and (iii) be otherwise permitted under the provisions of Section 7.03 (“**Intercompany Debt**”);

(e) Guarantees of the Borrower or any other Loan Party in respect of (i) the Indebtedness identified on Schedule 7.02(e) hereof, (ii) the Reading Indebtedness, and (iii) other Indebtedness otherwise permitted hereunder of the Borrower or any other Loan Party;

(f) obligations (contingent or otherwise) of the Borrower or any Subsidiary existing or arising under any Swap Contract, provided that such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation;

(g) Indebtedness assumed in connection with a Permitted Acquisition, so long as such Indebtedness was not incurred in contemplation of the consummation of the subject Permitted Acquisition;

(h) Indebtedness arising in connection with Cash Management Agreements;

(i) Indebtedness that may be deemed to exist pursuant to any performance bond, surety, statutory appeal or similar obligation entered into or incurred by the Borrower or any of its Subsidiaries in the ordinary course of business;

(j) Indebtedness consisting of the financing of insurance premiums; and

(k) Indebtedness in an aggregate principal amount not to exceed \$2,000,000 at any time outstanding.

7.03 Investments.

Make or hold any Investments, except:

(a) Investments held by the Parent and its Subsidiaries in the form of cash or Cash Equivalents;

(b) advances to officers, directors and employees of the Parent and its Subsidiaries in an aggregate amount not to exceed \$500,000 at any time outstanding, for travel, entertainment, relocation and analogous ordinary business purposes;

(c) (i) Investments by the Parent and its Subsidiaries in the Parent and/or their respective Subsidiaries, as the case may be, outstanding on the date hereof, (ii) additional Investments by the Parent and its Subsidiaries in Loan Parties, (iii) additional Investments by Subsidiaries of the Parent that are not Loan Parties in other Subsidiaries that are not Loan Parties, (iv) so long as no Default has occurred and is continuing or would result from

such Investment, additional Investments by the Loan Parties in wholly-owned Subsidiaries that are not Loan Parties in an aggregate amount invested from the date hereof not to exceed \$1,000,000, plus such additional amounts as are necessary to pay (i) franchise and other taxes necessary to maintain the existence of any such Subsidiary, and (ii) reasonable accounting, legal and administrative expenses of such Subsidiary incurred in the ordinary course of business, and (v) loans made to the direct or indirect parent companies of the Parent in such amounts as the Parent would otherwise be permitted to distribute pursuant to Section 7.06 hereof;

(d) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(e) Guarantees permitted by Section 7.02;

(f) Investments existing on the date hereof (other than those referred to in Section 7.03(c)(i)) and set forth on Schedule 7.03;

(g) Acquisitions (other than of CFCs and Subsidiaries held directly or indirectly by a CFC which Investments are covered by Section 7.03(c)(iv)) approved by the Required Lenders, which approval the Required Lenders may not unreasonably withhold or delay; provided that the Required Lenders may withhold their consent in their sole and absolute discretion to any proposed Acquisition for which all of the following conditions are not satisfied:

(i) Such Acquisition is of a type of business (or of assets used in a type of business) (as applicable, the “**Target Business**”) in which the Borrower and its Subsidiaries are permitted under this Agreement to engage;

(ii) No Default shall exist at the time of such Acquisition or will exist after giving effect to such Acquisition;

(iii) The Loan Parties shall demonstrate to the reasonable satisfaction of the Administrative Agent that, after giving effect to the Acquisition on a Pro Forma Basis, the Loan Parties are in compliance with each of the financial covenants set forth in Section 7.11;

(iv) The Administrative Agent and the Lenders shall have received (A) a description of the material terms of such Acquisition; (B) audited financial statements (or, if unavailable, management-prepared financial statements) of the Target Business for its first two (2) most recent fiscal years and for any fiscal quarters ended within the fiscal year to date, (C) Consolidated projected income statements of the Borrower and its Subsidiaries (giving effect to such Acquisition) and (D) not less than ten (10) Business Days prior to the consummation of such Acquisition, a certificate substantially in the form of Exhibit F, executed by a

Responsible Officer of the Borrower certifying that such Acquisition complies with the requirements of this Agreement; and

(v) Such Acquisition shall not be a “hostile” Acquisition and shall have been approved by the board of directors (or equivalent) and/or shareholders (or equivalent) of the applicable Loan Party and the owner of the Target Business.

(h) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, other Persons;

(i) Investments arising in connection with Swap Contracts;

(j) Investments in respect of prepaid expenses, negotiable instruments held for collection or lease, utility, workers’ compensation, performance and other similar deposits provided to third parties in the ordinary course of business;

(k) Investments constituting non-cash consideration received by the Borrower or any Subsidiary in connection with asset sales permitted hereby;

(l) so long as (i) no Default shall have occurred and be continuing or would result therefrom (ii) after giving effect to any such Investment, the sum of (A) unused borrowing availability under the Facility and (B) unrestricted cash on hand is not less than \$3,000,000, and (iii) after giving effect to any such Investment, the Borrower would be in compliance with each of the financial covenants set forth in Section 7.11, the Borrower and its Subsidiaries may make unlimited additional Investments; and;

(m) Investments not exceeding \$1,000,000 in the aggregate in any fiscal year of the Borrower.

7.04 Fundamental Changes.

Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that:

(a) any Loan Party may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Borrower or to another Loan Party;

(b) any Subsidiary that is not a Loan Party may dispose of all or substantially all its assets (including any Disposition that is in the nature of a liquidation) to (i) another Subsidiary that is not a Loan Party or (ii) to a Loan Party;

(c) so long as no Default has occurred and is continuing or would result therefrom, each of the Borrower and any of its Subsidiaries may merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it; provided, however, that in each case, immediately after giving effect thereto (i) in the case of any such merger to which the Borrower is a party, the Borrower is the surviving Person

and (ii) in the case of any such merger to which any Loan Party (other than the Borrower) is a party, such Loan Party is the surviving Person or the surviving Person complies with the obligations set forth in Sections 6.13 and 6.14 hereof.

7.05 Dispositions.

Make any Disposition, except:

- (a) Permitted Transfers;
- (b) Dispositions of obsolete, worn out or excess property, whether now owned or hereafter acquired, in the ordinary course of business;
- (c) Dispositions of equipment or real property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement property;
- (d) Dispositions permitted by Section 7.04; and
- (e) other Dispositions so long as (i) at least 75% of the consideration received in connection with the Disposition consists of cash or Cash Equivalents paid contemporaneously with consummation of the transaction (subject to applicable holdbacks or escrowed amounts), (ii) the sale price thereof shall be in an amount not less than the fair market value of the property disposed of (as determined in good faith by the Borrower), (iii) such transaction does not involve the sale or other disposition of a minority Equity Interests in any Subsidiary, (iv) such transaction does not involve a sale or other disposition of receivables other than receivables owned by or attributable to other property concurrently being disposed of in a transaction otherwise permitted under this Section, (v) the aggregate net book value of all of the assets sold or otherwise disposed of by the Loan Parties and their Subsidiaries in all such transactions in any fiscal year of the Borrower occurring after the Amendment Effective Date shall not exceed \$2,000,000 and (vi) after giving effect to the Disposition on a Pro Forma Basis, the Loan Parties are in compliance with each of the financial covenants set forth in Section 7.11.

7.06 Restricted Payments.

Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that:

- (a) the Borrower, each of its Subsidiaries, and Carmel may make Restricted Payments to any Person that owns its Equity Interests, ratably according to their respective holdings of the type of Equity Interest in respect of which such Restricted Payment is being made;
- (b) any Loan Party may make Restricted Payments to its shareholders to the extent necessary to pay taxes of its direct or indirect shareholders that are attributable to the operations of Borrower or its Subsidiaries;

(c) the Parent and each Subsidiary may declare and make dividend payments or other distributions payable solely in common Equity Interests of such Person;

(d) the Parent and each Subsidiary may pay on account of earn-outs incurred in connection with a Permitted Acquisition, so long as no Default shall have occurred and be continuing or would result therefrom;

(e) the Borrower, each of its Subsidiaries, and Carmel may make cashless repurchases of Equity Interests that are deemed to occur upon the exercise by officers, directors or employees of such Person of stock options, warrants or other convertible securities in the ordinary course of business;

(f) the Borrower, each of its Subsidiaries, and Carmel may make required repurchases of Equity Interests from current or former directors, officers or employees of the Borrower, any Subsidiary, or Carmel following the death, disability, retirement or termination of employment of any of the foregoing Persons; provided that no Default shall exist at the time of such action or result therefrom;

(g) the Borrower, each of its Subsidiaries, and Carmel may make Special Distributions annually, upon the Borrower's delivery to the Administrative Agent of the audited financial statements and other information required by Section 6.01(a) for the immediately preceding fiscal year, commencing with the Borrower's and its Subsidiaries' fiscal year 2020 (i.e., the Borrower, its Subsidiaries, and Carmel may not make Special Distributions until 2021); and

(h) the Parent may declare and make cash dividends or distributions or make other Restricted Payments from time to time, provided that (i) no Default shall have occurred and be continuing or would result therefrom (ii) after giving effect to any such dividend or distribution, the sum of (A) unused borrowing availability under the Facility and (B) unrestricted cash on hand is not less than \$3,000,000, and (iii) after giving effect to any such dividend or distribution, the Borrower would be in compliance with each of the financial covenants set forth in Section 7.11.

7.07 Change in Nature of Business.

Engage in any material line of business substantially different from those lines of business conducted by the Borrower and its Subsidiaries on the date hereof or any business substantially related or incidental thereto.

7.08 Transactions with Affiliates.

Enter into or permit to exist any transaction or series of transactions in an amount in excess of \$1,000,000 with any officer, director or Affiliate of such Person other than transactions which are entered into in the ordinary course of such Person's business on fair and reasonable terms and conditions substantially as favorable to such Person as could reasonably be obtainable by it in a comparable arms length transaction with a Person other than an officer, director or Affiliate; provided, that, irrespective of the foregoing, the following shall be permitted (a) Investments and Restricted Payments that are not otherwise restricted hereby may be made; (b) loans may be made

and other transactions may be entered into between and among the Borrower and its Subsidiaries to the extent permitted by Sections 7.01 and 7.03; (c) assets sales permitted by Section 7.05; (d) any employment agreement, employee benefit plan, agreement or plan relating to director, employee or officer compensation, officer or director indemnification agreement or any similar arrangement; (e) transactions between or among the Loan Parties; (f) transactions disclosed on Schedule 7.08 hereto; (g) so long as a direct or indirect parent company of the Borrower is subject to the filing requirements of the SEC, any transaction that is otherwise permitted by any policy of such public parent regarding such transactions to the extent such policy was approved by the public parent's board of directors; and (h) any agreement as in effect as of the Amendment Effective Date or any amendment thereto or any transaction contemplated thereby (including pursuant to any amendment thereto or any replacement agreement thereto so long as any such amendment or replacement agreement is not materially more disadvantageous to the Lenders, taken as a whole, as determined in good faith by Parent's Board of Directors, than the original agreement as in effect on the Amendment Effective Date).

7.09 Burdensome Agreements.

Enter into, or permit to exist, any Contractual Obligation (except for this Agreement and the other Loan Documents) that (a) restricts by its terms the ability of any such Person to (i) to act as a Loan Party; (ii) make Restricted Payments to any Loan Party, (iii) pay any Indebtedness or other obligation owed to any Loan Party, (iv) make loans or advances to any Loan Party, or (v) create any Lien upon any of their properties or assets, whether now owned or hereafter acquired, except, (1) restrictions imposed pursuant to a binding agreement which has been entered into for the sale or disposition of all of the Equity Interests or assets of the Borrower or any Subsidiary, (2) restrictions imposed by Indebtedness relating to any property acquired by the Borrower or any Subsidiary (or restrictions imposed by Indebtedness of a third party which third party is acquired by the Borrower or any Subsidiary) in a Permitted Acquisition, provided in each case that such restrictions existed at the time of such acquisition, were not put in place in connection with or in anticipation of such acquisition and are not applicable to any Person other than the Person so acquired, or to any property other than the property so acquired, (3) net worth restrictions in leases and other agreements entered into in the ordinary course of business, (4) customary anti-assignment provisions contained in any lease or license (to the extent such provisions apply only to such lease or license or the property being leased or licensed) or joint venture agreement, (5) restrictions imposed by applicable Law; (6) any negative pledge incurred or provided in favor of any holder of Indebtedness permitted under Section 7.03 solely to the extent any such negative pledge relates to the property financed by or the subject of such Indebtedness, and (7) in the case of clause (a)(v) only, restrictions contained in (A) any document or instrument governing Indebtedness incurred pursuant to Section 7.02(c) or 7.02(i), provided that any such restriction contained therein relates only to the asset or assets constructed or acquired in connection therewith, (B) customary provisions restricting subletting, licensing and assignments set forth in leases, licenses and other contracts, or (b) requires the grant of any Lien on property for any obligation if a Lien on such property is given as security for the Secured Obligations.

7.10 Use of Proceeds.

Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11 Financial Covenants.

(a) Consolidated Leverage Ratio. Permit the Consolidated Leverage Ratio (calculated on a basis that includes Carmel, regardless of whether Carmel is a Subsidiary of Borrower as of the applicable calculation date) as of the end of any Measurement Period set forth below to be greater than the ratio set forth below opposite the end of such Measurement Period:

Measurement Period Ending	Maximum Consolidated Leverage Ratio
March 31, 2020 through December 31, 2020	3.00:1.00
March 31, 2021 through December 31, 2021	2.75:1.00
March 31, 2022 and each fiscal quarter thereafter	2.50:1.00

(b) Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio (calculated on a basis that includes Carmel, regardless of whether Carmel is a Subsidiary of the Borrower as of the applicable calculation date) as of the end of any Measurement Period, commencing March 31, 2020, to be less than 1.15 to 1.00.

(c) Consolidated Debt Service Coverage Ratio. Permit the Consolidated Debt Service Coverage Ratio (calculated on a basis that includes Carmel, regardless of whether Carmel is a Subsidiary of Borrower as of the applicable calculation date) as of the end of any Measurement Period, commencing March 31, 2020, to be less than 1.50 to 1.00.

For Measurement Periods ending through December 31, 2020, details regarding the calculation of the financial covenants set forth in this Section 7.11 are as set forth in Schedule 7.11.

7.12 [Reserved].

7.13 Amendments of Organization Documents; Fiscal Year; Legal Name, State of Formation; Form of Entity and Accounting Changes.

(a) Amend any of its Organization Documents in any manner that is materially adverse to the Lenders;

(b) change its fiscal year, unless such change is to change the fiscal year of any Person acquired in connection with a Permitted Acquisition so that the fiscal year of such Person corresponds with the fiscal year of the Borrower;

(c) without providing written notice to the Administrative Agent not more than ten (10) days thereafter (or such extended period of time as agreed to by the Administrative Agent), change its name, state of formation or form of organization; or

(d) make any change in accounting policies or reporting practices, except as permitted by GAAP.

7.14 **[Reserved].**

7.15 **Prepayments, Etc. of Indebtedness.**

Prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner (including by the exercise of any right of setoff), or make any payment in violation of any subordination, standstill or collateral sharing terms of or governing any Indebtedness that is contractually subordinated in right of payment to the Obligations.

7.16 **Amendment, Etc. of Indebtedness.**

Amend, modify or change in any manner any term or condition of any Indebtedness with an aggregate principal amount outstanding of greater than the Threshold Amount (other than Indebtedness arising under the Loan Documents) if such amendment or modification, when taken together with all other contemplated amendments and modifications, would be materially adverse, taken as a whole, to any Loan Party or any Subsidiary, unless such amendment or modification is required in connection with a waiver of any non-compliance with such terms or is undertaken in connection with a contemporaneous refinancing or refunding of such Indebtedness.

7.17 **Sanctions.**

Directly or knowingly indirectly, use any Credit Extension or the proceeds of any Credit Extension, or lend, contribute or otherwise make available such Credit Extension or the proceeds of any Credit Extension to any Person, to fund any activities of or business with any Person, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as Lender, Arranger, Administrative Agent, L/C Issuer, Swingline Lender, or otherwise) of Sanctions.

7.18 **Anti-Corruption Laws.**

Directly or knowingly indirectly, use any Credit Extension or the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977 or, to the extent applicable, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions.

**ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES**

8.01 Events of Default.

Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation or deposit any funds as Cash Collateral in respect of L/C Obligations, or (ii) within three (3) days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five (5) days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 6.03(a), 6.05(a) (with respect to the continued existence of the Borrower), 6.10, 6.11, Article VII or Article X; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or (b) above) contained in this Agreement or any other Loan Document on its part to be performed or observed and such failure continues for thirty (30) days after notice thereof from the Administrative Agent to the Borrower; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders (or a trustee or agent on behalf of such holder) of such Indebtedness having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity; provided, however, that this paragraph (e) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets

securing such Indebtedness if such sale or transfer is permitted hereunder and such Indebtedness is discharged in accordance with its terms immediately following such sale or transfer; (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which a Loan Party is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as so defined) under such Swap Contract as to which a Loan Party is an Affected Party (as so defined) and, in either event, the Swap Termination Value owed by such Loan Party as a result thereof is greater than the Threshold Amount; or

(f) Insolvency Proceedings, Etc. Any Loan Party thereof institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty (60) calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismitted or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party (i) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer is rated at least "A" by A.M. Best Company, has been notified of the potential claim and does not dispute coverage), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of thirty (30) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to a Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. If at any time after the execution and delivery of any Loan Document and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations arising under the Loan Documents: (i) such Loan Document ceases to be in full force and effect; (ii) any Loan Party or any Affiliate of a Loan Party contests in any manner the validity or enforceability of any provision of such Loan Document; or (iii) any Loan Party denies that it has any or further liability or obligation under any provision of such Loan Document, or purports to revoke, terminate or rescind any provision of such Loan Document.

Without limiting the provisions of Article IX, if a Default shall have occurred under the Loan Documents, then such Default will continue to exist until it either is cured (to the extent specifically permitted) in accordance with the Loan Documents or is otherwise expressly waived by Administrative Agent (with the approval of requisite Appropriate Lenders (in their sole discretion) as determined in accordance with Section 11.01; and once an Event of Default occurs under the Loan Documents, then such Event of Default will continue to exist until it is expressly waived by the requisite Appropriate Lenders or by the Administrative Agent with the approval of the requisite Appropriate Lenders, as required hereunder in Section 11.01.

8.02 Remedies upon Event of Default.

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the Commitment of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the Minimum Collateral Amount with respect thereto); and

(d) exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents or applicable Law or equity;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

8.03 Application of Funds.

After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02) or if at any time insufficient funds are received by and available to the Administrative Agent to pay fully all Secured Obligations then due hereunder, any amounts received on account of the Secured Obligations shall, subject to the provisions of Sections 2.14 and 2.15, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Secured Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuer (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuer (including fees and time charges for attorneys who may be employees of any Lender or the L/C Issuer) arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Secured Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Borrowings and other Secured Obligations arising under the Loan Documents, ratably among the Lenders and the L/C Issuer in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Secured Obligations constituting unpaid principal of the Loans, L/C Borrowings and Secured Obligations then owing under Secured Hedge Agreements and Secured Cash Management Agreements, ratably among the Lenders, the L/C Issuer, the Hedge Banks and the Cash Management Banks in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuer, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit to the extent not otherwise Cash Collateralized by the Borrower pursuant to Sections 2.03 and 2.14; and

Last, the balance, if any, after all of the Secured Obligations have been paid in full, to the Borrower or as otherwise required by Law.

Subject to Sections 2.03(c) and 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Secured Obligations, if any, in the order set forth above. Excluded Swap

Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor or its assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Secured Obligations otherwise set forth above in this Section.

Notwithstanding the foregoing, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements shall be excluded from the application described above if the Administrative Agent has not received a Secured Party Designation Notice, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Cash Management Bank or Hedge Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if a “Lender” party hereto.

Article IX ADMINISTRATIVE AGENT

9.01 Appointment and Authority.

(a) Appointment. Each of the Lenders and the L/C Issuer hereby irrevocably appoints, designates and authorizes Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuer, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) Collateral Agent. The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders (including in its capacities as a potential Hedge Bank and a potential Cash Management Bank) and the L/C Issuer hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the L/C Issuer for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as “collateral agent” and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 9.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of

all provisions of this Article IX and Article XI (including Section 11.04(c)), as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents) as if set forth in full herein with respect thereto.

9.02 Rights as a Lender.

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust, financial, advisory, underwriting or other business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders or to provide notice to or consent of the Lenders with respect thereto.

9.03 Exculpatory Provisions.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent and its Related Parties:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by the Administrative Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (i) with the consent or

at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary), or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. Any such action taken or failure to act pursuant to the foregoing shall be binding on all Lenders. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower, a Lender or the L/C Issuer.

Neither the Administrative Agent nor any of its Related Parties have any duty or obligation to any Lender or participant or any other Person to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or the sufficiency of any Collateral, or (vi) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

9.04 Reliance by Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall be fully protected in relying and shall not incur any liability for relying upon, any notice, request, certificate, communication, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall be fully protected in relying and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or the L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or the L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts. For purposes of determining compliance with the conditions specified in Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Amendment Effective Date specifying its objections.

9.05 Delegation of Duties.

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more subagents appointed by the Administrative Agent. The Administrative Agent and any such subagent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Facilities as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.06 Resignation of Administrative Agent.

(a) Notice. The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "**Resignation Effective Date**"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuer, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that in no event shall any successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) Defaulting Lender. If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "**Removal Effective Date**"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) Effect of Resignation or Removal. With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuer under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such

collateral security until such time as a successor Administrative Agent is appointed) and (ii) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (i) while the retiring or removed Administrative Agent was acting as Administrative Agent and (ii) after such resignation or removal for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including, without limitation, (A) acting as collateral agent or otherwise holding any collateral security on behalf of any of the Secured Parties and (B) in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

(d) L/C Issuer and Swingline Lender. Any resignation or removal by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as L/C Issuer and Swingline Lender. If Bank of America resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c). If Bank of America resigns as Swingline Lender, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.04(c). Upon the appointment by the Borrower of a successor L/C Issuer or Swingline Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swingline Lender, as applicable, (ii) the retiring L/C Issuer and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (iii) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such

succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

9.07 Non-Reliance on Administrative Agent and Other Lenders.

Each Lender and the L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08 No Other Duties, Etc.

Anything herein to the contrary notwithstanding, none of the titles listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, the Arranger, a Lender or the L/C Issuer hereunder.

9.09 Administrative Agent May File Proofs of Claim; Credit Bidding.

In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Secured Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under Sections 2.03(h) and (i), 2.09, 2.10(b) and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and the L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuer, to pay to the

Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09, 2.10(b) and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or the L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Secured Obligations or the rights of any Lender or the L/C Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or the L/C Issuer or in any such proceeding.

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Secured Obligations (including accepting some or all of the Collateral in satisfaction of some or all of the Secured Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, or any similar Laws in any other jurisdictions to which a Loan Party is subject, (b) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable Law. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Secured Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) in the asset or assets so purchased (or in the Equity Interests or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (ii) to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Equity Interests thereof shall be governed, directly or indirectly, by the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in clauses (a) through (l) of Section 11.1 of this Agreement, and (iii) to the extent that Secured Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Secured Obligations assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Secured Obligations shall automatically be reassigned to the Lenders pro rata and the Equity Interests and/or debt instruments issued by any acquisition vehicle on account of the Secured Obligations that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

9.10 Collateral and Guaranty Matters.

Each of the Lenders (including in its capacities as a potential Cash Management Bank and a potential Hedge Bank) and the L/C Issuer irrevocably authorize the Administrative Agent, at its option and in its discretion,

(a) to release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) upon the Facility Termination Date, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, or (iii) if approved, authorized or ratified in writing by the Required Lenders in accordance with Section 11.01;

(b) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 7.01(i); and

(c) to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 9.10. In each case as specified in this Section 9.10, the Administrative Agent will, at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 9.10.

The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

9.11 Secured Cash Management Agreements and Secured Hedge Agreements.

Except as otherwise expressly set forth herein, no Cash Management Bank or Hedge Bank that obtains the benefit of the provisions of Section 8.03, the Guaranty or any Collateral by virtue of the provisions hereof or any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty or any Collateral Document) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision

of this Article IX to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements except to the extent expressly provided herein and unless the Administrative Agent has received a Secured Party Designation Notice of such Secured Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. The Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements in the case of a Facility Termination Date.

9.12 ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of subsections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (b) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

ARTICLE X CONTINUING GUARANTY

10.01 Guaranty.

Each Guarantor hereby absolutely and unconditionally, jointly and severally guarantees, as primary obligor and as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all Secured Obligations (for each Guarantor, subject to the proviso in this sentence, its "**Guaranteed Obligations**"); provided that (a) the Guaranteed Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor and (b) the liability of each Guarantor individually with respect to this Guaranty shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law. Without limiting the generality of the foregoing, the Guaranteed Obligations shall include any such indebtedness, obligations, and liabilities, or portion thereof, which may be or hereafter become unenforceable or compromised or shall be an allowed or disallowed claim under any proceeding or case commenced by or against any Debtor under any Debtor Relief Laws. The Administrative Agent's books and records showing the amount of the Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor, and conclusive for the purpose of establishing the amount of the Secured Obligations, absent manifest error. This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Secured Obligations or any instrument or agreement evidencing any Secured Obligations, or by the existence, validity, enforceability, perfection, nonperfection or extent of any collateral therefor, or by any fact or circumstance relating to the Secured Obligations which might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

10.02 Rights of Lenders.

Each Guarantor consents and agrees that the Secured Parties may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Secured Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Guaranty or any Secured Obligations; (c) apply such security and direct the order or manner of sale thereof as the Administrative Agent, the L/C Issuer and the Lenders in their sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Secured Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Guaranty or which, but for this provision, might operate as a discharge of such Guarantor.

10.03 Certain Waivers.

Each Guarantor waives (a) any defense arising by reason of any disability or other defense of the Borrower or any other guarantor, or the cessation from any cause whatsoever (including any act or omission of any Secured Party) of the liability of the Borrower or any other Loan Party; (b) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of the Borrower or any other Loan Party; (c) the benefit of any statute of limitations affecting any Guarantor's liability hereunder; (d) any right to proceed against the Borrower or any other Loan Party, proceed against or exhaust any security for the Secured Obligations, or pursue any other remedy in the power of any Secured Party whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by any Secured Party; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable Law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Secured Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Secured Obligations. Each Guarantor waives any rights and defenses that are or may become available to it by reason of §§ 2787 to 2855, inclusive, and §§ 2899 and 3433 of the California Civil Code. The foregoing waivers and the provisions hereinafter set forth in this Guaranty which pertain to California law are included solely out of an abundance of caution, and shall not be construed to mean that any of the above-referenced provisions of California law are in any way applicable to this Guaranty or the Secured Obligations. Each Guarantor waives any rights and defenses that are or may become available to it by reason of §§ 2787 to 2855, inclusive, and §§ 2899 and 3433 of the California Civil Code, except to the extent of any rights and defenses related to subrogation, contribution, indemnity, reimbursement or similar rights, in which case Sections 10.05 and 10.10 hereof shall govern such rights and defenses.

10.04 Obligations Independent.

The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Secured Obligations and the obligations of any other guarantor, and a separate action may be brought against each Guarantor to enforce this Guaranty whether or not the Borrower or any other person or entity is joined as a party.

10.05 Subrogation.

No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty until all of the Secured Obligations and any amounts payable under this Guaranty have been paid and performed in full (other than contingent indemnity obligations and letter of credit reimbursement obligations to the extent such obligations have been cash collateralized in accordance with the terms hereof or other arrangements with respect thereto have been made in a manner satisfactory to the Administrative Agent and the L/C Issuer) and the Commitments and the Facilities are terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Secured Parties to reduce the amount of the Secured Obligations, whether matured or unmatured.

10.06 Termination; Reinstatement.

This Guaranty is a continuing and irrevocable guaranty of all Secured Obligations now or hereafter existing and shall remain in full force and effect until the Facility Termination Date. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of the Borrower or a Guarantor is made, or any of the Secured Parties exercises its right of setoff, in respect of the Secured Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any of the Secured Parties in their discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Secured Parties are in possession of or have released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under this paragraph shall survive termination of this Guaranty.

10.07 Stay of Acceleration.

If acceleration of the time for payment of any of the Secured Obligations is stayed, in connection with any case commenced by or against a Guarantor or the Borrower under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by each Guarantor, jointly and severally, immediately upon demand by the Secured Parties.

10.08 Condition of Borrower.

Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrower and any other guarantor such information

concerning the financial condition, business and operations of the Borrower and any such other guarantor as such Guarantor requires, and that none of the Secured Parties has any duty, and such Guarantor is not relying on the Secured Parties at any time, to disclose to it any information relating to the business, operations or financial condition of the Borrower or any other guarantor (each Guarantor waiving any duty on the part of the Secured Parties to disclose such information and any defense relating to the failure to provide the same).

10.09 Appointment of Borrower.

Each of the Guarantors hereby appoints the Borrower to act as its agent for all purposes of this Agreement, the other Loan Documents and all other documents and electronic platforms entered into in connection herewith and agrees that (a) the Borrower may execute such documents and provide such authorizations on behalf of such Guarantor as the Borrower deems appropriate in its sole discretion and each Guarantor shall be obligated by all of the terms of any such document and/or authorization executed on its behalf, (b) any notice or communication delivered by the Administrative Agent, the L/C Issuer or a Lender to the Borrower shall be deemed delivered to each Guarantor and (c) the Administrative Agent, the L/C Issuer or the Lenders may accept, and be permitted to rely on, any document, authorization, instrument or agreement executed by the Borrower on behalf of each Guarantor.

10.10 Right of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable Law.

10.11 Keepwell.

Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty or the grant of a Lien under the Loan Documents, in each case, by any Specified Loan Party becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article X voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations and undertakings of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the Secured Obligations have been indefeasibly paid and performed in full. Each Loan Party intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

10.12 Additional Guarantor Waivers and Agreements.

(a) Each Guarantor understands and acknowledges that if the Secured Parties foreclose judicially or nonjudicially against any real property security for the Secured

Obligations, that foreclosure could impair or destroy any ability that such Guarantor may have to seek reimbursement, contribution, or indemnification from the Borrower or others based on any right such Guarantor may have of subrogation, reimbursement, contribution, or indemnification for any amounts paid by such Guarantor under this Guaranty. Each Guarantor further understands and acknowledges that in the absence of this paragraph, such potential impairment or destruction of such Guarantor's rights, if any, may entitle such Guarantor to assert a defense to this Guaranty based on Section 580d of the California Code of Civil Procedure as interpreted in *Union Bank v. Gradsky*, 265 Cal. App. 2d 40 (1968). By executing this Guaranty, each Guarantor freely, irrevocably, and unconditionally: (i) waives and relinquishes that defense and agrees that it will be fully liable under this Guaranty even though the Secured Parties may foreclose, either by judicial foreclosure or by exercise of power of sale, any deed of trust securing the Secured Obligations; (ii) agrees that it will not assert that defense in any action or proceeding which the Secured Parties may commence to enforce this Guaranty; (iii) acknowledges and agrees that the rights and defenses waived by such Guarantor in this Guaranty include any right or defense that it may have or be entitled to assert based upon or arising out of any one or more of §§ 580a, 580b, 580d, or 726 of the California Code of Civil Procedure or § 2848 of the California Civil Code; and (iv) acknowledges and agrees that the Secured Parties are relying on this waiver in creating the Secured Obligations, and that this waiver is a material part of the consideration which the Secured Parties are receiving for creating the Secured Obligations.

(b) Each Guarantor waives all rights and defenses that it may have because any of the Secured Obligations is secured by real property. This means, among other things: (i) the Secured Parties may collect from any Guarantor without first foreclosing on any real or personal property collateral pledged by the other Loan Parties; and (ii) if the Secured Parties foreclose on any real property collateral pledged by the other Loan Parties: (A) the amount of the Secured Obligations may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price, and (B) the Secured Parties may collect from any Guarantor even if the Secured Parties, by foreclosing on the real property collateral, have destroyed any right such Guarantor may have to collect from the Borrower. This is an unconditional and irrevocable waiver of any rights and defenses each Guarantor may have because any of the Secured Obligations is secured by real property. These rights and defenses include, but are not limited to, any rights or defenses based upon § 580a, 580b, 580d, or 726 of the California Code of Civil Procedure.

(c) Each Guarantor waives any right or defense it may have at law or equity, including California Code of Civil Procedure § 580a, to a fair market value hearing or action to determine a deficiency judgment after a foreclosure.

**ARTICLE XI
MISCELLANEOUS**

11.01 Amendments, Etc.

No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders (or by the Administrative Agent with the consent of the Required Lenders) and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender (it being understood and agreed that a waiver of any condition precedent in Section 4.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(b) postpone any date fixed by this Agreement or any other Loan Document for (i) any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under such other Loan Document without the written consent of each Lender entitled to such payment;

(c) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document, without the written consent of each Lender entitled to such amount; provided, however, that only the consent of the Required Lenders shall be necessary (i) to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest or Letter of Credit Fees at the Default Rate or (ii) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing or to reduce any fee payable hereunder;

(d) change Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;

(e) change any provision of this Section 11.01 or the definition of "Required Lenders" or any other provision of any Loan Document specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or thereunder or make any determination or grant any consent hereunder, without the written consent of each Lender directly affected thereby;

(f) release all or substantially all of the Collateral without the written consent of each Lender whose obligations are secured by such Collateral;

(g) release all or substantially all of the value of the Guaranty, without the written consent of each Lender, except to the extent the release of any Subsidiary from the Guaranty is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone); or

(h) release the Borrower or permit the Borrower to assign or transfer any of its rights or obligations under this Agreement or the other Loan Documents without the consent of each Lender;

and provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuer in addition to the Lenders required above, affect the rights or duties of the L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swingline Lender in addition to the Lenders required above, affect the rights or duties of the Swingline Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and (iv) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, (A) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under a Facility, may be effected with the consent of the applicable Lenders other than Defaulting Lenders, except that (1) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (2) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under a Facility, that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender; (B) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein and (C) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

Notwithstanding anything to the contrary herein, the Administrative Agent may, with the prior written consent of the Borrower only, amend, modify or supplement this Agreement or any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency (a) this Agreement may be amended and restated without the consent of any Lender (but with the consent of the Borrower and the Administrative Agent) if, upon giving effect to such amendment and restatement, such Lender shall no longer be a party to this Agreement (as so amended and restated), the Commitments of such Lender shall have terminated, such Lender shall have no other commitment or other obligation hereunder and shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement, and (b) the Administrative Agent may amend or modify this Agreement and any other Loan Document to grant a new Lien for the benefit of the Secured Parties, extend an existing Lien over additional property for the benefit of the Secured Parties or join additional Persons as Loan Parties.

If any Lender does not consent to a proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of each Lender and that has been approved by the Required Lenders, the Borrower may replace such Non-Consenting Lender in accordance with Section 11.13; provided that such amendment, waiver, consent or release can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrower to be made pursuant to this paragraph).

11.02 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax transmission or e-mail transmission as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or any other Loan Party, the Administrative Agent, the L/C Issuer or the Swingline Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 1.01(a); and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by (fax transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Administrative Agent, the Lenders, the Swingline Lender and the L/C Issuer hereunder may be delivered or furnished by electronic communication (including e-mail, FPML messaging and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender, the Swingline Lender or the L/C Issuer pursuant to Article II if such Lender, the Swingline Lender or the L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, the Swingline Lender, the L/C Issuer or the Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement) and

(ii) notices and other communications posted to an Internet or intranet website shall be deemed received by the intended recipient upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail address or other written acknowledgement) indicating that such notice or communication is available and identifying the website address therefor; provided that for both clauses (i) and (ii), if such notice or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Agent Parties**") have any liability to the Borrower, any Lender, the L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's, any Loan Party's or the Administrative Agent's transmission of Borrower Materials or notices through the Platform, any electronic platform or electronic messaging service, or through the Internet.

(d) Change of Address, Etc. Each of the Borrower, the Administrative Agent, the L/C Issuer and the Swingline Lender may change its address, facsimile number or telephone number or e-mail address for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile number or telephone number or e-mail address for notices and other communications hereunder by notice to the Borrower, the Administrative Agent, the L/C Issuer and the Swingline Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and e-mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one (1) individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuer and Lenders. The Administrative Agent, the L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including, without limitation, telephonic or electronic notices, Loan Notices, Letter of Credit Applications, Notice of Loan Prepayment and Swingline Loan Notices) purportedly given by or on behalf of any Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Administrative Agent, the L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender, the L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or under any other Loan Document preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) the L/C Issuer or the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swingline Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; Damage Waiver.

(a) **Costs and Expenses.** The Loan Parties shall pay (i) all reasonable out-of-pocket expenses actually incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses actually incurred by the Administrative Agent, any Lender or the L/C Issuer (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender or the L/C Issuer) and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent, any Lender or the L/C Issuer, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) **Indemnification by the Loan Parties.** The Loan Parties shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and the L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower or any other Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party or any of the Borrower's or such Loan Party's

directors, shareholders or creditors, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the bad faith, gross negligence, willful misconduct, violation of law or material breach of contract of or by such Indemnitee or (y) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), the L/C Issuer, the Swingline Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the L/C Issuer, the Swingline Lender or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided, further that, the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), the L/C Issuer or the Swingline Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), the L/C Issuer or the Swingline Lender in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, no Loan Party shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, the L/C Issuer and the Swingline Lender, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside

To the extent that any payment by or on behalf of the Borrower is made to the Administrative Agent, the L/C Issuer or any Lender, or the Administrative Agent, the L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, the L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and the L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders and the L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except neither the Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment(s) and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and in Swingline Loans) at the time owing to it); provided that (in each case with respect to any Facility) any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and/or the Loans at the time owing to it (in each case with respect to any Facility) or contemporaneous assignments to related Approved Funds (determined after giving effect to such assignments) that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000, in the case of any assignment in respect of the Revolving Facility, or \$1,000,000, in the case of any assignment in respect of the Term Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement and the other Loan Documents with respect to the Loans and/or the Commitment assigned, except that this clause (ii) shall not apply to the Swingline Lender's rights and obligations in respect of Swingline Loans.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved

Fund; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any Revolving Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of the applicable Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of the L/C Issuer and the Swingline Lender shall be required for any assignment in respect of the Revolving Facility.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural person).

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the L/C Issuer or any Lender hereunder (and interest accrued thereon) and (B) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and

obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment); provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations and/or Swingline Loans) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Lenders and the L/C Issuer shall continue

to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participations.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 11.01 that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and limitations therein, including the requirements under Section 3.01(e) (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an 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 (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations or to satisfy any other requirement under the applicable Tax law. 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.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note or Notes, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment

shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Resignation as L/C Issuer or Swingline Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its Revolving Commitment and Revolving Loans pursuant to subsection (b) above, Bank of America may, (i) upon thirty (30) days' notice to the Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon thirty (30) days' notice to the Borrower, resign as Swingline Lender. In the event of any such resignation as L/C Issuer or Swingline Lender, the Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swingline Lender hereunder; provided, however, that no failure by the Borrower to appoint any such successor shall affect the resignation of Bank of America as L/C Issuer or Swingline Lender, as the case may be. If Bank of America resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). If Bank of America resigns as Swingline Lender, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.04(c). Upon the appointment of a successor L/C Issuer and/or Swingline Lender, (A) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swingline Lender, as the case may be, and (B) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

11.07 Treatment of Certain Information; Confidentiality.

(a) Treatment of Certain Information. Each of the Administrative Agent, the Lenders and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (ii) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (iii) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (iv) to any other party hereto, (v) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (vi) subject to an agreement containing provisions substantially the same as those of this Section, to (A) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (B) any actual or prospective party (or its Related Parties) to any swap,

derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (vii) on a confidential basis to (A) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder or (B) the provider of any Platform or other electronic delivery service used by the Administrative Agent, the L/C Issuer and/or the Swingline Lender to deliver Borrower Materials or notices to the Lenders or (C) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (viii) with the consent of the Borrower or to the extent such Information (1) becomes publicly available other than as a result of a breach of this Section or (2) becomes available to the Administrative Agent, any Lender, the L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this Section, "Information" means all information received from the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the L/C Issuer on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Agents and the Lenders in connection with the administration of this Agreement, the other Loan Documents and the Commitments.

(b) Non-Public Information. Each of the Administrative Agent, the Lenders and the L/C Issuer acknowledges that (i) the Information may include material non-public information concerning a Loan Party or a Subsidiary, as the case may be, (ii) it has developed compliance procedures regarding the use of material non-public information and (iii) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

(c) Press Releases. The Loan Parties and their Affiliates agree that they will not in the future issue any press releases using the name of the Administrative Agent or any Lender or their respective Affiliates or referring to this Agreement or any of the Loan Documents without the prior written consent of the Administrative Agent, unless (and only to the extent that) the Loan Parties or such Affiliate is required to do so under law and then, in any event the Loan Parties or such Affiliate will consult with such Person before issuing such press release.

(d) Customary Advertising Material. The Loan Parties consent to the publication by the Administrative Agent or any Lender of customary advertising material relating to the transactions contemplated hereby using the name, product photographs, logo or trademark of the Loan Parties. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service

providers to the Agents and the Lenders in connection with the administration of this Agreement, the other Loan Documents and the Commitments.

11.08 Right of Setoff.

If an Event of Default shall have occurred and be continuing, each Lender, the L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the L/C Issuer or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or the L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender, the L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured, secured or unsecured, or are owed to a branch, office or Affiliate of such Lender or the L/C Issuer different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (a) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuer and the Lenders, and (b) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Secured Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the L/C Issuer or their respective Affiliates may have. Each Lender and the L/C Issuer agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

11.09 Interest Rate Limitation.

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of nonusurious interest permitted by applicable Law (the "**Maximum Rate**"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts; Integration; Effectiveness.

This Agreement and each of the other Loan Documents may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or the L/C Issuer, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement or any other Loan Document, or any certificate delivered thereunder, by fax transmission or e-mail transmission (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement or such other Loan Document or certificate. Without limiting the foregoing, to the extent a manually executed counterpart is not specifically required to be delivered under the terms of any Loan Document, upon the request of any party, such fax transmission or e-mail transmission shall be promptly followed by such manually executed counterpart.

11.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

11.12 Severability.

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, the L/C Issuer or the Swingline Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders.

If the Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender or if any other circumstance exists hereunder that gives the Borrower the right to replace a Lender as a party hereto, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

- (a) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);
- (b) such Lender shall have received payment of an amount equal to 100% of the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);
- (c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;
- (d) such assignment does not conflict with applicable Laws; and
- (e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, THE L/C ISSUER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Jury Trial and Judicial Reference.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Notwithstanding anything to the contrary contained in this Agreement, if any action or proceeding is filed in a court of the State of California by or against any party hereto in connection with any of the transactions contemplated by this Agreement or any other Loan Document, (a) the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee (who shall be a single active or retired judge) to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision, provided that at the option of any party to such proceeding, any such issues pertaining to a "provisional remedy" as defined in California Code of Civil Procedure Section 1281.8 shall be heard and determined by the court, and (b) without limiting the generality of Section 11.04, the Borrower shall be solely responsible to pay all fees and expenses of any referee appointed in such action or proceeding.

11.16 Subordination.

Each Loan Party (a "Subordinating Loan Party") hereby subordinates the payment of all obligations and indebtedness of any other Loan Party owing to it, whether now existing or hereafter arising, including but not limited to any obligation of any such other Loan Party to the Subordinating Loan Party as subrogee of the Secured Parties or resulting from such Subordinating Loan Party's performance under this Guaranty, to the payment in full in cash of all Obligations. If the Secured Parties so request, any such obligation or indebtedness of any such other Loan Party to the Subordinating Loan Party shall be enforced and performance received by the Subordinating Loan Party as trustee for the Secured Parties and the proceeds thereof shall be paid over to the Secured Parties on account of the Secured Obligations, but without reducing or affecting in any manner the liability of the Subordinating Loan Party under this Agreement. Without limitation of the foregoing, so long as no Default has occurred and is continuing and the Loan Parties have not received written notice from the Administrative Agent revoking the Loan Parties rights under this Section, the Loan Parties may make and receive payments with respect to Intercompany Debt; provided, that in the event that any Loan Party receives any payment of any Intercompany Debt at a time when such payment is prohibited by this Section, such payment shall be held by such Loan Party, in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request, to the Administrative Agent.

11.17 No Advisory or Fiduciary Responsibility.

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower and each other Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) the arranging and other services regarding this Agreement provided by the Administrative Agent and any Affiliate thereof, the Arranger and the Lenders are arm's-length commercial transactions between the Borrower, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent and, as applicable, its Affiliates (including the Arranger) and the Lenders and their Affiliates (collectively, solely for purposes of this Section, the "**Lenders**"), on the other hand, (ii) each of the Borrower and each other Loan Party has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b) (i) the Administrative Agent and its Affiliates (including the Arranger) and each Lender each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for Borrower or any of its Affiliates, or any other Person and (ii) neither the Administrative Agent, any of its Affiliates (including the Arranger) nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent and its Affiliates (including the Arranger) and the Lenders may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, the other Loan Parties and their respective Affiliates, and neither the Administrative Agent, any of its Affiliates (including the Arranger) nor any Lender has any obligation to disclose any of such interests to the Borrower, any other Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the Borrower and each other Loan Party hereby waives and releases any claims that it may have against the Administrative Agent, any of its Affiliates (including the Arranger) or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

11.18 Electronic Execution.

The words "delivery," "execute," "execution," "signed," "signature," and words of like import in any Loan Document or any other document executed in connection herewith) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paperbased recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary neither the Administrative Agent, the L/C Issuer nor any Lender is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent, the L/C Issuer or such Lender pursuant to procedures approved by it

and provided further without limiting the foregoing, upon the request of any party, any electronic signature shall be promptly followed by such manually executed counterpart.

11.19 USA PATRIOT Act Notice.

Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower and the other Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “**Act**”), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the Act. The Borrower and the Loan Parties agree to, promptly following a request by the Administrative Agent or any Lender, provide all such other documentation and information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Act.

11.20 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Solely to the extent any Lender or L/C Issuer that is an EEA Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender or L/C Issuer that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender or L/C Issuer that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

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

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

11.21 Acknowledgment Regarding Any Supported QFCs.

To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**”, and each such QFC, a “**Supported QFC**”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

11.22 Time of the Essence.

Time is of the essence of the Loan Documents.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BORROWER:

**CONSOLIDATED AMUSEMENT HOLDINGS,
LLC**, a Nevada limited liability company

By: /S/ Gilbert Avanes

Name: Gilbert Avanes

Title: Chief Financial Officer and Treasurer

GUARANTORS:

CONSOLIDATED ENTERTAINMENT, INC.,
a Nevada corporation

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer and Treasurer

ANGELIKA FILM CENTER MOSAIC, LLC,
a Nevada limited liability company

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer, Treasurer, and
Secretary

ANGELIKA FILM CENTERS LLC,
a Delaware limited liability company

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer, Treasurer, and
Secretary

READING CINEMAS NJ, INC.,
a Delaware corporation

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer, Treasurer, and
Secretary

CONSOLIDATED CINEMA SERVICES, LLC,
a Nevada limited liability company

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer and Treasurer

READING MURRIETA THEATER, LLC,
a Nevada limited liability company

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer, Treasurer, and
Secretary

KAHALA CINEMA COMPANY, LLC,
a Nevada limited liability company

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer and Treasurer

KAAHUMANU CINEMAS, LLC,
a Nevada limited liability company

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer and Treasurer

**READING CONSOLIDATED HOLDINGS,
INC.,**
a Nevada corporation

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer and Treasurer

KMA CINEMAS, LLC,
a Nevada limited liability company

By: /S/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer, Treasurer, and
Secretary

CARMEL THEATRES, LLC,
a Nevada limited liability company

By: /S/ Gilbert Avanes
Title: Chief Financial Officer, Treasurer, and
Secretary

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /S/ Sharad Bhatt
Name: Sharad Bhatt
Title: SVP

BANK OF AMERICA, N.A.,
as a Lender, L/C Issuer and Swingline Lender

By: /S/ Sharad C Bhatt
Name: Sharad C Bhatt
Title: Senior Vice President

BANK OF HAWAII,
as a Lender

By: /S/ Terri L. Okada
Name: Terri L. Okada
Title: Senior Vice President

**WAIVER AND FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT**

THIS WAIVER AND FIRST AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this “Waiver and Amendment”), dated as of May 15, 2020, is entered into by and among Consolidated Amusement Holdings, LLC, a Nevada limited liability company (the “Borrower”), the Affiliates of the Borrower identified on the signature pages hereto (collectively, the “Guarantors”), the financial institutions identified on the signature pages hereto (collectively, the “Lenders”), and Bank of America, N.A., as Administrative Agent, Swingline Lender and L/C Issuer, with reference to the following facts:

RECITALS

A. The Borrower, the Guarantors, the Lenders, and Bank of America as Administrative Agent, Swingline Lender and L/C Issuer are parties to a Second Amended and Restated Credit Agreement, dated as of March 6, 2020 (the “Credit Agreement”), pursuant to which the Lenders provide a revolving credit facility to the Borrower in an aggregate amount of up to \$55,000,000.

B. As a result of the Coronavirus, COVID-19 events commencing during March 2020, a Default and Events of Default (collectively, the “Existing Defaults”) have occurred and are continuing under Sections 8.01(b) and (c) of the Credit Agreement as the consequence of the Borrower’s breach of the following provisions of the Credit Agreement:

(i) Section 6.01(d), due to the Borrower’s untimely delivery to the Administrative Agent of the business plan and budget for the Borrower’s fiscal year 2020 (the “2020 Business Plan and Budget”);

(ii) Section 6.17, due to the Borrower’s failure to timely make the required lease payments due April 1, 2020 for any of the Borrower’s theaters (the “April Lease Payment Default”);

(iii) Section 6.03(b), due to the Borrower’s failure to deliver written notice to the Administrative Agent of the adverse impact upon its business due to the actual closure of its theaters as a result of the Coronavirus, COVID-19 events (the “Coronavirus MAE Matters”); and

(iv) Section 6.03(a), due to the Borrower’s failure to timely notify the Administrative Agent of the foregoing Defaults.

C. The Borrower delivered the 2020 Business Plan and Budget to the Administrative Agent later than 30 days after notice thereof from the Administrative Agent to the Borrower, which has resulted in such late delivery being an Event of Default. In addition, the Lenders in good faith and reasonably believe that the Borrower will be unable to cure the April Lease Payment Default within 30 days after the date of notice of the Default thereof from the Administrative Agent, and

that, consequently, the April Lease Payment Default also will become an Event of Default at the end of the 30-day cure period.

D. The parties are entering into this Waiver and Amendment by which: (i) the Lenders will waive each of the Existing Defaults; (ii) the Lenders will extend the respective deadlines for the Borrower to deliver the annual financial statements, the quarterly financial statements, and the individual theater revenue and attendance information required by Sections 6.01(a), (b) and (c) of the Credit Agreement; (iii) the Lenders will not require the Borrower to comply with the lease payment affirmative covenant set forth in Section 6.17 of the Credit Agreement for the months of April 2020, May 2020, June 2020, and July 2020; (iv) the Lenders will not permit the Parent to declare and make cash dividends or distributions or make other Restricted Payments prior to January 1, 2021; and (v) the Lenders will not require the Borrower to comply with any of the financial covenants set forth in Sections 7.11(a), (b) and (c) for the fiscal quarter of the Borrower ended March 31, 2020.

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

1. **Defined Terms.** Any and all initially capitalized terms used in this Waiver and Amendment without definition (including, without limitation, in the recitals to this Waiver and Amendment) shall have the respective meanings set forth for such terms in the Credit Agreement.

2. **Waiver of Existing Defaults.** The Lenders hereby waive each of the Existing Defaults. Such waiver by the Lenders shall constitute a waiver of only the Existing Defaults, and, except as expressly set forth in Section 4 hereof, shall not constitute a waiver of the Borrower's obligation to comply with Section 6.01(d) or Section 6.17 of the Credit Agreement on any other occasion.

3. **Extension of Deadline for Delivery of Annual Financial Statements, Quarterly Financial Statements and Individual Theater Information.** Notwithstanding anything to the contrary set forth in Section 6.01(a), Section 6.01(b), Section 6.01(c) or Section 6.02(a) of the Credit Agreement, the Borrower shall deliver each of the following items to the Administrative Agent no later than May 31, 2020: (i) the annual financial statements and other information required by Section 6.01(a) of the Credit Agreement for the Borrower's fiscal year 2019; (ii) the quarterly financial statements required by Section 6.01(b) of the Credit Agreement for the fiscal quarter of the Borrower ended March 31, 2020; (iii) the statement of the Borrower's individual theater revenue and attendance required by Section 6.01(c) of the Credit Agreement for the fiscal quarter of the Borrower ended March 31, 2020 and (iv) the accountant's certificate required by Section 6.02(a) with respect to the annual financial statements for the Borrower's fiscal year 2019.

4. **Temporary Suspension of Lease Payment Obligations Covenant.** The Borrower's obligation to comply with Section 6.17 of the Credit Agreement is hereby suspended through July 31, 2020. The Borrower's obligation to comply with such covenant shall resume on August 1, 2020.

5. **Prohibition of Parent Cash Dividends, Distributions and Other Restricted Payments.** Notwithstanding anything to the contrary set forth in Section 7.06 of the Credit

Agreement, the Parent shall not at any time prior to January 1, 2021 declare and make cash dividends or distributions or make other Restricted Payments.

6. **Temporary Suspension of Financial Covenant Testing.** The Borrower shall have no obligation to comply with any of the financial covenants set forth in Section 7.11 of the Credit Agreement for the Measurement Period ended March 31, 2020 or to deliver a Compliance Certificate with respect to such Measurement Period pursuant to Section 6.02(b) of the Credit Agreement. The Borrower's obligation to comply with each of such financial covenants shall resume with the Measurement Period ending June 30, 2020.

7. **General Release.** From and after the effective date of this Waiver and Amendment, the Borrower and each Guarantor hereby agrees that, without any further act, the Administrative Agent, each Lender and each other Secured Party is fully and forever released and discharged from any and all claims for damages or losses to the Borrower, any Guarantor, or to any property of the Borrower or any Guarantor (whether any such damages or losses are known or unknown, foreseen or unforeseen, or patent or latent), including, without limitation, any tort claim, demand, action or cause of action of any nature, whatsoever, arising under or relating to the Credit Agreement or the other Loan Documents or any of the transactions related thereto, prior to the date hereof, and the Borrower and each Guarantor hereby waive application of California Civil Code Section 1542. The Borrower and each Guarantor certify that they have read the following provisions of California Civil Code Section 1542:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Borrower and each Guarantor understands and acknowledges that the significance and consequence of this waiver of California Civil Code Section 1542 is that even if the Borrower or such Guarantor should eventually suffer additional damages arising out of the facts referred to above, it will not be able to make any claim for those damages. Furthermore, the Borrower and each Guarantor acknowledge that they intend these consequences even as to claims for damages that may exist as of the date of this release but which the Borrower or such Guarantor does not know exist, and which, if known, would materially affect the Borrower's or such Guarantor's decision to execute this Waiver and Amendment, regardless of whether the Borrower's or such Guarantor's lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

8. **Conditions Precedent.** This Waiver and Amendment shall become effective as of the date first set forth above upon satisfaction of the following conditions:

(i) **This Waiver and Amendment.** The Administrative Agent shall have received this Waiver and Amendment, duly executed by the Borrower, the Guarantors, and each of the Lenders; and

(ii) **Legal Fees and Expenses.** Administrative Agent's outside counsel shall have received payment from the Borrower of all outstanding fees and expenses previously incurred and all fees and expenses incurred in connection with this Waiver and Amendment, in each case to the extent invoiced to the Borrower on or before the date hereof.

9. **Reaffirmation and Ratification.** The Borrower hereby reaffirms, ratifies and confirms its Obligations under the Credit Agreement and acknowledges that all of the terms and conditions of the Credit Agreement, except as otherwise provided herein, remain in full force and effect.

10. **Representations and Warranties.** The Borrower hereby confirms that all representations and warranties of the Borrower contained in Article V of the Credit Agreement continue to be true and correct in all material respects after giving effect to this Waiver and Amendment, except (i) for representations and warranties which are qualified by the inclusion of a materiality standard, which representations and warranties shall be true and correct in all respects and (ii) to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date.

11. **Events of Default.** Except for the Existing Defaults waived hereunder, neither any Default nor any Event of Default has occurred and is continuing under the Credit Agreement.

12. **Integration.** This Waiver and Amendment constitutes the entire agreement of the parties in connection with the subject matter hereof and cannot be changed or terminated orally. All prior agreements, understandings, representations, warranties and negotiations regarding the subject matter hereof, if any, are merged into this Waiver and Amendment.

13. **Counterparts.** This Waiver and Amendment may be executed in multiple counterparts, each of which when so executed and delivered shall be deemed an original, and all of which, taken together, shall constitute but one and the same agreement.

14. **Governing Law.** This Waiver and Amendment shall be governed by, and construed and enforced in accordance with, the internal laws (as opposed to the conflicts of law principles) of the State of New York.

[Rest of page intentionally left blank; signature pages follow]

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

BORROWER:
CONSOLIDATED AMUSEMENT
HOLDINGS, LLC, a Nevada limited liability
company

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

GUARANTORS:

CONSOLIDATED ENTERTAINMENT, INC.,
a Nevada corporation

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

ANGELIKA FILM CENTER MOSAIC, LLC,
a Nevada limited liability company

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

ANGELIKA FILM CENTERS LLC,
a Delaware limited liability company

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

READING CINEMAS NJ, INC.,
a Delaware corporation

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

CONSOLIDATED CINEMA SERVICES, LLC,
a Nevada limited liability company

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

READING MURRIETA THEATER, LLC,
a Nevada limited liability company

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

KAHALA CINEMA COMPANY, LLC,
a Nevada limited liability company

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

KAAHUMANU CINEMAS, LLC,
a Nevada limited liability company

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

**READING CONSOLIDATING HOLDINGS,
INC.,**
a Nevada corporation

By: /s/ Gilbert Avanes
Gilbert Avanes
Chief Financial Officer

ADMINISTRATIVE AGENT AND LENDERS:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Jacob Villere
Name: Jacob Villere
Title: SVP – Global Commercial Banking

BANK OF AMERICA, N.A.,
as a Lender, L/C Issuer and Swingline Lender

By: /s/ Jacob Villere
Name: Jacob Villere
Title: SVP – Global Commercial Banking

BANK OF HAWAII,
as a Lender

By: /s/ Terri L. Okada
Name: Terri L. Okada
Title: Senior Vice President

Guarantee & Indemnity

These are the terms and conditions which form part of your Guarantee Agreement. As this is an important document, please store it in a safe place.

BY

Guarantor

READING NEW ZEALAND LIMITED, READING COURTENAY CENTRAL LIMITED, READING CINEMAS COURTENAY CENTRAL LIMITED, COURTENAY CAR PARK LIMITED, READING RESTAURANTS NZ LIMITED, DARNELLE ENTERPRISES LIMITED, MOVIELAND CINEMAS (NZ) LIMITED, QUEENSTOWN LAND HOLDINGS LIMITED, READING QUEENSTOWN LIMITED, READING WELLINGTON PROPERTIES LIMITED and READING DUNEDIN LIMITED
(the “**Guarantor**”)

TO

Westpac New Zealand Limited, company number 1763882, for the benefit of itself and Westpac Banking Corporation ABN 33 007 457 141, incorporated in Australia.

IN RESPECT OF MONEY AND OBLIGATIONS OWED TO THE SECURED PARTIES BY

Customer

READING NEW ZEALAND LIMITED, READING COURTENAY CENTRAL LIMITED, READING CINEMAS COURTENAY CENTRAL LIMITED, COURTENAY CAR PARK LIMITED, READING RESTAURANTS NZ LIMITED, DARNELLE ENTERPRISES LIMITED, MOVIELAND CINEMAS (NZ) LIMITED, QUEENSTOWN LAND HOLDINGS LIMITED, READING QUEENSTOWN LIMITED, READING WELLINGTON PROPERTIES LIMITED and READING DUNEDIN LIMITED
(the “**Customer**”)

Limitation

There is no limit on the amount to be paid under this document.

This deed is dated the 21st day of May 2015

THIS IS A VERY IMPORTANT DOCUMENT

Before you sign it:

- You should read it carefully:
- You should check for yourself whether the Customer can pay the money it owes the Secured Parties now and in the future, and
- You should see your own lawyer and financial advisor.

1 Guarantee

You, the Guarantor referred to on page 1 of this document, have asked the Secured Parties to give, or to continue to give, credit to the Customer referred to on page 1 of this document or to not take immediate action to enforce the Customer's obligations to the Secured Parties.

In exchange for the Secured Parties doing either or both of those things, and by entering into this document, you guarantee that the Customer will pay to the Secured Parties, on time, the Guaranteed Money referred to below (see [clause 2](#)).

You also guarantee that the Customer will do what it is required to do under its arrangements.

The Secured Parties can demand that you, as well as, or instead of, the Customer, pay some or all of the Guaranteed Money when it is payable. You must then immediately pay the amount demanded.

If you do not pay an amount when the Secured Parties demand, then, among other things:

- the Secured Parties can sue you; and/or
- if you have given a mortgage or other security which secures your obligations under this document, the Secured Parties can enforce that security (for example, if that security includes a mortgage over a house, the Secured Parties can sell the house).

2 What is covered by this guarantee?

This document is a continuing guarantee and relates to all money that the Customer (whether alone or with one or more other persons) may Owe to the Secured Parties (including any transferee referred to in [clause 3Q](#)) now or in the future for any reason.

This is the Guaranteed Money. When used in relation to a particular Secured Party, it means the Guaranteed Money that is Owing to that Secured Party.

At any time the Guaranteed Money will include:

- money that the Customer actually does Owe or will Owe the Secured Parties, whether principal, interest or otherwise;
 - money that the Secured Parties may claim from the Customer, including debts assigned or transferred to the Secured Parties by third parties;
-

- money that the Customer contingently Owes the Secured Parties (money is contingently Owed where the Customer has an obligation to pay the Secured Parties if something happens or is discovered);

Examples of this include money Owing under:

- *a guarantee by the Customer of some other person's obligations including guarantee obligations of that other person;*
- *a promise by the Customer to pay costs if it repays a fixed interest rate loan early or to pay any legal costs the Secured Parties might incur if the Customer defaults;*
- *a promise to pay the Secured Parties if the Secured Parties suffer a loss or have to make a payment to someone else (for example under a letter of credit requested by the Customer or a bill of exchange issued at the request of the Customer);*

- money that the Customer is likely to become liable to pay to the Secured Parties, even where there is no existing obligation to pay that sum, so long as the liability of the Customer is connected with something which happens while this document is in force. Examples of this include where the Secured Parties may later be able to sue the Customer for damages because of a breach of a warranty given to the Secured Parties by the Customer; *and/or*

- money (including money of the type set out in the above paragraphs of this clause 2) that the Customer would have Owed the Secured Parties but for some legal problem. Examples of those legal problems are set out in clause 13 below.

The Guaranteed Money includes, in each case, any money that the Customer may Owe together with one or more others.

You agree to all of the following:

3 Payment

You must pay the Guaranteed Money whenever the Secured Parties make a written demand on you. The Secured Parties may make any number of demands, each of which may be for payment of all or part of the Guaranteed Money at the time the demand is made.

4 Costs and expenses

You must pay to the Secured Parties all costs which the Secured Parties incur in relation to the negotiation, preparation and signing of this document and any security for your obligations under this document.

For example, such costs might include a Secured Party's legal fees on a full indemnity basis (that is, the full amount of costs and expenses actually charged to the Secured Parties by their lawyers or others).

If the Secured Parties incur any such costs then you must reimburse them on demand.

You indemnify the Secured Parties on demand against any Loss or Liability the Secured Parties may suffer or incur as a direct or indirect consequence of the exercise, contemplated exercise or attempted exercise or defence of any of the Secured Parties' rights, powers or remedies relating to this document or any security for this document.

5 Interest

You must pay to the Secured Parties interest on all amounts which the Secured Parties demand that you must pay under this document, including interest.

The interest on each amount demanded will be calculated:

- from the date the Secured Parties demanded payment of the amount;
- on the daily balance of the amount still unpaid; and
- at the same rate as applies to the Guaranteed Money under the relevant arrangement. If there is no such rate, interest will accrue at the rate certified by an officer of the Secured Party to be its Indicator Lending Rate (or the rate declared by the relevant Secured Party to be in substitution for it) plus the margin then applicable to similar accounts. If that rate changes, the changed rate applies from the day on which the changed rate becomes generally applicable.

You must pay any interest payable under this clause after, as well as before, any judgment of a court.

A Secured Party may, at the end of any period determined by that Secured Party, debit any of your accounts with any unpaid interest. That interest shall itself bear interest as provided in this clause.

6 Government charges

You must pay any government duties, taxes and charges on this document, any security for your obligations under this document and payments and receipts under this document or any such security. If a Secured Party pays any such amount you must reimburse it on demand.

7 Nature of your obligation

This document imposes upon you a principal obligation. In addition to your guarantee obligations you agree to perform the obligations of the Customer as if you were the Customer. This means that the Secured Parties can require you to pay the Guaranteed Money whether or not they have made demand on the Customer.

Your liability under this document is independent and unconditional. It does not depend on any other right or obligation and is not subject to any condition. Your liability is not affected by anything which might otherwise release you from all or part of your obligations or limit your obligations (if this clause was not in this document).

For example your liability is not affected if:

- the Secured Parties do not exercise any of their rights against the Customer or anyone;*
 - the Secured Parties make an arrangement which takes away or limits their rights or freedom to exercise their rights, whether those rights concern the Customer or anyone;*
 - the Secured Parties fully or partly discharge or release any security, the Customer or anyone;*
 - the Customer becomes bankrupt;*
 - the Secured Parties give the Customer or anyone time to pay or any other concession;*
-

- the Secured Parties make any other transaction or arrangement with the Customer or anyone; or*
- the Secured Parties do not take any security or do not have security, even if that security was mentioned to you.*

Anyone includes anyone who signs this document. It will also include any other guarantor, anyone who gives security or anyone else.

8 Is there a limit on liability?

Although this document relates to all of the Guaranteed Money, if page 1 of this document sets out a limit, you will not have to pay more in respect of the Guaranteed Money than the amount of that limit plus an amount equal to 12 months' interest on that amount. However, in addition to the amounts described above, the Secured Parties may require you to pay:

- interest under clause 5 on any amount you owe the Secured Parties under this document if you do not pay on demand; and
- expenses, fees and any government duties, taxes and charges and other amounts under clauses 4 and 6.

If there is no limit mentioned on page 1 of this document, there is no limit on the amount the Secured Parties can recover from you under this document.

9 Can you make any deduction from money you may pay under this document?

You must not make any payment subject to any condition, restriction or claim you may have against the Secured Parties.

For example, if a Secured Party Owes you money or you think you have a claim against a Secured Party you promise not to deduct that amount from money you pay under this document.

You may only make a withholding or deduction from money you pay to a Secured Party under this document if that withholding or deduction is required by law.

If the law requires you to make a withholding or deduction from money you pay to a Secured Party then the following rules apply:

- you must make sure that the withholding or deduction is for not more than the minimum amount required by that law;
 - you must make sure that the withholding or deduction is paid to the relevant revenue or government authority by the due date for payment;
 - you must send the relevant Secured Party, within 30 days of the withholding or deduction, a receipt showing that the withholding or deduction has been paid to the relevant revenue or government authority; and
 - you must increase the amount you pay to that Secured Party so that the Secured Party receives the amount it would have received had there been no withholding or deduction.
-

If a Secured Party receives a tax credit, refund or allowance in respect of an increased amount you paid under the final bullet point above, the following rules apply. The relevant Secured Party will provide you with that part of the tax credit, refund or allowance that leaves the Secured Party in no better or worse position than it would have been had no amount be required to be withheld or deducted. However, the Secured Parties are under no obligation to disclose any information relating to the calculation of their tax liability or benefits. Also, this clause does not interfere with the Secured Parties' rights to arrange their tax affairs as they wish. In particular, the Secured Parties may apply tax credits, refunds and allowances available to them as they like.

10 What can the Secured Parties do with money paid to them?

Any money the Secured Parties receive to reduce the Customer's debts to the Secured Parties may be used to pay off any part of the Customer's debts which the Secured Parties choose.

For example, if the Customer Owes the Secured Parties two amounts of money, and you have guaranteed only one of those amounts, the Secured Parties can use money they receive from other sources to first pay the amount not guaranteed by you.

The Secured Parties may open a separate or new account and credit payments received through that new account and not the account guaranteed by you, so you will remain liable for the full amount despite that payment.

11 Do the Secured Parties have to get your consent to new arrangements or to change or replace arrangements between them and the Customer?

The Secured Parties and the Customer or any Guarantor can enter into new arrangements with one another or change or replace the existing arrangements at any time. They may do whatever business they wish with each other. They do not have to get your consent to do those things.

This document applies to any new and replacement arrangements and to any arrangements as changed. It does not matter that the Guaranteed Money may increase because of the new and replacement arrangements or changes.

However, if a limit is set under clause 8, then you are not liable to pay any more than that limit and the additional amounts referred to in clause 8, no matter what new arrangements, or changes to existing arrangements, are made.

If no limit is set, then you are liable to pay all the Guaranteed Money including under new, replacement or changed arrangements.

12 What do the Secured Parties have to do or tell you?

The Secured Parties must provide you with a copy of this document and all information, statements, and other matters disclosed to the Customer under the Credit Contracts and Consumer Finance Act 2003:

- in respect of any consumer credit contract between the Customer and the Secured Parties to which this document applies;
 - when the Customer and the Secured Parties enter into a new consumer credit contract to which this document applies; and
 - when a consumer credit contract to which this document applies is varied in certain ways.
-

Apart from the above, the Secured Parties do not have to do anything in relation to, or tell you of anything concerning, the Customer's:

- affairs;
- finances; or
- transactions with the Secured Parties.

It is your responsibility to find these things out from the Customer.

The above applies both before and after you sign this document.

13 What happens if there is a legal problem with the Customer or the Guaranteed Money?

In some circumstances the Secured Parties might have no legal right to recover an amount of Guaranteed Money from the Customer, or the Customer might not Owe an amount that would otherwise have been included in the Guaranteed Money.

For example, this might happen because:

- *the Customer might not have full legal capacity (for example, if they are under 20 years of age), might be bankrupt or might not have properly signed a document; or*
- *there may be some illegality affecting an arrangement.*
- *If, for any reason, the above occurs, you must pay the amount referred to above to the Secured Parties whenever the Secured Parties demand such payment. That amount will be taken to be part of the Guaranteed Money for the purposes of this document.*

This applies even if the Secured Parties should have known of the problem. It applies even if the Customer could never have been required to pay the Secured Parties.

Your obligation under this clause is a separate obligation from your obligations under [clause 1](#).

14 What happens if there is a legal problem with this document?

If any clause in this document is not enforceable in any country because of the laws of that country then that will not affect:

- the other clauses in this document; or
- the enforceability of that clause in any other country.

15 Can you get security for your guarantee obligations?

You must not take or hold any security from the Customer or anyone else for your obligations under this document unless the Secured Parties agree in writing. If you do take or hold a security in this way, you agree to transfer it to the Secured Parties as soon as the Secured Parties ask you to and, until then, to hold it on trust for the Secured Parties.

16 What happens if the Secured Parties have other security?

Any security is independent of this document. Nothing affecting any security will affect your liability under this document.

For example, you will still be liable, despite:

- any change in the terms of any security;
- any release, abandonment or discharge of any security; or
- the Secured Parties failing to enforce or exercise any security.

You cannot at any time ask the Secured Parties to enforce any security in a way which benefits you or maximises your rights. The Secured Parties can enforce this document and any security in any order they wish.

Until the Guaranteed Money is paid in full, you cannot claim the benefit of any security and you have no right to it.

17 Can you compete with the Secured Parties in getting repaid from the Customer?

The following rules apply if:

- the Customer or anyone else dies or becomes bankrupt; and
- in the estate or bankruptcy, the Secured Parties can make a claim which in any way relates to any of the Guaranteed Money or other money Owed to the Secured Parties by the Customer.

You agree not to make any claim in the estate or bankruptcy until the Secured Parties have been paid all the Guaranteed Money. If the Secured Parties receive money as a result of making such a claim, they may set that money aside. They need not use it to pay the Guaranteed Money until they have received enough in respect of the Guaranteed Money to pay all of the Guaranteed Money. Until that happens, you are fully liable for the Guaranteed Money, as if the Secured Parties had not received the money. You also agree not to sue the Customer without the consent of the Secured Parties.

18 What happens if the Secured Parties have to refund a payment to the Customer or its creditors?

The following rules apply if, for any reason:

- the Secured Parties have to refund or give up any money which the Customer or anyone else has paid to them, or which they recover in any way; or
- the Secured Parties agree to, or reach a compromise in relation to, any claim that they have to refund or give up any such money.

For example, the above might occur because of laws relating to bankruptcy or the duties or powers of mortgagees, trustees, directors or officers, or because the money paid to the Secured Parties actually belonged to someone else.

- you Owe the Secured Parties all the money that they were Owed before they received the money they later had to refund or give up;
-

- you have to do everything you can to help restore to the Secured Parties any rights the Secured Parties had over you or your property before they received the money they later had to refund or give up; and/or
- the Guaranteed Money, for which you are liable under this document, includes all costs, charges and expenses of everything done under this clause and any negotiations or legal proceedings about anything covered by this clause.

These rules apply even if your obligations under this document or any security have been released or discharged by the Secured Parties.

19 What happens if a Secured Party is paid in the wrong currency?

If, for any reason:

- a Secured Party receives or recovers an amount under this document in a currency other than the currency in which it should have been paid; *and*
- after that Secured Party has converted that other currency to the correct currency there is not enough to pay off the full amount then due under this document,

you must pay that Secured Party the full amount of the shortfall.

You agree that the Secured Parties are not obliged to convert any currency, but may do so if the Secured Parties so choose at any time.

20 How can you stop your obligations?

You can stop your obligations to the Secured Parties under this document by writing a letter to the Secured Parties saying that you want to stop your obligations. If you are a company, the letter must be signed by one of your directors. The letter must be given to an officer of a Secured Party working at a branch of the Secured Party at which the Customer has an account.

Such a letter will be regarded as having arrived only when actually received by the Secured Party. A letter given under this clause to the Secured Parties is validly given if it is given to one Secured Party only.

Even after such a letter has been received by the Secured Parties, you are still liable under this document for the amount of the Guaranteed Money up to the end of the day when the letter was received.

This includes:

- money that the Secured Parties pay to or for the Customer, because of a cheque drawn, request made, document signed or obligations created, on or before the day the letter is received by the Secured Parties.
 - money contingently Owed at that time (as described in clause 2);
 - money that the Customer is likely to become liable to pay after that time (as described in clause 2); and
 - any other money of the type described in clause 2.
-

You also remain liable for interest that accrues on the Guaranteed Money for which you are still liable under this document after your obligations have been stopped.

If you have entered into this document with anyone else, anyone who has not stopped his, her or its obligations, remains fully liable for all money Owed under this document.

21 What happens after you have stopped your obligations under this document?

If you have stopped your obligations under this document the Secured Parties can end or continue any or all of their transactions with the Customer.

If the Secured Parties decide to end their transactions with the Customer, they can refuse to pay the Customer's cheques or stop any or all of their transactions with the Customer. While the Secured Parties will usually try to warn the Customer before doing so, they are not obliged to do so and can do these things without warning either you or the Customer.

If the Secured Parties decide to continue their transactions with the Customer, then your liability under this document is as described in clause 20. The Secured Parties may then open separate or new accounts and credit payments received to those accounts and not the accounts guaranteed by you. You will remain liable for the full amount described in clause 20 despite those payments.

You will not be entitled to a final discharge of your obligations under this document until the Secured Parties are satisfied that all the Guaranteed Money and any other amounts Owing under this document have been repaid in full and that no payment may be voided, voidable or required to be repaid by the Secured Parties under any law.

22 Can a Secured Party use money in your accounts?

If you have any money in any account with the Secured Parties then the Secured Parties can at any time, if they so choose, use it to pay amounts you Owe under this document.

23 Do your obligations continue after your death or bankruptcy?

Your obligations under this document continue after your death or bankruptcy and after the Secured Parties learn of it.

24 How do the Secured Parties give notices or demands?

No waiver by the Secured Parties of any right arising under this document, or relating to this document but arising under any other Bank Document, will be effective unless it is given in writing and is signed by the Secured Parties.

Any of the following people can sign a demand, certificate, notice or other document for a Secured Party:

- a person authorised by the Secured Party to do so;
 - anyone who is employed by the Secured Party to do so;
 - anyone who is employed by the Secured Party and whose title includes the word manager, or
 - anyone who is employed by the Secured Party and is filling a position that has a title which includes the word manager.
-

A Secured Party can:

- deliver the document personally;
- send it through the post to the place where:
 - *you carry on business;*
 - in the case of a company, you have your registered office; or
 - in the case of an individual, you live or work,

or the place most recently known to the person signing the document as such a place;

- leave it at one of those places;
- send it to the Post Office Box address of one of those places;
- send it by facsimile to the facsimile number you have given the Secured Party for the purpose of receiving notices or demands under this document; or
- send it by email or electronic transmission to your last known address for that purpose.

If the document is sent through the post, it is to be regarded as having arrived on the third business day after posting, even if it never arrives.

If the document is sent by facsimile, it is to be regarded as having arrived upon production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to that facsimile number.

If the document is sent by email or electronic transmission, it is to be regarded as having been received by you on the day that it is sent (regardless of whether or not it is actually received) provided that no record has been generated notifying the Secured Parties that the transmission has failed.

A notice given, or required to be given, under this document by the Secured Parties is validly given if it is given by one Secured Party only.

The Customer is entitled to rely on such notice given by one Secured Party as being authorised by both Secured Parties and will have no obligation to enquire as to whether any instructions have been given to that Secured Party or as to the terms of any such instruction.

25 When is a demand effective?

A demand is effective and deemed delivered even if, when it is made, you are dead, bankrupt, not at the place where the notice is sent or delivered, or not receiving mail from the Post Office Box address where the notice is sent or delivered.

26 The Secured Parties' certificate

You agree that a certificate from the Secured Parties setting out the amount that you Owe under this document is proof that you Owe the amount stated, unless you prove the contrary.

27 If more than one person is signing this document as Guarantor

If you sign this document with one or more others, its terms apply to each of you individually and to all or any number of you as a group. Each of you is individually liable for the full amount Owed under this document. The Secured Parties can make a claim or demand on any one or more of you.

You are still bound by this document, even if anyone in the group - or anyone you thought was going to be in the group - does not sign this document, or is not bound by it or is released from part or all of their obligations under it.

28 If more than one person is the Customer

If the Customer referred to in this document is more than one person, the references to the Customer will apply to each of them individually and to all or any number of them as a group. Without limiting the above, it applies to money Owed by any one or more of them and to money Owed by all of them.

29 If the Customer is or becomes a partnership

If:

- the Customer is, or becomes, a partnership; and
- if any partner dies or there is any other change in the constitution of the partnership; then
- your liability does not change; but
- the Secured Parties can, if the Secured Parties choose, refuse to pay the Customer's cheques or stop all or any transactions with the Customer.

30 Can the Secured Parties transfer their rights against you?

The Secured Parties can transfer their rights under this document to someone else. If they do, this document will apply to the transferee as if it were a Secured Party.

31 Disclosure of information

You authorise the Secured Parties to collect, use and disclose information about you for any purpose related to your association with the Secured Parties and you authorise any other person to disclose information to the Secured Parties for that purpose. The Secured Parties do not need to get your consent each time they collect, use or disclose information about you.

For example, if the Secured Parties want to transfer or enforce their rights under this document they can give anyone all information about you which the Secured Parties may have collected at any time.

32 The law that applies

The law of New Zealand applies to this document. You accept the non-exclusive jurisdiction of its courts.

33 This document contains the rules that apply to it

You agree that in signing this document you are not relying on any promises or statements made by the Secured Parties, regardless of whether any such promises or statements were made in response to a question or otherwise.

The only terms which apply to this document are contained:

- in this document; or
- in any other Bank Document intended to relate to this document.

34 Anti-Money Laundering

You agree to provide all information to the Secured Parties which each Secured Party requires in order to manage its anti-money-laundering and countering terrorism-financing obligations, to manage its economic and trade sanctions risks or to comply with any laws, rules or regulations in New Zealand or any other country. You agree that the Secured Parties may refuse to establish a business relationship with you, may be required to delay, defer, stop or refuse to process any transaction, or may terminate their business relationship with you at any time and without notice, if you fail to provide this information to a Secured Party in the manner and timeframe specified by a Secured Party.

You agree that the Secured Parties may delay, defer, stop or refuse to process any transaction without incurring any liability if a Secured Party knows or suspects that

- the transaction will or may breach any laws or regulations in New Zealand or any other country; or
- the transaction involves any person (natural, corporate or governmental) that is itself sanctioned, or is connected, directly or indirectly, to any person (natural, corporate or governmental) that is sanctioned, under economic and trade sanctions imposed by any country.

Unless you have disclosed to the Secured Parties that you are acting in a trustee capacity or on behalf of another party, you warrant that you are acting solely on your own behalf in entering into this document.

For each transaction conducted under this document, you represent and warrant to the Secured Parties that, to best of your knowledge, information and belief at the time the transaction takes place, the processing of that transaction by a Secured Party in accordance with your instructions will not breach any laws or regulations in New Zealand or any other country relevant to the transaction.

35 If you are a trustee

This clause only applies if you are a trustee and sign this document as trustee of that trust.

This document will bind you in your capacity as trustee of the trust. It will also bind you personally, unless you are an independent trustee.

You confirm:

- the terms of the trust document give you the power to enter into this document;
- you have properly signed this document in accordance with the terms of the trust; *and*
- you have and will retain a right of indemnity from the trust property.

The above are warranties, which means that the Secured Parties can sue you if any are incorrect.

The Secured Parties may recover the Guaranteed Money and any other amounts Owing under this document from the property of the trust and for this purpose may exercise your rights to be reimbursed from those property or from any other person (such as a beneficiary of the trust).

If you are an independent trustee the Secured Parties will only be entitled to recover Guaranteed Money and any other amounts Owing under this document from any of your personal property if they are not able to recover the Guaranteed Money and any other amounts Owing under this document from the trust property because the warranties you gave above were incorrect. The Secured Parties will only be entitled to recover from your personal property the amount they would have recovered from the trust property had those warranties been correct. If you are not an independent trustee, the Secured Parties may seek to recover any Guaranteed Money and any other amounts Owing under this document from your personal property as well as from trust property.

You are an *independent trustee* for the purpose of this clause unless you have any right to, or interest in, any of the property of the trust except in your capacity as a trustee of the trust.

For example, if you are a beneficiary of the trust then you are not an *independent trustee*.

36 Reading this document

In this document:

arrangement means any arrangement, document, agreement or dealing of any sort (whether or not it is in writing) between the Secured Parties and the Customer (whether or not with others) including where the Secured Parties become a party because of an assignment or transfer.

Bank Document means a document or agreement:

- to which the Secured Parties and any one or more of the Customer and any Guarantor are or become parties or purport to be or become parties; *or*
- under which obligations arise or are intended to arise from any one or more of the Customer and any Guarantor to the Secured Parties,

in each case whether or not other parties are involved or it arises as a result of an assignment or transfer. It includes this document and any security.

bankruptcy includes liquidation, receivership, statutory management, administration, reconstruction, striking-off or removal from the register under the Companies Act 1993 or other relevant legislation, winding-up, dissolution, assignment for the benefit of creditors, arrangement or compromise with creditors or bankruptcy or any analogous event and bankrupt shall have a corresponding meaning.

Guaranteed Money has the meaning given in [clause 2](#).

Loss or Liability means a cost, expense, loss, damage, liability or claim, including due to the indemnification of an officer or employee of the Secured Parties, (and includes any goods and services tax, all legal fees and expenses in full, all costs awards, and the cost of management or administration time as calculated by the person incurring that cost, acting reasonably).

Owe, in relation to money, means to owe that money or to be liable to pay that money and Owed, Owes and Owing shall have corresponding meanings.

Secured Parties means, subject to clause 30, Westpac NZ and Westpac Banking Corporation ABN 33 007 457 141, incorporated in Australia or, as the context requires, either of them.

security means any security, claim or other right held by the Secured Parties from or against the Customer, you or anyone else in relation to the Guaranteed Money, now or in the future. If there is more than one of you, it includes the rights against any of you under this document.

Westpac NZ means Westpac New Zealand Limited, company number 1763882.

General:

- where an example is given, it does not limit what else might be included;
- unless the context otherwise requires, the plural includes the singular and vice versa; and
- a gender includes all genders.

This document is intended to take effect as a deed.

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski
[Andrzej Matyczynski]

Name of Company: READING NEW ZEALAND
LIMITED

In the presence of:

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski
[Andrzej Matyczynski]

Name of Company: READING COURTENAY
CENTRAL LIMITED

In the presence of:

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]Director/~~Authorized Person~~ /s/ Andrzej Matyczynski [Andrzej Matyczynski]Name of Company: READING CINEMAS COURTENAY LIMITED**In the presence of:**Signature of Witness: /s/ [Name]Print Name:Occupation:Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. CoughlanName of Solicitor: Fiona Evelyn CoughlanName of Firm:Address of Firm:**Signature Section for Companies**

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]Director/~~Authorized Person~~ /s/ Andrzej Matyczynski [Andrzej Matyczynski]Name of Company: COURTENAY CAR PARK LIMITED**In the presence of:**Signature of Witness: /s/ [Name]Print Name:Occupation:Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. CoughlanName of Solicitor: Fiona Evelyn CoughlanName of Firm:Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski [Andrzej Matyczynski]

Name of Company: READING RESTAURANTS NZ LIMITED

In the presence of:

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski [Andrzej Matyczynski]

Name of Company: DARNELLE ENTERPRISES LIMITED

In the presence of:

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski [Andrzej Matyczynski]

Name of Company: MOVIELAND CINEMAS (NZ) LIMITED

In the presence of:

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski [Andrzej Matyczynski]

Name of Company: QUEENSTOWN LAND HOLDINGS LIMITED

In the presence of:

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski
[Andrzej Matyczynski]Name of Company: READING QUEENSTOWN
LIMITED**In the presence of:**

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski
[Andrzej Matyczynski]Name of Company: READING WELLINGTON
PROPERTIES LIMITED**In the presence of:**

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

Signature Section for Companies

This guarantee is signed as a deed by the Guarantor by:

Director /s/ James J. Cotter [James J. Cotter]

Director/~~Authorized Person~~ /s/ Andrzej Matyczynski
[Andrzej Matyczynski]

Name of Company: READING DUNEDIN LIMITED

In the presence of:

Signature of Witness: /s/ [Name]

Print Name:

Occupation:

Address:

I certify that if any Guaranteed Money is owed to the Secured Parties under, or in connection with a consumer credit contract (as that term is defined in the Credit Contracts and Consumer Finance Act 2003), for the purpose of making guarantee disclosure pursuant to the requirements of section 25(1) and Section 35 of the Credit Contracts and Consumer Finance Act 2003 and in compliance with those provisions we posted/delivered to the registered office of the Guarantor:

- a copy of the Guarantee (with all dates, amounts and other details in the Guarantee having been completed) which the Guarantor has signed; and
- one or more legible documents which contain all the information, statements and other matters required to be disclosed to the Customer under Schedule I to the Credit Contracts and Consumer Finance Act 2003 in respect of the consumer credit contract or contracts which the Secured Parties and the Customer have entered into and to which the Guarantee applies at the time the Guarantee is given.

Signature of Solicitor: /s/ Fiona E. Coughlan

Name of Solicitor: Fiona Evelyn Coughlan

Name of Firm:

Address of Firm:

The Directors
Reading Courtenay Central Limited
C/- Reading International Limited
5995 Sepulveda Blvd
Suite 300
Culver City
California 90230
United States of America

Dear Sirs,

BANKING FACILITIES - READING COURTENAY CENTRAL LIMITED

This letter is in substitution for and replaces Westpac NZ's variation letter dated 12 December 2018.

We are pleased to confirm that we have approved the following changes to your banking arrangements:

THE CHANGES

1. The limit of your Multi Option Credit Line facility (Midas No. 406242) ("MOCL") will be reduced to \$32,000,000, effective from the 31st of December 2018;
2. Subject to your election, the expiry date and line of credit charge ("LCC") applicable to the MOCL may be amended as set out in the table below:

Term	Facility Expiry Date	LCC	Selection {please initial}
2 years	31 December 2020	0.50% p.a.	
3 years	31 December 2021	0.70% p.a.	
4 years	31 December 2022	0.90% p.a.	
5 years	31 December 2023	1.10% p.a.	

3. The *Payments* undertaking in clause 8.1(i) of the MOCL agreement, dated 7 October 2016, as amended from time to time is deleted in its entirety and replaced with the following:

payments

No member of the Charging Group can make any payments (including but not limited to capital reductions, dividends, repayment of loans, interest payments and management fees) to associated or related parties, or in repayment of the Subordinated Notes, unless all covenants contained in the Agreement are being met and will continue to be met following such payment being made.

For the purposes of this clause *Subordinated Notes* means the obligations of Reading New Zealand Limited under the Junior Subordinated Indenture document, dated 5 February 2007, as entered by Reading New Zealand Limited, Reading International Inc, and Wells Fargo Bank, N.A."

THE CONDITIONS OF APPROVAL

Nil.

In all other respects your banking arrangements remain unchanged.

If the terms of this letter are acceptable to you, please initial your selection under the proposed matrix of options, sign this letter, arrange for all guarantors (if any) to sign it, and return it. The changes will take effect from the date we receive the signed copy from you provided any conditions have been satisfied.

This letter may be executed in two or more counterparts, all of which will be deemed to constitute the same instrument. Westpac NZ may accept as an original a facsimile copy or copies of this letter executed by the parties, which when taken with a counterpart executed by Westpac NZ, will be deemed to be one original copy of this letter.

This offer is open for acceptance until 5pm on 31 December 2018.

Yours sincerely,

WESTPAC NEW ZEALAND LIMITED

A handwritten signature in black ink, appearing to be 'John Machell', written over a horizontal line.

John Machell
Senior Manager
Corporate Business

ACCEPTANCE

We accept the changes described in this letter.

Signed on behalf of the Borrower, **Reading Courtenay Central limited**, by:

/s/ Ellen Cotter Director

s/ Devasis Ghose Director

Date of acceptance: 20/12/2018

GUARANTOR'S CONSENT

We confirm that our guarantee is not affected by the changes referred to in this letter.

Signed on behalf of the guarantor, **Reading New Zealand Limited**, by:

s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Reading Cinemas Courtenay Central Limited**, by:

s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Reading New Lynn Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Reading Dunedin Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Reading Queenstown Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Reading Restaurants NZ Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Courtenay Car Park Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Reading Wellington Properties Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Queenstown Land Holdings Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Darnelle Enterprises Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **Movieland Cinemas (NZ) Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

Signed on behalf of the guarantor, **New Zealand Equipment Supply Limited**, by:

/s/ Devasis Ghose Director

Date of consent 20/12/2018

**CONSOLIDATED, AMENDED AND RESTATED
MORTGAGE PROMISSORY NOTE**

March 13, 2020
New York, New York

FOR VALUE RECEIVED, SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (the "Borrower") hereby promises to pay to the order of VALLEY NATIONAL BANK, a national banking association at its offices at 1455 Valley Road, Wayne, New Jersey 07470, and its successors and assigns ("Mortgagee"), the principal sum of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) together with interest according to the following terms and conditions:

1. Payments.

This Consolidated, Amended and Restated Mortgage Promissory Note ("Note" and "Consolidated Note" as referred to in the Consolidation Agreement of even date herewith between Borrower and Mortgagee) shall be repaid as follows:

(A) Interest hereon for the period from the date hereof through the end of the current calendar month shall be due and payable simultaneously with the execution of this Note.

(B) Twenty-three (23) equal consecutive monthly installments of principal and interest, in an amount as calculated pursuant to Interest Rate and Interest Calculations (as defined below) commencing on May 1, 2020 (the "First Payment Date"), and continuing on the first day of each month thereafter until and including March 1, 2022.

(C) A final installment of principal in such amount as shall constitute the entire outstanding principal balance of this Note, plus all accrued and unpaid interest as calculated pursuant to Interest Rate and Interest Calculations (as defined below), and all other sums due under this Note and/or the Mortgage (as defined below) due and payable in full on April 1, 2022 (the "Maturity Date").

The monthly installments of principal and interest described above shall be based on a twenty-five (25) year amortization schedule.

Provided that all of the following conditions are fully satisfied for each option to renew, the Borrower shall have two (2) options to extend the Maturity Date for six (6) additional months each (the "Renewal Term"), commencing on the next successive day immediately following the originally scheduled Maturity Date and ending on October 1, 2023 (the "First Renewal Term Maturity Date") and commencing on the next successive day immediately following the originally scheduled First Renewal Term Maturity Date and ending on April 1, 2024 the "Second Renewal Term Maturity Date");

(1) no event of default hereunder or under any of the other Loan Documents shall have occurred and be continuing prior to the time that the either of the extension options

are exercised and as of the date the Renewal Term is commenced beyond any applicable grace or cure period;

(2) the Borrower shall notify the Mortgagee in writing (the “Renewal Notice”) of its election to extend the Maturity Date not earlier than ninety (90) days and no later than thirty (30) days prior to the originally scheduled Maturity Date or the First Renewal Term Maturity Date;

(3) the Borrower shall paydown the then outstanding principal balance of the Loan by not less than \$1,000,000.00, for each option to renew, with no prepayment premium (the “Paydown”);

(4) the Borrower shall have satisfied the Debt Service Coverage Ratio (as defined in the Mortgage);

(5) the maximum loan-to-value ratio after each Paydown must be no more than forty percent (40%); and

(6) the Borrower shall deliver to Mortgagee, together with the Renewal Notice and the Paydown a certificate in form reasonably acceptable to Mortgagee executed by Borrower’s manager certifying that each of the representations and warranties of the Borrower contained in the Loan Documents is true, complete and correct in all material respects as of the date of such manager certificate except to the extent such representations and warranties are matters which by their nature can no longer be true and correct as a result of the passage of time.

The Borrower shall have no further right to extend the Maturity Date beyond the Second Renewal Term Maturity Date.

In the event that the Borrower shall exercise Borrower’s right to extend the Maturity Date in accordance with the terms and provisions of this Note, during each Renewal Term, the outstanding principal amount advanced to Borrower under this Note shall be repaid as follows:

(A) Five (5) equal consecutive monthly installments of principal and interest, in an amount as calculated pursuant to Interest Rate and Interest Calculations (as defined below) commencing on May 1, 2022 or November 1, 2023, and continuing on the first day of each month thereafter until and including September 1, 2023 or March 1, 2024.

(B) A final installment of principal in such amount as shall constitute the entire outstanding principal balance of this Note, plus all accrued and unpaid interest as calculated pursuant to Interest Rate and Interest Calculations (as defined below), and all other sums due under this Note and/or the Mortgage (as defined below) due and payable in full on the First Renewal Term Maturity Date and/or the Second Renewal Term Maturity Date.

The monthly installments of principal and interest described above shall be based on a twenty-three (23) year amortization schedule.

2. Interest Rate.

(A) The annual rate of interest payable under this Note ("Interest") for the period commencing on and including the date hereof through and including the Maturity Date (the "Initial Term") shall be calculated at a fixed rate equal to four and twenty-five one-hundredths percent (4.25%) per annum, provided that the interest rate may be increased to the Default Interest Rate (as defined below) in accordance with the terms and provisions of the Loan Documents.

(B) Interest for each Renewal Term shall be calculated at a fixed rate equal to the prevailing Two Year US Treasury Rate as of the date which is five (5) days preceding the Maturity Date, plus 225 basis points (2.25%), with the resulting number being rounded upwards to the nearest one-eighth of one percentage point (0.125%), provided that the interest rate may be increased to the Default Interest Rate in accordance with the terms and provisions of the Loan Documents. "Two Year US Treasury Rate" shall mean the amount payable on the most recently issued two (2) year United States Treasury Bond, as quoted by the Wall Street Journal. If the One Year US Treasury Rate is no longer available, Mortgagee shall choose a new index based upon comparable information. In no event shall the Interest rate be less than four and one-quarter of one percent (4.25%) per annum.

3. Interest Calculations. Interest shall accrue on the unpaid principal amount of this Note from the date hereof until all sums under this Note are paid in full. Interest during the term hereof shall be computed on the basis of a 360-day year and actual number of days elapsed.

4. Application of Payments. Payments received under this Note (including prepayments) shall be applied first to accrued interest and then to installments of principal, in inverse order of their maturity dates. Notwithstanding the previous sentence, Mortgagee shall have the right, at its sole option, to apply any payment received under this Note first to any late fees, collection or other expenses to which Mortgagee may be entitled under this Note, the Mortgage (as defined below) or any other Loan Document. The making of any partial prepayment shall not change the due dates or amounts of monthly installment payments next becoming due, but shall only change the allocations of future payments of interest and principal based on such prepayment and produce possibly an earlier payoff date on this Note.

5. Late Fee. If any payment (including tax or insurance escrow payments) is not received by Mortgagee within fifteen (15) days following its due date, without limiting any right or remedy under this Note, the Mortgage or any other Loan Document, Mortgagee may charge a late fee equal to Five Percent (5%) of the total amount overdue. Additionally, if the Borrower fails to pay the Loan in full and instead requests the Mortgagee to renew the Loan, then, if the Mortgagee approves such request, Borrower must complete the renewal within thirty (30) days following the Maturity Date, or Borrower shall be obligated to pay a late charge equal to one percent (1%) of the then outstanding principal balance of the Loan.

6. Prepayments. Prepayment of the Loan is permitted at any time upon not less than thirty (30) days prior written notice to Mortgagee. Such prepayment must be accompanied by payment of all accrued interest on the amount being prepaid and any and all applicable charges

due under the Loan Documents. All prepayments shall be applied first to any outstanding charges or fees relating to the Loan, then to interest and then to principal.

On the date of any prepayment or modification of the Loan, in whole or in part, (each, a "Prepayment Date"), the Borrower shall pay, in the Mortgagee's sole discretion under such modification agreement, if any, to the Mortgagee a prepayment premium, equal to the following:

(A) two percent (2%) of the amount being prepaid or modified if paid or modified during the first year of the Loan term, and

(B) one percent (1%) of the amount being prepaid or modified if paid or modified on during the first three (3) months of the second year of the Loan term and thereafter there is no prepayment penalty during the initial Loan term, but subject to the immediately subsequent paragraph.

In the event that the Borrower shall exercise Borrower's right to extend the Maturity Date in accordance with the terms and provisions of this Note, on any Prepayment Date which occurs during either Renewal Term, the Borrower shall pay to the Mortgagee a prepayment premium, equal to one percent (1%) of the then outstanding principal amount of the Loan, provided that no prepayment premium shall due with respect to any Prepayment Date which occurs during the last two hundred seventy (270) days of either Renewal Term.

Except as otherwise expressly set forth in this Note, the Mortgagee shall not be required to accept partial prepayments of the Loan.

Borrower acknowledges that the prepayment premiums provided for in this Note were a material inducement for Mortgagee to make the Loan, advance funds under this Note and offer the interest rate provided for in this Note. Borrower further acknowledges and agrees that the prepayment premiums shall be unconditionally due and payable if prepayment in full or in part of this Note is made prior to **THE ACTUAL DATE AFTER WHICH NO PREMIUM WILL BE OWED**, regardless of whether the prepayment occurs after the occurrence of an Event of Default (as defined in the Mortgage or this Note), the acceleration of the Loan and/or the institution of legal proceedings by Mortgagee to collect on this Note or foreclose on the Mortgage.

The above prepayment premium shall apply if the Loan is modified by Mortgagee and Borrower.

Notwithstanding the foregoing, provided that no Event of Default exists hereunder or under any of the other Loan Documents, in the event of any involuntary prepayment due to a casualty or condemnation relating to the Mortgaged Property, no prepayment premium shall be due.

Notwithstanding anything to the contrary contained in this Note, provided no Event of Default exists hereunder or under any of the other Loan Documents, Borrower may prepay up to ten percent (10%) of the then outstanding principal balance of the Loan during each year of the Loan (i.e., once per year) with no prepayment premium.

7. Place and Manner of Payment. Payments under this Note are to be made in United States currency at the offices of Mortgagee listed in this Note or at such other location designated

by Mortgagee. Without limiting in any way Mortgagee's right of setoff against Borrower, Mortgagee is authorized and directed to apply funds in any account in the name of Borrower with Mortgagee to make any payments under this Note without any additional authorization, from, and without prior notice to, the undersigned. Any delay by Mortgagee in submitting a statement of any amount due under this Note shall not relieve Borrower of its duty to inquire as to the amount due and to make timely payments.

8. Collateral. This is the Note referred to in, and secured by the Mortgage ("Mortgage") of this date from the undersigned in favor of Mortgagee, the terms and conditions of which are hereby incorporated into this Note. Capitalized terms in this Note that are defined in the Mortgage, and not otherwise defined in this Note, shall have the meaning set forth in the Mortgage.

9. Defaults and Remedies. Upon the occurrence of an Event of Default, all sums outstanding under this Note may, at Mortgagee's sole option, become, or may be declared to be, immediately due and payable in full, and the Mortgagee may exercise any of its other rights and remedies as set forth in the Mortgage and/or all other Loan Documents, including, without limitation, the right to increase the interest rate on such sums to the Default Interest Rate. Mortgagee's delay or failure to accelerate this Note or to exercise any other available right or remedy shall not impair any such right or remedy, nor shall it be construed to be a forbearance or waiver. The term "Default Interest Rate" means a rate of Five Percent (5%) in excess of the interest rate provided for in this Note. Unless otherwise agreed to by Mortgagee, the Default Interest Rate shall (a) be applied retroactively to the date of the first occurrence of the Event of Default, (b) be computed on a three hundred sixty (360) day year based on a 30/360 day basis, and (c) survive entry of any judgment relating to the Loan.

10. New York Law. This Note has been executed and delivered at and shall be deemed to have been made in the State of New York and shall in all respects be governed by and construed, applied and enforced in accordance with the internal laws, including the conflict of law rules, of the State of New York, except to the extent that procedural matters must be governed by the law of the jurisdiction wherein the Mortgaged Property is located. Whenever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law; but if any provision of this Note shall be prohibited by or be invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Note.

11. Partial Invalidity. If any term or provision of this Note is at any time held to be invalid by any court of competent jurisdiction, the remaining terms and provisions of this Note shall not be affected and shall remain in full force and effect.

12. Waivers. Without limiting any other provisions of the Mortgage or the Loan Documents, Borrower, for itself and all endorsers, guarantors and sureties of this Note, and their heirs, legal representatives, successors and assigns, hereby waives, to the fullest extent permitted by law, valuation, appraisal, presentment for payment, demand, notice of nonpayment, notice of dishonor, protest, notice of protest, lack of diligence, delays in collection or enforcement of this Note, notice of the intention to accelerate, the benefit of all applicable law affording any right or redemption or cure and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this Note, except as expressly provided herein or in the

Mortgage, and in connection with any suit, action or proceeding brought by Mortgagee on this Note, any and every right it may have to (a) a trial by jury, (b) interpose any counterclaim therein (other than a counterclaim which can only be asserted in a suit, action or proceeding brought by Mortgagee on this Note and cannot be maintained in a separate action), and (c) have the same consolidated with any other or separate suit, action or proceeding, and agrees that their respective liability shall be unconditional and without regard to the liability of any other party and shall not be in any manner affected by any indulgence, extension of time, renewal, waiver or modification granted or consented to by Mortgagee. BORROWER HEREBY REPRESENTS THAT BORROWER'S COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER. By accepting this Note, Mortgagee also waives its right to request a trial by jury.

Borrower (or each of them, if more than one) hereby expressly waives, to the extent permitted by law, for the benefit of the Mortgagee: (i) any right to require the Mortgagee, as a condition of payment or performance by either Borrower, to (A) proceed against the other Borrower or any other person or entity, (B) proceed against or exhaust any collateral for the Loan held from the other Borrower or any other person or entity, (C) proceed against or have resort to any balance of any deposit account, securities account, or credit on the books of the Mortgagee in favor of the other Borrower or any other person or entity, or (D) pursue any other remedy in the power of the Mortgagee whatsoever; (ii) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of the other Borrower, including any defense based on or arising out of the lack of validity or the unenforceability of the Loan or any document, agreement or instrument relating thereto or by reason of the cessation of the liability of the other Borrower from any cause other than payment in full of the Loan; (iii) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (iv) any defense based upon the Mortgagee's errors or omissions in the administration of the Loan; (v) (1) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of its obligations hereunder, (2) the benefit of any statute of limitations affecting its liability hereunder or the enforcement hereof, (3) any rights to set-offs, recoupments and counterclaims, and (4) promptness, diligence and any requirement that the Mortgagee protect, secure, perfect or insure any security interest or lien or any property subject thereto; (vi) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default thereunder or under this Note, the Mortgage or the Loan Documents, any agreement or instrument related thereto, notices of any renewal, extension or modification of the Loan or any agreement related thereto, notices of any extension of credit to the other Borrower and notices of any matters referred to in any guaranty securing this Note and any right to consent to any thereof; and (vii) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate sureties, or which may conflict with the terms hereof.

13. Consent to Jurisdiction. FOR ANY CLAIM, ACTION, OR DISPUTE ARISING UNDER, OR TO INTERPRET OR APPLY, THIS NOTE OR ANY OTHER LOAN DOCUMENT, OR TO RESOLVE ANY DISPUTE ARISING UNDER THE FOREGOING OR THE RELATIONSHIP BETWEEN THE PARTIES, BORROWER AND MORTGAGEE IRREVOCABLY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES DISTRICT COURT LOCATED IN THE BOROUGH OF MANHATTAN IN NEW YORK CITY, NEW YORK, AND

APPELLATE COURTS FROM ANY OF SUCH COURTS. BORROWER AND MORTGAGEE IRREVOCABLY WAIVES ANY OBJECTION THAT IT MAY HAVE AT ANY TIME TO VENUE OF ANY SUCH SUIT, ACTION, OR PROCEEDING BROUGHT IN ANY SUCH COURT, INCLUDING ANY CLAIM THAT ANY SUCH SUIT, ACTION, OR PROCEEDING SO BROUGHT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING IN THE MORTGAGE OR OTHER LOAN DOCUMENTS SHALL BE DEEMED TO PRECLUDE MORTGAGEE FROM BRINGING ANY SUIT, ACTION, OR PROCEEDING RELATING TO ANY OTHER LOAN DOCUMENT OR THE INDEBTEDNESS EVIDENCED HEREBY IN ANY OTHER JURISDICTION WHERE MORTGAGEE COULD OTHERWISE PROPERLY BRING SUCH SUIT, ACTION, OR PROCEEDING. BORROWER FURTHER CONSENTS AND AGREES TO SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER LEGAL PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING BY REGISTERED OR CERTIFIED U.S. MAIL, POSTAGE PREPAID, TO BORROWER AT THE ADDRESS SET FORTH ON PAGE 1 HEREOF, AND CONSENTS AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE IN EVERY RESPECT VALID AND EFFECTIVE SERVICE (BUT NOTHING HEREIN SHALL AFFECT THE VALIDITY OR EFFECTIVENESS OF PROCESS SERVED IN ANY OTHER MANNER PERMITTED BY LAW). SUBJECT TO THE REQUIREMENTS FOR A CASE TO BE HEARD IN THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, THE PARTIES AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, AND TO THE APPLICATION OF SAID COURT'S ACCELERATED PROCEDURES PURSUANT TO RULE 9 OF SECTION 202.70(G) OF THE UNIFORM RULES FOR NEW YORK STATE TRIAL COURTS.

14. Interest Limits. If any provision of this Note relating to the rate of interest violates any applicable law in effect at the time payment is due, the interest rate then in effect shall be automatically reduced to the maximum rate then permitted by law. If for any reason Mortgagee should receive as interest an amount that would exceed the highest applicable lawful rate of interest, the amount that would exceed that highest lawful rate shall be deemed to be credited against principal and not to the payment of interest.

15. Successors and Assigns. This Note shall be binding on Borrower and its successors and assigns, and shall inure to the benefit of Mortgagee and its successors and assigns. The term "Mortgagee" in this Note shall refer to Valley National Bank or to any other future holder of this Note.

16. Cross Default. The occurrence of an Event of Default shall constitute a default under any other Obligations of Borrower and a default under any other Obligations of Borrower shall constitute an Event of Default under this Note, the Mortgage and all other Loan Documents.

17. Intentionally Omitted.

18. End of Term. If the Borrower (a) fails to pay the Loan in full at the end of the Initial Term of this Note and fails to timely exercise Borrower's right to extend the Initial Term in accordance with the terms and provisions of this Note, or (b) timely exercises Borrower's right to extend the Initial Term in accordance with the terms and provisions of this Note and fails to pay the Loan in full at the end of the Renewal Term, and if, in either event described in (a) or (b) above,

Borrower thereafter requests the Mortgagee to renew the Loan, then if the Mortgagee agrees to renew the Loan in its sole absolute discretion and same does not occur within thirty (30) days following the date on which the Loan came due, the Borrower shall be required to pay a late fee equal to one (1%) percent of the then outstanding principal balance of the Loan.

19. Time of the Essence. TIME IS OF THE ESSENCE with regard to Borrower's performance of all the terms, covenants and conditions of this Note.

20. Notices. All notices to be given under this Note shall be given in the same manner as provided in the Mortgage.

21. Amendment. This Note, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Borrower or Mortgagee, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

22. Consolidated, Amended and Restated Note. This Note consolidates, amends and restates in their entirety the terms and provisions of those certain promissory notes secured by those certain mortgages as more fully described on Exhibit A attached hereto (said promissory notes being hereinafter collectively referred to as the "Existing Notes") so that this Note shall hereafter constitute evidence of but one debt in the aggregate principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00). The conditions contained in this Note shall supersede and control the terms, covenants, agreements, rights, obligations and conditions of the Existing Notes (it being agreed that the modification of the Existing Notes shall not impair the debt evidenced by each of the Existing Notes). This Note does not create new or additional indebtedness but evidences the same indebtedness evidenced by the Existing Notes and secured by the Mortgage and shall continue to be secured by, inter alia, the Mortgage without interruption in the lien or priority thereof.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, Borrower has caused this Note to be duly executed on the date first written above.

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company
qualified to do business in New York

By: Citadel Cinemas, Inc.,
a Nevada corporation,
its Manager

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer
and Treasurer

**UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT
(Outside of New York State)**

State, District of Columbia, Territory, Possession, or Foreign Country

State of)
) ss.:
County of)

On the ____ day of March in the year 2020 before me, the undersigned, personally appeared Gilbert Avanes personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual(s) made such appearance before the undersigned in the

(insert city or other political subdivision and state or country or other place the acknowledgment was taken).

(signature and office of individual taking acknowledgment)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California _____)

County of _____)

On _____ before me, /s/ Michael James Conroy "as Notary Public",
Date Here Insert Name and Title of the Officer

personally appeared /s/ Gilbert Avanes
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature /s/ Michael James Conroy

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Partner — Limited General Partner — Limited General

Individual Attorney in Fact Individual Attorney in Fact

Trustee Guardian or Conservator Trustee Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

EXHIBIT A

Description of Existing Notes

1. Promissory Note made by SUTTON HILL PROPERTIES, LLC to EUROHYPO AG, NEW YORK BRANCH in the original principal amount of \$15,000,000.00 dated June 28, 2007;
2. Gap Mortgage Note made by SUTTON HILL PROPERTIES, LLC to VALLEY NATIONAL BANK in the original principal amount of \$5,000,000.00 dated as of August 31, 2016.
3. Consolidated, Amended and Restated Mortgage Promissory Note made by Sutton Hill Properties, LLC to Valley National Bank in the original principal amount of \$20,000,000.00 dated as of August 31, 2016.
4. Gap Mortgage Note made by Sutton Hill Properties LLC to Valley National Bank in the original principal amount of \$6,451,789.23, dated March 13, 2020.

Exhibit A-1

**MORTGAGE CONSOLIDATION,
MODIFICATION AND EXTENSION AGREEMENT**

Dated: **March 13, 2020**
in the original principal amount of

\$25,000,000.00

between

SUTTON HILL PROPERTIES, LLC, Mortgagor
a Nevada limited liability company,
qualified to do business in New York
having its principal place of business at:
5995 Sepulveda Boulevard, Suite 300
Culver City, California 90230

and

VALLEY NATIONAL BANK, Mortgagee
a national banking association,
having an office at:
1455 Valley Road
Wayne, New Jersey 07470

LOCATION OF PREMISES:

Street Address: 1001-1007 Third Avenue
City of: New York
County of: New York
State of: New York
Block: 1414
Lots: 48

AFTER RECORDING, PLEASE RETURN TO:

**VALLEY NATIONAL BANK
1720 ROUTE 23 NORTH
WAYNE, NEW JERSEY 07470**

MORTGAGE CONSOLIDATION, MODIFICATION AND EXTENSION AGREEMENT (the "Consolidation Agreement"), dated March 13, 2020, given between SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 ("Mortgagor") and VALLEY NATIONAL BANK, a national banking association having an office at 1455 Valley Road, Wayne, New Jersey 07470 ("Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor is the lawful owner of that certain parcel of real property known as 1001-1007 Third Avenue, New York, New York 10022, in the City, County and State of New York, as more particularly described in Schedule A attached hereto and made a part hereof (the "Land"), together with all buildings and other improvements located on the Land (the Land, together with all such buildings and other improvements, collectively, the "Premises");

WHEREAS, Mortgagee is the lawful owner and holder of those certain mortgages set forth on Schedule B attached hereto and made a part hereof (collectively, the "Mortgages") and the notes secured thereby (collectively, the "Notes") in the aggregate original principal amount of \$25,000,000.00 on which Notes there is currently outstanding, in the aggregate, the principal amount of \$25,000,000.00; and

WHEREAS, Mortgagor and Mortgagee have agreed in the manner hereinafter set forth to (i) consolidate and coordinate the respective liens of the Mortgages, (ii) combine and coordinate the Notes and the principal sums evidenced thereby and (iii) modify the time and manner of payment and the terms and provisions of the Notes and the Mortgages.

NOW, THEREFORE, in consideration of the foregoing and of the mutual agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Representations and Warranties. Mortgagor represents and warrants to Mortgagee that:

(a) There is, as of the date hereof, due and owing upon the Mortgages, the aggregate principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00), together with interest thereon and other charges evidenced thereby, in each case without offset, defense or counterclaim of any kind or nature whatsoever. (Such outstanding amounts, together with all interest thereon and such other amounts as may be outstanding from time to time under the Notes and Mortgages and under the Consolidated Note (as hereafter defined), being hereinafter referred to, collectively, as the "Indebtedness").

(b) As of the date hereof, there are no notices of defaults or notices of events of default under the Notes and Mortgages.

(c) Mortgagor is the holder of good, marketable, insurable fee title in and to the Premises, subject to the Permitted Encumbrances (as defined in Schedule C attached

hereto) and has full power, good right and lawful authority to encumber the Premises in the manner and form set forth in the Mortgages and to execute and deliver this Consolidation Agreement.

(d) The execution and delivery of this Consolidation Agreement does not and will not violate the terms of Mortgagor's operating agreement or articles of organization, or any other lease, agreement, mortgage, indenture or instrument affecting Mortgagor or the Premises or any law, rule, order, ordinance or statute of any governmental authority, purporting to have jurisdiction over Mortgagor or the Premises.

2. Consolidation of Notes. The Notes and the respective principal indebtedness evidenced thereby are hereby combined and consolidated to constitute a single indebtedness in the aggregate principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00), together with interest heretofore accrued on each of such Notes.

3. Consolidated Note. Concurrently herewith, Mortgagor is executing and delivering to Mortgagee that certain Restated Mortgage Promissory Note (the "Consolidated Note"), dated of even date herewith, made by Mortgagor, as maker, in favor of Mortgagee, as payee, evidencing the consolidation of the Notes, which Consolidated Note amends, modifies and restates the terms, provisions and time of payment of the Notes in all respects and from and after the date hereof, the Notes shall be deemed replaced by the Consolidated Note and Mortgagor shall pay the Indebtedness in accordance with, and shall comply with the terms and conditions set forth in the Consolidated Note, which Consolidated Note is hereby substituted for the Notes.

4. Consolidation of Mortgages. The liens of the Mortgages are hereby consolidated and coordinated so that together they shall hereafter constitute in law but one mortgage, a single, first lien upon the Premises securing the Indebtedness.

5. Modification of Consolidated Mortgage. The Mortgages, as consolidated and coordinated hereby, are also modified, extended, amended and restated in their entirety and the terms, covenants and conditions of the Mortgages, as consolidated, shall be and hereby are superseded and replaced by the terms, covenants and conditions set forth in Schedule C annexed hereto and made a part hereof (the Mortgages, as so consolidated, modified, extended, amended and restated in Schedule C hereto, together with this Consolidation Agreement, are referred to, collectively, as the "Consolidated Mortgage"). Mortgagor agrees to comply with and be subject to all of the terms, covenants and conditions of this Consolidated Mortgage.

6. Use of Terms. The terms "Land", "Improvements", "Premises" and "Mortgaged Property" shall have the meanings ascribed to them in Schedule C attached hereto when used in this Consolidated Mortgage. Whenever the term "note" or "Note", shall be used in this Consolidated Mortgage or in the Consolidated Note, such term shall mean and refer to the Consolidated Note, as such Consolidated Note may be further modified from time to time. Whenever the terms "mortgage" or "Mortgage" shall be used in this Consolidated Mortgage (including, without limitation, Schedule C hereto), or in the Consolidated Note,

such terms shall mean and refer to this Consolidated Mortgage, as this Consolidated Mortgage may be further modified from time to time. Terms defined in this Consolidation Agreement that are used in Schedule C hereto that are not otherwise defined in such schedule, shall have the meaning accorded such terms in this Consolidation Agreement.

7. Subsequent Modifications. Any written agreement or agreements hereafter entered into by the Mortgagee that (i) extend the time of payment of the Indebtedness, (ii) change or modify the time or times of payment or the amount of the installments or fixed sums or the interest or the rate thereof, (iii) change, modify, extend, renew or terminate other terms, provisions, covenants or conditions of the Consolidated Mortgage or the obligations that it secures or this Consolidation Agreement, or (iv) consolidate, spread, release or sever the lien of the Consolidated Mortgage shall be effective in accordance with the terms and provisions thereof and shall be binding according to the tenor thereof on the owner or holder of subordinate, intervening or subsequent liens or security interests on the Premises and any such liens or security interests shall continue to be subject and subordinate to this Consolidated Mortgage and any such agreement or agreements.

8. No New Indebtedness; Maximum Principal Amount. (a) The parties hereto hereby certify that this Consolidation Agreement secures the same indebtedness evidenced by the Notes, together with interest thereon, and secured by this Consolidated Mortgage, and evidences and secures no further or other indebtedness or obligation.

(a) Notwithstanding anything to the contrary contained herein, the maximum principal that which is secured by the Consolidated Mortgage as of the date hereof, or that under any contingency may be secured by the Consolidated Mortgage at any time in the future, shall not exceed the principal sum of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) plus (i) taxes, charges and assessments which may be imposed by law on the Premises, (ii) premiums on the insurance policies required to be maintained under the Consolidated Mortgage, and (iii) expenses incurred in upholding the lien of this Agreement including, but not limited to, the expenses of any litigation to prosecute or defend the rights and liens created by this Agreement, any amount, cost or charge to which this Agreement becomes subrogated, upon payment, whether under recognized principles of law or equity, or under express statutory authority, and interest at the regular interest rate or Default Rate (as defined in the Consolidated Note).

9. No Oral Modification. The terms hereof may not be waived, changed, modified, terminated or discharged orally, but only by an agreement in writing signed by the party against whom enforcement of any such waiver, change, modification, termination or discharge is sought.

10. Ratification. Mortgagor hereby (i) ratifies and confirms the Indebtedness and the lien, conveyance and grant contained in and created by this (ii) agrees that nothing contained in this Consolidation Agreement is intended to or shall impair the validity of the Indebtedness or the lien, conveyance and grant of the Consolidated Mortgage. Unless specifically modified by the terms hereof, the parties hereto ratify and confirm each and every term of the Consolidated Mortgage and the Consolidated Note, which shall continue in full force and effect.

11. Further Assurances. Mortgagor shall execute and deliver, at Mortgagor's sole cost and expense, such additional documents as shall be requested by Mortgagee from time to time to effectuate the terms and conditions of this Consolidation Agreement, the Consolidated Note and the Consolidated Mortgage, including, without limitation, such affidavits as shall be necessary to permit this Consolidation Agreement to be recorded in the appropriate public records. Mortgagor hereby appoints Mortgagee its attorney in fact to execute, acknowledge and deliver for and in the name of the Mortgagor any and all of the instruments mentioned in this section, and this power, being coupled with an interest, shall be, irrevocable as long as any part of the Indebtedness remains unpaid.

12. Successors and Assigns. This Consolidation Agreement shall bind, and inure to the benefit of, the parties hereto, their respective successors and permitted assigns.

13. Counterparts. This Consolidation Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, this Mortgage Consolidation, Modification and Extension Agreement has been executed by the parties hereto as of the day and year first written above.

MORTGAGOR:

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company,
qualified to do business in New York

By: Citadel Cinemas, Inc.,
a Nevada corporation,
its Manager

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer
and Treasurer

MORTGAGE:

VALLEY NATIONAL BANK,
a national banking association

By: /s/ Richard Grani
Name: Richard Grani
Title: Vice President

SCHEDULE A

Legal Description

ALL that certain plot piece or parcel of land, situate, lying and being in the Borough of Manhattan, City of New York, County of New York, State of New York, bounded and described as follows:

BEGINNING at the point of the easterly side of Third Avenue, distant northerly 100 feet 4 inches from the corner formed by the intersection of the northerly side of 59 Street and the easterly side of Third Avenue;

RUNNING THENCE easterly parallel with the northerly side of 59th Street and part of the way through a party wall, 105 feet;

THENCE northerly parallel with Third Avenue, 75 feet $\frac{1}{4}$ inch;

THENCE westerly parallel with 59th Street, 105 feet to the easterly side of Third Avenue; and

THENCE southerly along the easterly side of Third Avenue, 75 feet $\frac{1}{4}$ inch to the point or place of BEGINNING.

Schedule A-1

SCHEDULE B

Schedule of Mortgages

1. Mortgage made by SUTTON HILL PROPERTIES, LLC to EUROHYPO AG, NEW YORK BRANCH in the original principal amount of \$15,000,000.00 dated June 28, 2007 and recorded in the Office of the City Register, County of New York (the "Register's Office") on July 10, 2007 as CRFN No. 2007000350847 (upon which mortgage recording tax in the amount of \$420,000.00 was duly paid);

Which said mortgage (1) was thereafter duly assigned by Assignment of Mortgage from EUROHYPO AG, NEW YORK BRANCH to WELLS FARGO BANK, AS TRUSTEE, IN TRUST FOR THE REGISTERED HOLDERS OF BANK OF AMERICA COMMERCIAL MORTGAGE INC., COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-3 dated June 28, 2007 and recorded in the Register's Office on February 21, 2008 under CRFN No. 2008000070990.

Which said mortgage (1) was thereafter further duly assigned by Assignment of Mortgage from WELLS FARGO BANK, AS TRUSTEE, IN TRUST FOR THE REGISTERED HOLDERS OF BANK OF AMERICA COMMERCIAL MORTGAGE INC., COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-3 to U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE, IN TRUST FOR THE REGISTERED HOLDERS OF BANK OF AMERICA COMMERCIAL MORTGAGE INC., COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-3 dated July 6, 2009 and recorded in the Register's Office on December 11, 2009 under CRFN No. 2009000407157.

Which said mortgage (1) was thereafter further duly assigned by Assignment of Mortgage from U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE, IN TRUST FOR THE REGISTERED HOLDERS OF BANK OF AMERICA COMMERCIAL MORTGAGE INC., COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-3 to SOVEREIGN BANK, N.A. dated June 28, 2012 and recorded in the Register's Office on July 20, 2012 under CRFN No. 2012000288511.

Amended and Restated Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing made by SUTTON HILL PROPERTIES, LLC to SOVEREIGN BANK, N.A. dated June 28, 2012 and recorded in the Register's Office on July 20, 2012 under CRFN No. 2012000288512 (amends and restates said mortgage (1), as assigned).

Amendment No. 1 to Amended and Restated Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing made by SUTTON HILL PROPERTIES, LLC to SANTANDER BANK, N.A., f/k/a SOVEREIGN BANK, N.A. dated June 26, 2014 and recorded in the Register's Office on August 4, 2014 under CRFN No. 2014000256252 (amends said mortgage (1), as amended, restated and assigned).

Which mortgage (1), as amended, restated and assigned, was thereafter assigned by Assignment of Mortgage from SANTANDER BANK, N.A., f/k/a SOVEREIGN BANK, N.A. to VALLEY NATIONAL BANK dated as of August 31, 2016 and intended to be duly recorded in said Register's Office simultaneously herewith.

The outstanding principal balance secured by said mortgage, as assigned, is \$15,000,000.00.

2. Gap Mortgage made by SUTTON HILL PROPERTIES, LLC to VALLEY NATIONAL BANK in the original principal amount of \$5,000,000.00 dated as of August 31, 2016 and intended to be duly recorded in said Register's Office simultaneously herewith (upon which the mortgage recording tax imposed by law was duly paid).

The outstanding principal balance secured by said mortgage is \$18,548,210.77.

3. Gap Mortgage made by SUTTON HILL PROPERTIES, LLC to VALLEY NATIONAL BANK in the original principal amount of \$6,451,789.23 dated March 13, 2020 and intended to be duly recorded in said Register's Office simultaneously herewith (upon which the mortgage recording tax imposed by law was duly paid);

Which mortgages (1), (2) and (3) were consolidated to form a single lien in the original principal amount of \$25,000,000.00 by Mortgage Consolidation, Extension and Modification Agreement made between SUTTON HILL PROPERTIES, LLC and VALLEY NATIONAL BANK dated March 13, 2020 and intended to be duly recorded in said Register's Office simultaneously herewith.

Schedule B-2

SCHEDULE C

Consolidated Mortgage

Schedule C-1

AMENDED AND RESTATED MORTGAGE

AND

SECURITY AGREEMENT

FROM

SUTTON HILL PROPERTIES, LLC

TO

VALLEY NATIONAL BANK

DATED: MARCH 13, 2020

RECORD AND RETURN TO:

Commercial Mortgage Department
Valley National Bank
1720 Route 23 North
Wayne, New Jersey 07470

AMENDED AND RESTATED MORTGAGE AND SECURITY AGREEMENT

This Amended and Restated Mortgage and Security Agreement (“Mortgage” and referred in the Consolidation Agreement as the “Consolidated Mortgage”) is dated the 13th day of March, 2020

BY SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (“Mortgagor”),

AND VALLEY NATIONAL BANK, a national banking association, having offices at 1455 Valley Road, Wayne, New Jersey 07470 (“Mortgagee”);

Background. This Mortgage secures various Obligations (as defined below) including, without limitation, a loan by Mortgagee to Mortgagor in the original principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00), plus interest thereon, as evidenced by the Note. In consideration of the above-referenced loan and other good and valuable consideration, receipt of which is hereby acknowledged, Mortgagor agrees as follows:

SECTION 1 - DEFINITIONS AND INTERPRETATIONS

The definitions of the capitalized terms used in this Mortgage and the Note are set forth in the body of this Mortgage and in Appendix A attached hereto and incorporated herein in its entirety.

SECTION 2 - GRANTING CLAUSE

To secure the observance, payment and performance of all Obligations, Mortgagor hereby mortgages, grants a security interest in, and **absolutely** assigns all rents, profits, leases, income and proceeds arising from, the Mortgaged Property to Mortgagee and to Mortgagee’s successors and assigns forever. These grants are, however, made upon the express condition that after all Obligations are paid and performed in full, Mortgagee shall discharge or assign this Mortgage upon Mortgagor’s request as herein more specifically set forth and subject to the terms and conditions herein set forth.

SECTION 3 - MORTGAGED PROPERTY

The “Mortgaged Property” consists of a two story commercial building located at 1001-1007 Third Avenue, New York, New York 10022 as more particularly described on the attached Exhibit “A” (the “Mortgaged Property”) located upon the Land, the Improvements, all of Mortgagor’s right, title and interest in and to the Fixtures and Equipment, all Leases and Rents, all Awards and Proceeds, all Other Rights, and all present and future estate, right, title, interest, property, possessory interest and claims whatsoever in law as well as in equity of Mortgagor or any other owner in and to the Land, Improvements and Fixtures, Equipment and Other Rights.

SECTION 4 – REPRESENTATIONS

Mortgagor, knowing and agreeing that Mortgagee shall rely hereon, hereby represents and warrants to Mortgagee that:

4.1 Warranty of Title. Mortgagor holds good and marketable title in fee simple to the Mortgaged Property free of all liens, restrictions, taxes and encumbrances, other than any Permitted Encumbrances, and warrants and forever defend that title and the enforceability and priority of all liens created under this Mortgage against all claims whatsoever, except for Permitted Encumbrances, at Mortgagor's sole expense.

4.2 Valid Obligations. The Loan Documents are the valid and binding obligations of Mortgagor, enforceable in accordance with their terms to the maximum extent permitted by law. This Mortgage constitutes a valid first priority mortgage lien on, and absolute assignment of Leases and Rents, and security interest in the Mortgaged Property, subject to any Permitted Encumbrances.

4.3 Existence and Authority. Mortgagor is a duly organized and validly existing limited liability company that is in good standing under the laws of the State of Nevada and is authorized to do business in and is in good standing under the laws of the State of New York. Mortgagor has full power, authority and license to enter into and perform this Mortgage and the other Loan Documents to which Mortgagor is a party and Mortgagor has full power, authority and license to own and operate the Mortgaged Property and to conduct its business as now being conducted. Mortgagor has obtained all necessary consents, authorizations, permits, licenses and approvals required before Mortgagor may execute and deliver this Mortgage and operate the Mortgaged Property. There is no provision in Mortgagor's Articles of Organization or Operating Agreement (as the same may have been heretofore amended or modified), or in any other document applicable to the conduct of Mortgagor, requiring further consent for such action by any other entity or person, which has not been obtained and provided to Mortgagee.

4.4 No Conflicts. The execution, delivery and performance of this Mortgage and other Loan Documents by Mortgagor will violate no charter, bylaw, lease, indenture, agreement, instrument, law, ordinance, regulation, order or administrative ruling to which Mortgagor is subject or a party or that affects or relates to the Mortgaged Property.

4.5 Proceedings. Except as otherwise previously disclosed to Mortgagee pursuant to that certain Disclosure Schedule of even date herewith by Mortgagor (the "Disclosure Schedule"), there is no action, application, petition, proceeding or hearing pending or, to Mortgagor's knowledge, threatened against any Obligor or the Mortgaged Property that might (a) adversely affect any Obligor's ability to perform the Mortgage or any other Loan Document, (b) involve the possibility of any material adverse change in any Obligor's economic condition, (c) relate to any land use variance, subdivision, zoning or other similar matters, (d) involve the possibility of any limitation on any intended uses of the Mortgaged Property, (e) impair the lien or security of this Mortgage or the value of the Mortgaged Property or (f) involve possible or threatened claims totaling in excess of \$10,000.00, except as heretofore disclosed to Mortgagee and its attorney in writing.

4.6 Compliance with Laws. Except as otherwise expressly set forth in the Title Report (hereinafter defined) and Environmental Report (hereinafter defined), Mortgagor and the Mortgaged Property are in compliance with all laws, regulations, ordinances and codes that are applicable to the use and operation of the Mortgaged Property, including, without limitation, all Environmental Laws. All present and planned uses and tenants of the Mortgaged Property are in full compliance with applicable zoning, environmental and building laws, ordinances, regulations and codes. Mortgagor and all tenants of the Mortgaged Property have obtained all certificates of occupancy and building and other permits that are required for all intended uses of, and for any construction, renovations and repairs with respect to, the Mortgaged Property.

4.7 Condition of Property. The Mortgaged Property is structurally sound, in good condition and suitable for its intended use. To Mortgagor's knowledge, there are no violations of any federal, state or local law, ordinance or regulation affecting or against the Mortgaged Property, except those violations which have been listed by the New York Metro Title Agency, Inc. (the "Title Company") in its title report #19-31665, dated January 21, 2020 and re-dated as of the date hereof (the "Title Report"), which violations are dealt with in that certain Undertaking of even date herewith made by Mortgagor to Mortgagee (the "Undertaking").

4.8 Taxes. All property taxes and assessments due and owing in connection with the Mortgaged Property have been paid in full through the date of this Mortgage, including any penalties, deficiency assessments and interest. Mortgagor has filed all federal, state, county, municipal, and city income and other tax returns required to be filed by it and has paid all taxes that are due and owing pursuant to such returns or pursuant to any assessments received by it, including penalties, deficiency assessments and interest.

4.9 Financial Information and Condition. The financial statement of Mortgagor and all tax returns delivered to Mortgagee truly set forth the financial condition of Mortgagor and the results of operations as of that date and there has been no material adverse change since then. All other statements, representations and warranties made by or, to Mortgagor's knowledge, on behalf of Mortgagor to Mortgagee have been, and as of the date of the Mortgage are, accurate and complete and no information has been omitted that would make any of them misleading or incomplete. Immediately prior to and after the making of this Mortgage, Mortgagor was not, nor will be, "insolvent" as that term is defined in, New York Business Corporation Law §1201, et seq. or 11 U.S.C.A. 101(31).

4.10 Leases. There exist no leases or tenancies with respect to the Mortgaged Property other than as set forth on the Schedule of Leases (as more particularly described in that certain Assignment of Leases and Rents dated of even date herewith made by Mortgagor in favor of Mortgagee) (being herein collectively referred to as the "Existing Lease"), copies of which have been delivered to Mortgagee. The Existing Lease is in full force and effect and has not been further amended or modified. There has not occurred, and, to Mortgagor's knowledge, there is no circumstance or state of facts that with notice or lapse of time would constitute, a default under any the Existing Lease. Mortgagee shall have all of the rights against any lessees of the Mortgaged Property set forth in Section 291-f of the Real Property Law of New York.

4.11 No Broker. No broker or finder other than Meridian Capital Group (the “Broker”) introduced Mortgagor to Mortgagee. The Broker’s commission shall be paid in full by Mortgagor on the date hereof.

4.12 Commercial Mortgage. This Mortgage does not encumber real property principally improved or to be improved by one or more structures containing in the aggregate not more than six (6) residential units each having their own separate cooking facilities.

4.13 Governmental Licenses. All licenses, consents and approvals required from, and all registrations and filings required to be made with, any governmental or other public body or authority to authorize the performance of its obligations under this Mortgage have been obtained and effected.

4.14 Litigation Affecting Mortgaged Property. There is no action, suit, proceeding or investigation pending or threatened, or, to the best of Mortgagor’s knowledge, any basis therefor known to Mortgagor, which questions the validity of this Mortgage or the Note, or any action taken or threatened to be taken pursuant thereto. No notice has been given by any governmental authority of any proceeding to condemn, purchase or otherwise acquire the Mortgaged Property or any part thereof or interest therein and, to Mortgagor’s knowledge, no such proceeding is contemplated.

4.15 Compliance with Laws. Except as otherwise expressly set forth in the Disclosure Schedule, the Title Report and the Environmental Report, Mortgagor is in compliance in all material respects with all governmental laws, rules and regulations and other requirements which are applicable to the Mortgaged Property or any part thereof, or any use or condition of the Mortgaged Property or any part thereof. Mortgagor has no knowledge of any violation, nor is there any notice or other record of violation, of any zoning, health, safety, building, fire, labor, environment, or other statute, ordinance, rule, regulation or restriction applicable to the Mortgaged Property or any part or use thereof, except as set forth in the Title Report.

4.16 Survival. All representations and warranties made by, or on behalf of Mortgagor in this Mortgage or otherwise made to Mortgagee shall survive the closing of this Mortgage and any independent investigation by Mortgagee.

SECTION 5 - MORTGAGOR’S COVENANTS

Mortgagor and any other owner of the Mortgaged Property who shall assume the Obligations covenant and agree that they shall do all of the following:

5.1 Obligations. Pay all indebtedness, and abide by all terms and conditions, under all Obligations, including without limitation this Mortgage and the Note;

5.2 Escrow Account. At the time of each monthly payment, pay to Mortgagee (A) the sum equal to one-twelfth (1/12th) of the known (or if not known, reasonably estimated by Mortgagee) annual real estate taxes and assessments, water, sewer, property, casualty and liability insurance and other charges levied or to be levied against the premises by governmental entities and (B) such sums, if required by Mortgagee, as are necessary to assure the timely payment of all charges described in Section 6 below, to be held by Mortgagee in a non-interest bearing account

and applied by Mortgagee to the payment of such taxes, assessments and other charges when due. If the total of such monthly payments shall exceed the amounts actually paid by Mortgagee for taxes, assessments and other charges, as the case may be, such excess shall be credited on subsequent monthly payments of the same nature or promptly refunded to Mortgagor upon payment and performance in full of all Obligations; but if the total of such monthly payments shall be insufficient to pay taxes, assessments and other charges when due, then Mortgagor shall pay to Mortgagee, on demand, any amount necessary to make up the deficiency. Notwithstanding the foregoing, upon the occurrence of an Event of Default, Mortgagee may apply all sums in said escrow account to the reduction of the Obligations. Notwithstanding the above, the Mortgagee shall not require such escrow for annual real estate taxes and assessments, water, sewer, property, casualty, liability or any other insurance unless:

- (a) intentionally omitted;
- (b) an Event of Default exists;
- (c) intentionally omitted.

5.3 Financial Reporting. Immediately notify Mortgagee of any material adverse change in the financial condition of Mortgagor and deliver to the Mortgagee the following:

(a) annually, as soon as available but no later than 120 days after the close of each fiscal year of Mortgagor, compiled financial statements for Mortgagor which annual financial statements shall disclose in reasonable detail all assets and liabilities of Mortgagor and shall be certified by an officer of Reading;

(b) annually, copies of filed federal income tax returns for Mortgagor, including all schedules thereto (including, without limitation, K-1's for all principals thereof), within 30 days after filing of same; provided that if Mortgagor shall file an extension, Mortgagor shall provide evidence satisfactory to Mortgagee of each such request and approval, and thereafter, a copy of the filed federal income tax return, including all schedules thereto, within 30 days after filing of same;

(c) intentionally omitted;

(d) annually, a copy of Form 10-K annual report of Guarantor, including all schedules thereto, within 30 days after filing of same;

(e) simultaneously with the submission of financial statements for Mortgagor, a certificate of Mortgagor's CFO stating that (i) the signer has no knowledge of a default under any Loan Document for the Mortgagor or (ii) if any default existed or exists, its nature, when it occurred and what remedial action is being taken;

(f) intentionally omitted;

(g) a certified rent roll for the Mortgaged Property, within thirty (30) days after the end of each calendar year or simultaneously with the submission of financial statements for Mortgagor, whichever is later, which rent roll shall include the name of each tenant, the

term of each tenancy, the current rent due from each such tenant, and a schedule of any arrears or prepaid rents and security deposits for each tenant of the Mortgaged Property; and

(h) such other information as Mortgagee reasonably may request.

5.4 Use of Property. Make or permit no use of the Mortgaged Property other than as a **movie theater**, or as otherwise permitted under the current certificate of occupancy, in compliance with all laws, ordinances, regulations and restrictions affecting the Mortgaged Property.

5.5 Condition of Property. Prevent any waste with respect to the Mortgaged Property, keep or cause the tenant under the Existing Lease or any other tenant(s) to keep the Mortgaged Property in good and clean condition and make all repairs that are required in the ordinary course of business to operate the Mortgaged Property.

5.6 Alterations. Make no material change to or renovation of, nor remove, any material Improvements or Fixtures and Equipment without the express prior written consent of Mortgagee in its reasonable discretion (except that Mortgagee's consent shall not be required with respect to non-structural alterations necessary or convenient to achieve ADA compliance required by law or as a result of a settlement or resolution of a claim, and work required in the ordinary course in connection with the maintenance and operation of a cinema, including, but not limited to, repair of HVAC system, the hard and soft costs of which work shall be less than \$250,000.00, provided, however, that Mortgagor shall provide written notice to Mortgagee prior to the commencement of any such work which shall require a building permit or other approval from any Governmental Authority). All changes, renovations, removals and repairs shall be made in a good and workmanlike manner to the reasonable satisfaction of Mortgagee and in accordance with all applicable building and zoning laws. As used herein, the term "ADA" means the Americans with Disabilities Act of 1990, as amended and supplemented from time to time, and any New York City laws, rules, and regulations concerning the subject matter thereof.

5.7 Notice of Loss or Condemnation. Notify Mortgagee immediately in writing upon learning that (a) there has occurred any casualty on, or loss to or of, any Mortgaged Property or (b) condemnation proceedings have commenced with respect to the Mortgaged Property.

5.8 Inspections. At any time during regular business hours and as often as requested upon not less than 24 hours prior notice (which may be oral), permit Mortgagee and its agents and employees to examine, audit and make copies and abstracts from any and all books and records of Mortgagor, and, subject to any rights of the tenant under the Existing Lease, if any, to visit and inspect the Mortgaged Property.

5.9 Compliance With Laws. Comply with all laws, ordinances, regulations and restrictions affecting the Mortgaged Property.

5.10 Transfers of Interests. Without the express prior written consent of Mortgagee in its absolute discretion, make or permit no Transfer in the ownership or control of Mortgagor or the Mortgaged Property or any part thereof (including, without limitation, the conveyance of all or any portion of the air rights with respect to the Mortgaged Property), directly or indirectly, voluntarily or involuntarily. Without the prior written consent of Mortgagee in its absolute

discretion, Mortgagor shall not create or permit to exist any lien, encumbrance or security interest in favor of any third party with respect to the Mortgaged Property and Mortgagor shall keep the Mortgaged Property free from any such lien or security interest other than those created in favor of Mortgagee pursuant to the Loan Documents and liens for taxes not yet due and payable. Notwithstanding the foregoing, so long as Reading International, Inc., a Nevada corporation (“Reading”), shall remain a publicly traded company, Mortgagee’s prior written consent shall not be required for any Permitted Transfer (as defined below), so long as all Transfer Requirements (as defined below) are timely satisfied. For purposes of this Section, (i) the term “Permitted Transfer” shall mean the transfer of any or all of the Equity Interests (as defined below) in Reading, (ii) the term “Transfer Requirements” means, with respect to any Permitted Transfer, all of the following: (1) Reading shall not be released from any liability under any guaranty, and (2) no Event of Default hereunder or under any of the other Loan Documents shall exist and be continuing, and (iii) the term “Equity Interest” means shares of stock of Reading.

5.11 Preservation. Preserve and maintain all authorizations, consents, licenses, permits, registrations and qualifications that are necessary for the transaction of business and the operation of the Mortgaged Property.

5.12 Indemnification. Indemnify, defend (with counsel reasonably acceptable to Mortgagee) and hold harmless Mortgagee (including Mortgagee’s agents, employees, officers and directors) against all losses, claims, suits, fines, damages and expenses, including reasonable attorney’s fees and disbursements, incurred by reason of, or in connection with, this Mortgage or the Mortgaged Property or in maintaining Mortgagee’s interest in the Mortgaged Property, including, without limitation, all losses, claims, suits, fines, damages and expenses incurred by reason of, or in connection with, Mortgagor’s breach of any provision of Section 7 of this Mortgage or any violation of any Environmental Law of the Use of Hazardous Substances on the Mortgaged Property.

5.13 Cooperation. Mortgagor will, at its sole cost and expense, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time reasonably require for the better assuring, conveying, assigning, transferring and confirming unto Mortgagee the property and rights hereby conveyed, mortgaged or assigned or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey, mortgage or assign to Mortgagee or for carrying out the intention or facilitating the performance of the terms of this Mortgage, and for filing or recording this Mortgage and, on demand, will execute and deliver, and hereby authorizes Mortgagee to execute in the name of Mortgagor to the extent it may lawfully do so, one or more financing statements or comparable security instruments, and renewals thereof to evidence more effectively the lien hereof upon the Fixtures and Equipment.

5.14 Governmental Charges re: Mortgage. Mortgagor will pay all taxes, filing and recording fees, and all expenses incident to the execution and acknowledgement of the Note, this Mortgage, any mortgage supplemental hereto, and any security instrument with respect to the Fixtures and Equipment, any instrument of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note, this Mortgage, any mortgage

supplemental hereto, any security instrument with respect to the Fixtures and Equipment or any instrument of further assurance, other than income, franchise or other similar taxes imposed upon Mortgagee.

5.15 Mechanic's Liens. Mortgagor will pay, from time to time when the same shall become due, all lawful claims and lawful demands of mechanics, materialmen, laborers and others, which, if unpaid, might result in, or permit the creation of, a lien on the Mortgaged Property or any part thereof, or on the revenues, rents, issues, income and profits arising therefrom, and in general will do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of Mortgagor, without expense to Mortgagee.

5.16 Taxation of Mortgage. Mortgagor will pay all taxes, including, without limitation, any taxes imposed on Mortgagee by reason of its ownership of the Note or this Mortgage or foreclosure of same. Mortgagor shall not, however, be liable for any income taxes payable by or due from Mortgagee with respect to interest earned on the Loan or for any taxes payable by or due from Mortgagee by reason of the sale or transfer of this Mortgage or the Note. In the event of the present existence or the passage after the date of this Mortgage of any law of the State of New York deducting from the value of real property for the purposes of taxation any lien thereon or changing in any way the laws for the taxation of mortgages or debts secured by a mortgage for state or local purposes or the manner of collection of any such taxes and imposing a tax, either directly or indirectly, on this Mortgage or the Note, Mortgagor shall promptly pay or cause such tax to be paid or discharged. In the event Mortgagor does not promptly cause any such tax to be discharged, the holder of this Mortgage shall have the right to declare the unpaid principal balance of the Note and all accrued and unpaid interest due on a date to be specified by not less than twenty (20) days' written notice to be given to Mortgagor by Mortgagee.

5.17 Leases. As to all Leases and Rents, comply with each of the following:

(a) The Mortgagor will not, without the prior written consent and approval of the Mortgagee in each instance, (i) execute an assignment of the rents for the Mortgaged Property or any part thereof, (ii) enter into any leases, lettings or license arrangements affecting the Mortgaged Property or any part thereof, (iii) enter into modification of leases in existence on the date hereof, or (iv) in any other manner impair the value of the Mortgaged Property or the security of the Mortgage. Reference is made to Section 291- (f) of the Real Property Law with respect to the following: Mortgagor will not, without the prior written consent and approval of the Mortgagee, in each instance (x) terminate or consent to the cancellation or surrender of any lease of the Mortgaged Property or of any part thereof, now existing or hereafter to be made, (y) materially modify or vary any such lease, or (z) accept prepayments of any installments of rents to become due under such leases, except prepayments in the nature of security for the performance of the lessees thereunder. Notwithstanding the foregoing, Mortgagee's prior written consent shall not be required with respect to written license agreements ("License Agreements") for short term (i.e., less than seven (7) calendar days) individual auditorium usage (e.g., film festival, church service, birthday party, etc.), provided that all such license agreements shall be revocable at will and shall expressly provide that they are subordinate to this Mortgage and shall in no way be construed as granting to any licensee, and licensee shall not receive, be deemed to have received or under any circumstances claim to have received, whether

expressly or implicitly, any title, easement, lien, possession or any property interest in, or rights (in rem or otherwise) to, the Mortgaged Property or any part thereof or anything contained therein.

(b) The Mortgagor will at all times promptly and faithfully perform, or cause to be performed, all of the covenants, conditions and agreements contained in all leases of the Mortgaged Property or any part thereof now or hereafter existing on the part of the lessor thereunder to be kept and performed, and shall do all things commercially reasonably necessary to compel performance by the lessee under each lease of all obligations, covenants and agreements by such lessee to be performed thereunder. If any of such leases provide for the giving by the lessee of certificates with respect to the status of such leases, the Mortgagor shall exercise its right to request such certificates within five (5) business days of any demand therefor by the Mortgagee. The Mortgagor shall promptly notify the Mortgagee of (i) the commencement of any action or proceeding by any lessee, the purpose of which shall be the cancellation of any lease or diminution or offset against the rent payable under any such lease, or (ii) the interposition by any lessee of any defense in any action or proceeding brought by the Mortgagor against such lessee, or (iii) a written notice received by the Mortgagor from any lessee claiming constructive eviction, and will cause a copy of any process, pleading or notice received by the Mortgagor in reference to any such action, defense or claim to be promptly delivered to the Mortgagee.

(c) The Mortgagor shall furnish to the Mortgagee, within thirty (30) days after a request by the Mortgagee to do so, a written statement containing a schedule of all leases of all or any part of the Mortgaged Property, the names of the respective lessees, the terms of their respective leases, the space occupied and the rentals payable thereunder, and, if also requested, true copies of all such leases.

5.18 Payments by Mortgagee. If Mortgagor shall fail to perform an act which it is required to perform hereunder or any of the covenants contained herein or any covenant contained in the Note, or fails to pay any money which it is required to pay hereunder or under the Note, Mortgagee may, after notice to Mortgagor and expiration of any applicable cure period (except in the event of emergency, in which event no notice shall be required and no cure period shall apply), but shall not be obligated to, make advances and/or disbursements to perform the same, and all sums so advanced and/or disbursed shall bear interest at the Default Rate from the date of such advance, and shall be a lien upon the Mortgaged Property and be secured hereby. Mortgagee, in making such advance or payment, shall be subrogated to all the rights of the person receiving such payment. Mortgagor will repay on demand all sums so advanced and/or disbursed with interest at the Default Rate from the date of making such advance and/or disbursement until paid. Any action taken by Mortgagee pursuant to this Section shall not constitute a waiver of any Event of Default or an undertaking to perform or complete any of the Mortgagor's duties, nor shall it impose any responsibility on Mortgagee to perform any of Mortgagor's duties in the future.

5.19 Mortgagee's Inspection Requests. Mortgagor will keep adequate records and books of account in accordance with generally accepted accounting principles (as defined by the American Association of Certified Public Accountants) and will permit Mortgagee, by its agents, accountants and attorneys, to visit and inspect the Mortgaged Property and examine its records and books of account with respect to the Mortgaged Property (whether or not the same shall be kept at

the Mortgaged Property) and to discuss its affairs, finances and accounts with Mortgagor, at such reasonable times as may be requested by Mortgagee. Mortgagor shall deliver to Mortgagee annually, within one hundred twenty (120) days after the end of Mortgagor's fiscal year, a financial statement of the operation of the Property, certified by the Mortgagor as true and correct.

5.20 No Waste. Mortgagor will not (i) threaten, commit, permit or suffer any waste to occur on or to the Mortgaged Property or any part thereof, or (ii) make any change in its use which will in any way (other than to a de minimis extent) increase any fire or other hazards arising out of renovation or operation of the Mortgaged Property. Mortgagor will, at all times, maintain the Mortgaged Property in good operating order and condition and will promptly make, from time to time, all repairs, renewals, replacements, additions and improvements in connection therewith which are needful to such end. The Improvements shall not be removed, demolished or substantially altered, nor shall any Fixtures and Equipment be removed, without the prior written consent of Mortgagee except where appropriate replacements, free of superior title, liens and claims, are promptly made of value or utility at least equal to the value or utility of the Fixtures and Equipment removed, or except where the Fixtures and Equipment are obsolete or no longer useful, in which events Mortgagee shall be entitled to the proceeds of the Fixtures and Equipment so removed.

5.21 Mortgagee Litigation Expense. Mortgagor agrees that if any action or proceedings be commenced, excepting an action to foreclose this Mortgage or to collect the indebtedness hereby secured, to which action or proceeding Mortgagee is made a party by reason of the execution of this Mortgage or the Note which it secures, or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by Mortgagee for the expense of any litigation to prosecute or defend the transaction and the rights and lien created hereby (including in every case reasonable attorneys' fees and disbursements, and all such sums incurred by Mortgagee in any appellate proceedings and any bankruptcy or reorganization proceedings) shall be paid by Mortgagor together with interest thereon from date of payment by Mortgagee at the Note Rate. All such sums paid and the interest thereon shall, at option of Mortgagee, be immediately due and payable, shall be a lien upon the Mortgaged Property, and shall be secured hereby as shall be all such sums incurred in connection with enforcement by Mortgagee of its rights hereunder.

5.22 Curing Violations. Except for those violations disclosed in the Title Report, Mortgagor will promptly cause to be dismissed any and all violations of any federal, state or local laws, ordinances, or regulations affecting or against the Mortgaged Property, but in any event all municipal violations shall be dismissed prior to the date such violations would become a lien or encumbrance against the Mortgaged Property. The violations disclosed in the Title Report are dealt with in the Undertaking signed by Mortgagor and delivered to Mortgagee on this date.

5.23 Leasing Covenants. Supplementing Section 5.17 above as to all Leases and Rents, comply with each of the following:

- (a) accept no payments more than one month in advance of the due date under any leases relating to the Mortgaged Property; and
- (b) permit no use of the Mortgaged Property that would violate any provision of this Mortgage, including all provisions relating to environmental matters; and

- (c) intentionally omitted; and
- (d) intentionally omitted; and
- (e) any existing or future lease, or other agreement for the use or occupancy, of any Mortgaged Property shall provide that:

- (i) it is subordinate and subject in all respects to the lien and provisions of this Mortgage including all covenants and restrictions as to the use and condition of the Mortgaged Property; and

- (ii) all representations and covenants as to environmental matters, including those set forth in Section 7, are to become express covenants and representations of the tenant or occupant; and

- (iii) copies of notices or letters asserting or discussing any defaults on the part of the landlord shall be simultaneously sent to Mortgagee (attention: Commercial Loan Department) by certified mail; and

- (iv) within fifteen (15) days of request by Mortgagee, the lessee or occupant will deliver to Mortgagee a notarized statement as to the default status of any lease or occupancy agreement and execute any document reasonably requested by Mortgagee to confirm that any lease or occupancy agreement is subordinate and subject to the lien and provisions of this Mortgage.

5.24 Mortgage Tax. At all times pay all required mortgage taxes for this Mortgage, including at the time of original filing and at such time of any supplements or amendments thereto.

5.25 Service Contracts; Additional Liabilities. Mortgagor shall not, without the prior written consent of Mortgagee in each instance, such consent not to be unreasonably withheld, enter into any service contracts or other agreements or incur any other liability which would be binding upon a successor owner of the Mortgaged Property or which would create a Mortgagor liability in excess of One Hundred Thousand and 00/100 (\$100,000.00) dollars, in each instance, except no consent shall be required to enter into contracts for the performance of capital improvements or repair work required by law and to be performed in accordance with the Mortgage.

5.26 Property Management. The Mortgaged Property shall be managed at all times by the Mortgagor or a manager that is approved by Mortgagee, which approval shall not be unreasonably withheld. Any manager, shall be a reputable management company having substantial experience in the management of real property of a similar type, size and quality in New York, New York and shall be reasonably acceptable to Mortgagee. Subject in all respects to this Section 5.26, Mortgagee agrees that Citadel Cinemas, Inc. (the "Managing Agent") is acceptable as managing agent as of the date hereof and approves the Management Agreement between Mortgagor and Managing Agent, as amended, copies of which have been furnished to Mortgagee. Mortgagor shall cause any manager of the Mortgaged Property to agree that any management agreement shall be subject and subordinate in all respects to the Loan and the lien of this Mortgage and the other Loan Documents. The management agreement may not be modified, amended, or terminated by Mortgagor without Mortgagee's prior written consent, which consent

shall not be unreasonably withheld. Mortgagor shall not consent to the assignment or transfer by a manager of any of its rights or obligations under its management agreement, without the prior written consent of Mortgagee, such consent not to be unreasonably withheld. Mortgagor shall not pay any management fees with respect to the Mortgaged Property except as contemplated by a management agreement reasonably acceptable to Mortgagee in all material respects. Such manager shall maintain a fidelity bond in an amount and with an insurer reasonably acceptable to Mortgagee and in keeping with bond amounts typically required by Mortgagee with respect to similarly situated properties in Manhattan, New York. Within sixty (60) days after receipt by Mortgagor of a notice from Mortgagee, Mortgagor shall terminate any managing agent if, in the reasonable judgment of Mortgagee, the management of the Mortgaged Property by such managing agent may have an adverse material effect on the value of the Mortgaged Property or on the ability of the Mortgagor to perform its obligations under this Mortgage.

5.27 Debt Service Coverage. Mortgagor shall at all times maintain a minimum Debt Service Coverage Ratio of at least 1.25:1.00, tested annually, commencing with the calendar year ending December 31, 2020, “Debt Service Coverage Ratio” means the ratio of (a) net income (which shall include, among other things, all rent and additional rent payable under the Existing Lease, without deduction for the expense represented by such rent and additional rent payable under the Existing Lease) plus depreciation and amortization expense plus interest expense less distributions to any person other than to an Affiliate of Guarantor; to (b) the annual payments of principal and interest hereunder and under the Note. Failure to comply with the provisions of this paragraph, continuing within thirty (30) days after notice, shall constitute an Event of Default under this Mortgage as if such default were specifically listed in Section 8 hereof. If, at any time, a receiver is appointed with respect to all or any portion of the Mortgaged Property, Mortgagor agrees that the order appointing the receiver may contain a provision requiring the receiver to pay all debt service payments under any loan evidenced by the Note and/or secured by this Mortgage, it being recognized that such debt service payments are proper obligations of Mortgagor and must be paid out of the rental charges payable under any leases.

5.28 No Stay; Exemption or Moratorium. The Mortgagor will not, except as, and in such event only to the extent, required by law, at any time insist upon, or plead, or in any manner whatsoever claim or take any benefit or advantage of any stay or extension or moratorium law, any exemption from execution or sale of the Mortgaged Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage, nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment, or order of any court of competent jurisdiction, and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. The Mortgagor for itself and all who may claim under it, waives, to the extent that it lawfully may, all right to have the Mortgaged Property or any part thereof marshaled upon any foreclosure hereof.

5.29 No Further Encumbrance. Mortgagor shall not cause, or permit any lien or encumbrance to be filed against, or attached to, the Mortgaged Property, other than the lien of this Mortgage.

5.30 Reserve Account. Mortgagor hereby covenants to open and maintain for the term of the Loan with the Mortgagee an operating account in respect of the Mortgaged Property.

SECTION 6 – INSURANCE

6.1 Insurance Coverage. Mortgagor shall keep or cause the tenant under the Existing Lease to keep the Mortgaged Property insured as follows:

(a) Property Insurance. Maintain extended coverage property insurance written in the name of Mortgagor in the broadest “all risks” or “special form” causes of loss available on a full replacement cost basis covering all Mortgaged Property, including all Improvements and Fixtures and Equipment. That insurance shall be in amounts that are no less than the full replacement cost value of the Mortgaged Property (without any deduction for depreciation) with a deductible amount of no greater than \$25,000.

(b) Liability Insurance. Maintain commercial general liability insurance in the name of Mortgagor, including contractual liability for an insured contract and completed operations and personal injury coverage, with a combined single limit for any one occurrence in amounts reasonably satisfactory to Mortgagee.

(c) Flood Insurance. If any portion of the Mortgaged Property is located in a flood hazard area in Special Flood Hazard Areas (Flood Zones prefixed in “A” or “V”) for which insurance is available under the Flood Disaster Protection Act of 1973 or the National Flood Insurance Act of 1968, maintain flood insurance on that portion in an amount reasonably acceptable to Mortgagee, not to exceed the lesser of the full replacement cost value or the maximum coverage available through the National Flood Insurance Program.

(d) Interruption Insurance. Business interruption insurance for loss caused by perils of the type covered by the above-referenced casualty insurance in amounts as may be reasonably required by Mortgagee covering the loss of rental income and all expenses and carrying costs of the Mortgaged Property for a period of not less than one (1) year.

(e) Boiler and machinery insurance in amounts reasonably acceptable to Mortgagee.

(f) Policy Terms. All policies shall meet the following requirements:

(i) overall blanket or excess coverage policies may be supplied provided, however, that all insurance shall be in amounts sufficient to prevent any insured from being a co-insurer and that the amount of the casualty insurance coverage attributable to the Mortgaged Property is clearly set forth; and

(ii) all policies shall (x) name Mortgagee “and its successors and assigns as their interests may appear” as “mortgagee insured” and “loss payee” on all property insurance as outlined in clauses (a), (c), (d) and (e) above and as “additional insured” as to general liability insurance, (y) contain an endorsement

stating that, as to the interest of Mortgagee, such policy “shall not be impaired, invalidated or affected by any statement, act or neglect of any insured, loss payee or other Person, or by any failure to make any report to the insurer, or by the institution of any proceeding to execute upon any lien”, and (z) contain a provision stating that such policy “shall not be canceled or modified except after thirty (30) days prior written notice, except ten (10) days prior written notice for non-payment of premium”, delivered to Mortgagee (Attn: Commercial Mortgage Department) at Mortgagee’s address first listed above or as subsequently directed in writing by Mortgagee; and

(iii) all policies shall be in a form reasonably acceptable to Mortgagee and shall be issued by financially sound insurers duly authorized to conduct that type of insurance business in New York; and

(iv) all policies of insurance and endorsements thereof, together with a paid receipt with respect to any installment(s) of premium(s) which shall be due pursuant to any commercial premium finance agreement in effect with respect thereto, shall be deposited with Mortgagee prior to the closing of this Mortgage. At least thirty (30) days prior to the expiration of any such policies, Mortgagee shall furnish paid receipts and other evidence satisfactory to Mortgagee that all such policies have been renewed or replaced; and

(v) all policies shall provide that the insurance proceeds and awards may be adjusted only after obtaining the prior written consent of Mortgagee and shall be paid directly to Mortgagee to the extent required in Section 6.2.

6.2 Insurance Proceeds. Mortgagee shall have the exclusive authority to do each of the following in Mortgagee’s absolute discretion:

- (a) Receive directly all Awards and Proceeds;
- (b) Settle or compromise all claims relating to all Awards and Proceeds; and
- (c) Determine whether to apply any Awards and Proceeds to reduce the Note or any other Obligations or to repair or replace any Mortgaged Property.

Notwithstanding the foregoing, if the cost of restoration, as estimated by Mortgagee in its sole discretion, does not exceed fifteen (15%) percent of the then outstanding principal balance of the Loan, then, provided there then exists no Event of Default or state of facts which with the giving of notice and passage of time, or both, would become an Event of Default hereunder or under any of the other Loan Documents, the Awards and Proceeds of such casualty loss shall be made available for the restoration of the Mortgaged Property and in such event shall not cause an acceleration, nor permit Mortgagee to accelerate, the balance due under the Note.

SECTION 7 - ENVIRONMENTAL MATTERS

7.1 Environmental Representations. Except as otherwise expressly set forth in the Environmental Report, Mortgagor hereby represents and warrants to Mortgagee that:

(a) Neither Mortgagor nor, to the best knowledge of Mortgagor, any other existing or former occupant of the Mortgaged Property, has (i) Used any Hazardous Substances in violation of any Environmental Law, (ii) received any notice, or is on notice, of any claim, investigation, cleanup or testing program, government expenditures, litigation or administrative proceeding, actual or threatened, or any order, writ or judgment that relates to any Use of pollutants of any kind, including any Hazardous Substances, on, or by any occupant of, the Mortgaged Property.

(b) No Hazardous Substances have been, or will be, used on, or by any occupant of the Mortgaged Property, other than common cleaning and maintenance agents in small quantities for standard maintenance uses.

(c) No asbestos exists on the Mortgaged Property in any form, condition or quantity.

7.2 Restrictions on Hazardous Uses. Without Mortgagee's prior written consent, which may be granted or withheld in Mortgagee's sole discretion, Mortgagor shall make or permit no use of the Mortgaged Property that would involve the Use of any Hazardous Substances, except for properly stored safe cleaning and maintenance agents in reasonable amounts for standard maintenance uses or as specifically permitted in advance in writing by Mortgagee in its absolute discretion.

7.3 Notice to Mortgagee. Mortgagor shall notify Mortgagee immediately in writing upon learning of:

(a) any spill, discharge or release of any Hazardous Substances on or near the Mortgaged Property that may involve a cleanup;

(b) any circumstances that may result in a violation of Section 7.2;

(c) any governmental inquiry or inspection is undertaken or an enforcement notice issued with respect to Hazardous Substances on or Used with respect to the Mortgaged Property.

7.4 Environmental Audits. If Mortgagee has reason to believe that there are any Hazardous Substances on the Mortgaged Property and/or that Mortgagor has breached any of the terms and conditions of this Section 7, Mortgagee may, as it deems necessary in its sole discretion, conduct environmental assessments of the Mortgaged Property from time to time, such audits and tests to be conducted by an environmental consultant chosen by Mortgagee. Mortgagor shall pay Mortgagee on demand the reasonable costs of such audits or tests. Any such environmental assessments shall be considered the property of Mortgagee, and Mortgagee shall owe no duty of confidentiality to Mortgagor with respect to the contents thereof. However, Mortgagor shall be provided with copies of all reports and relevant correspondence. It is hereby acknowledged by Mortgagor that Mortgagee shall not vouch for or assume any responsibility for the scope of detail, contents or accuracy of any such environmental assessment, and that neither Mortgagor nor any other party shall have any recourse to or claim against Mortgagee for any act of omission or commission of the environmental consultant. Mortgagor shall fully cooperate with the environmental consultant. Mortgagee may also from time to time, as it deems to be reasonably

necessary and at the expense of Mortgagor, obtain legal advice from an attorney competent in environmental law regarding the environmental condition of the Mortgaged Property. Mortgagee shall also have the right to require, from time to time, but, provided there has occurred no Event of Default, not more frequently than once per year, a certification by Mortgagor and any tenants of the Mortgaged Property whether or not there has been any change(s) in the environmental condition of the Mortgaged Property.

7.5 Security for Cleanup. If any investigation, environmental report or governmental investigation or order indicates that there may exist any damage or risk to the Mortgaged Property, or any liability of any Mortgagor relating to any Hazardous Substances or other environmental conditions with respect to the Mortgaged Property, Mortgagee may require Mortgagor to furnish immediately an indemnity bond in an amount reasonably determined by Mortgagee, in its sole discretion, to be sufficient to pay all actual and estimated cleanup costs and to protect against any liens that are likely to arise with respect to such potential cleanup costs. Mortgagee's demand that Mortgagor post any bond or other security shall not be a waiver of any Event of Default or of any other right or remedy available to Mortgagee. Such obligation to post a bond shall not apply during the last six (6) months of the term of the Loan, provided and for so long as no Event of Default shall have occurred and be continuing.

7.6 Indemnification. Mortgagor shall fully indemnify, defend and hold harmless Mortgagee, and its successors and assigns, from and against: (a) any third party claims involving Hazardous Substances on or affecting the Mortgaged Property or any violation of Environmental Laws and (b) any fines, penalties, reasonable attorney's fees, sums paid in connection with any judicial or administrative investigation or proceedings, costs of cleanup assessed by a Governmental Authority, and all similar expenditures that relate in any way to Mortgagor or the Mortgaged Property, without regard to whether Mortgagor would have ultimately been responsible for such third party claims, fines, payments, fees, sums or costs. Any amounts that Mortgagor must pay to Mortgagee under this Section 7.6 are payable upon demand and, if unpaid, shall bear interest per annum, at the "Default Rate" (as defined in the Note) and such amounts, with interest, shall be added to the Indebtedness. The provisions of this Section 7.6 shall not be decreased or rendered ineffective in the event that Mortgagee elects not to pursue its remedies to foreclose the Mortgage. The liability of Mortgagor and any other Obligor hereunder shall be joint and several and shall survive the repayment of the Note and/or the release and/or assignment of the Mortgage or Note or any Guaranty.

7.7 Environmental Report. Mortgagor has fully examined and considered the Environmental Review of Merritt Environmental Consulting Corp. dated April 29, 2016 in review of the Phase I Environmental Site Assessment dated June 12, 2012 prepared by Nova Consulting Group, Inc. for Sovereign Santander (collectively, the "Environmental Report") and has no actual knowledge of any environmental condition on or affecting the Mortgaged Property which is not set forth in such report.

SECTION 8 - EVENTS OF DEFAULT

Any of the following events or conditions shall, at the option of Mortgagee, constitute an "Event of Default" under this Mortgage and the other Loan Documents and Obligations if not cured within the applicable cure period, if any, set forth below:

8.1 Payments. Any failure to make on its due date any payment required to be made by Mortgagor under this Mortgage, the Note or any other Loan Document or Obligations (and any applicable grace, notice or cure period as to such payment set forth in that Loan Document shall have expired); or

8.2 Other Terms. Any failure to perform or observe any non-monetary term or condition (not otherwise recited under this Section 8) under this Mortgage, the Note or any other Loan Document or Obligations which continues for thirty (30) days after notice thereof by the Mortgagee to the Mortgagor, provided, however, that if such default is capable of cure, but with due diligence cannot be cured within such thirty (30) day period and Mortgagor has promptly commenced to cure within such period and continuously pursues same diligently and expeditiously, then such period to cure shall be extended for so long as is reasonably necessary for Mortgagor in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of one hundred twenty (120) days (subject to further extension by Mortgagee, in Mortgagee's sole discretion); or

8.3 Representations. Any representation, statement or warranty made by or on behalf of any Obligor in this Mortgage, the Affidavit of Title or any other Loan Document, certificate or other writing made or given to Mortgagee at any time shall be incorrect, incomplete or misleading when made in any material respect; or

8.4 Failure to Obtain Permission. Mortgagor shall do, or permit to be done, any act for which Mortgagee's consent is required under this Mortgage or any other Loan Document without first obtaining such consent in writing (except in the event of emergency); or

8.5 Financial Information and Inspections. Any failure to furnish financial information which continues for thirty (30) days after notice thereof or to permit inspection of the Mortgaged Property or any records as required under this Mortgage or any other Loan Document; or

8.6 Failure to Maintain Insurance. Any failure to maintain, or provide, within five (5) business days after notice, satisfactory evidence of, any insurance coverage required under this Mortgage or any other Loan Document; or

8.7 Lien Defaults or Foreclosures. Any default or modification (without Mortgagee's prior written consent) shall have occurred in any mortgage, assignment, encumbrance or agreement constituting a Permitted Encumbrance, and any applicable cure period as to such default shall have expired, or proceedings shall have been instituted or actions taken for the foreclosure or enforcement of any mortgage, judgment, assignment or other lien or encumbrance affecting the Mortgaged Property and such proceedings have not been dismissed with prejudice within thirty (30) days after the commencement thereof; or

8.8 Warrants and Tax Liens. Any warrant of attachment or for distraint, or notice of tax or other lien shall be issued relating to, or encumbering, any portion of the Mortgaged Property that is not discharged, or stayed and bonded, to the reasonable satisfaction of Mortgagee within thirty (30) days of notice of entry; or

8.9 Judgments. Any judgment that would adversely affect in any material respect Mortgagor's ability to perform any obligations under any of the Loan Documents or the value of

the Mortgaged Property or any other collateral under any of the Loan Documents shall be entered against Mortgagor that is not (a) within thirty (30) days of entry, discharged, or stayed and bonded, to the reasonable satisfaction of Mortgagee or (b) fully covered by insurance and the insurance company has unconditionally accepted liability for that judgment; or

8.10 Loss of Collateral. There occurs any casualty on, or loss or destruction of, any Mortgaged Property that, in Mortgagee's reasonable judgment, involves material damage to or loss of property, unless such loss or destruction is fully covered by insurance (subject to a standard insurance policy deductible provision of \$25,000 or less) to the reasonable satisfaction of Mortgagee; or

8.11 Hazardous Substances. There occurs, or it is found that there has previously occurred, any Use of any Hazardous Substances on the Mortgaged Property or by Mortgagor that will require Mortgagor to remedy and the cost of such remedy shall exceed \$125,000; or

8.12 Insolvency. Any filing of a petition by or against any Obligor under any bankruptcy or insolvency law or an assignment by any Obligor of any property or assets for the benefit of creditors, or the failure of any Obligor to pay debts in the ordinary course as those debts become due, or the calling of a meeting of creditors of any Obligor to obtain any general financial accommodation provided, however, that any Obligor shall have sixty (60) days to obtain a court order dismissing any bankruptcy or insolvency proceeding that is filed without consent of the debtor; or

8.13 Seizure of Property. Any seizure by governmental authorities of, or the imposition of legal restraints against, the Mortgaged Property, which is not, within thirty (30) days of such seizure or imposition, released, discharged or fully bonded to the reasonable satisfaction of Mortgagee; or

8.14 Non-Permitted Encumbrance. Any mortgage, assignment, lien, judgment or interest shall encumber any Mortgaged Property with the exception of any Permitted Encumbrances which shall not be discharged within thirty (30) days after notice thereof; or

8.15 Default in Leases. Any material default on the part of Mortgagor shall occur under or there shall be a termination of any leases that presently or may in the future affect the Mortgaged Property and account for more than five percent (5%) of the annual rentals from the Mortgaged Property or result in a failure to maintain the required Debt Service Coverage Ratio; or

8.16 Dissolution. Any Obligor shall fail to remain in good standing in its state of incorporation or organization or dissolves or ceases to exist; or

8.17 Adverse Change. Any adverse change in the creditworthiness or financial condition of any Obligor that, in the reasonable opinion of Mortgagee, materially increases Mortgagee's risk; or

8.18 Legal Changes. Any laws are enacted whereby there is a change which deducts the value of land or a change in taxation of mortgages and Mortgagor fails to enter into a reasonably satisfactory agreement with Mortgagee; or

8.19 Entry. If Mortgagee or its representatives are not permitted, at all reasonable times, to enter upon the Property and to inspect the Improvements and Fixtures and Equipment in accordance with the terms and provisions of this Mortgage; or

8.20 Other Obligations. If the Mortgagor shall default beyond applicable grace and notice periods in the payment of any other indebtedness owed to Mortgagee or default under the terms of any Loan Document between Mortgagor and Mortgagee; or

8.21 Transfer or Hypothecation. If Mortgagor or any interest in the Mortgagor is pledged, hypothecated, levied upon, encumbered, assigned or transferred (by operation of law or otherwise) in any manner, without the prior written consent of Mortgagee; or

8.22 Easements. If any easement over, across, under or otherwise affecting the Mortgaged Property or any portion thereof shall be granted or released by Mortgagor without the Mortgagee's prior written consent except that Mortgagor may grant utility and other usual easements reasonably necessary for its use of the Mortgaged Property for their intended purposes; or

8.23 Other Debts. If the Mortgagor shall default beyond applicable grace periods (as principal or surety) on any indebtedness for borrowed money or otherwise in an amount in excess of \$125,000.00 in any one case or in the aggregate; or

8.24 Additional Borrowings. Except as otherwise expressly set forth in this Mortgage, other than unsecured credit extensions or unsecured borrowings between Mortgagor and Affiliates, if the Mortgagor shall borrow funds or obtain credit, whether on a secured or unsecured basis, without the express written consent of Mortgagee, which consent may be granted or withheld in the Mortgagee's sole discretion.

SECTION 9 – REMEDIES

9.1 Remedies. Upon the occurrence of an Event of Default, Mortgagee may, at its option, do any of the following in any order at any time and in any combination:

(a) Acceleration of Obligations. Declare all principal, interest and expenses outstanding under the Note, this Mortgage and any other Obligations to be immediately due and payable in full; or

(b) Foreclosure. Institute proceedings to foreclose on all or any portion of the Mortgaged Property, and following receipt of a judgment of foreclosure, cause the sale of the Mortgaged Property in accordance with applicable law, in one or several parcels, at Mortgagee's option; or

(c) Receiver. Appoint a receiver of the rents, profits, leases, income and refunds arising from the Mortgaged Property without the necessity of proving either the inadequacy of the security or insolvency of any Obligor, and each Obligor does hereby waive such proof and consent to the appointment of a receiver; Mortgagee shall be entitled to the appointment of a receiver as a matter of right in accordance with Section 254 of the New York Real Property Law; or

(d) Absolute Assignment of Rents. With or without instituting proceedings to foreclose on, or appoint a receiver for, the Mortgaged Property, revoke Mortgagor's license to collect rents and exercise all of Mortgagee's remedies under the Assignment of Rents and Leases from Mortgagor to Mortgagee of even date, including, without limitation, the right to notify tenants of the Mortgaged Property to pay rents directly to Mortgagee, take possession of and rent the Mortgaged Property, either in Mortgagee's name or in the name of the owner of such Mortgaged Property, receive and apply the rents and profits, after the payment of any collection, operating and management expenses, including management commissions and reasonable attorney's fees and disbursements, against the Note and other Obligations, being accountable only for the rents and profits that are actually received by it while in possession; or

(e) UCC Remedies. Exercise all rights and remedies available to a secured party under the New York Uniform Commercial Code as in effect from time to time; or

(f) Collection Action. Institute a collection action directly against any Obligor, either without acceleration for the balance of any Obligations then past due or, following acceleration, for all Obligations; or

(g) Freeze; Setoff. Hold, apply, freeze or set-off (without notice) on account of any Obligations, funds of any Obligor on deposit with Mortgagee in any account, fund or certificate, any indebtedness that Mortgagee may owe to any Obligor or any other tangible or intangible property owned by any Obligor that may be in the possession or under the control of Mortgagee; or

(h) Increase in Interest Rate. Increase the rate of interest under any Obligation, including, without limitation, the Note, to a rate five (5) percentage points above the Note Rate. This increase shall be retroactive to the date of the first occurrence of an Event of Default, shall be computed on the basis of actual days elapsed over a 360-day year and shall survive entry of any judgment relating to the Loan; or

(i) Other Remedies. Exercise any other rights and remedies available under this Mortgage, any other Loan Document, Obligations or other document or agreements of any kind, or that are available at law or in equity, including, without limitation, all rights set forth in Section 254 of the New York Real Property Law and in Article 14 of the New York State Real Property Actions and Proceedings Law allowing for Power of Sale; or

(j) Proceeds. Apply proceeds of any sale of the Mortgaged Property first to costs and expenses of liquidation, sale or collection, including any reasonable attorneys' fees and disbursements and then to payment of any Obligation in whatever order Mortgagee may, in its discretion, elect, with the remaining proceeds, if any, to be paid to Mortgagor; or

(k) Expenses. Collect all of the collection expenses permitted under Section 10 of this Mortgage or otherwise permitted under law and have the amount of such expenses, together with all prepayment penalties due pursuant to the Note, which penalties shall be computed pursuant to the terms thereof and treating prepayment as occurring on the date

of default, included in any judgment or decree obtained by Mortgagee, to the extent permitted by law.

9.2 Authorization of Mortgagee. Mortgagor irrevocably appoints Mortgagee the true and lawful attorney in fact coupled with an interest of Mortgagor, in its name and on its behalf, for the purpose of effectuating any sale, assignment, transfer or delivery for the enforcement hereof, whether pursuant to power of sale, foreclosure or otherwise, to execute and deliver all such deeds, leases, bills of sale, assignments, releases and other instruments as may be necessary, with full power of substitution, provided that Mortgagor shall not exercise its rights under this Section 9.2 prior to the occurrence of an Event of Default.

9.3 Purchase by Mortgagee. Mortgagee may be a purchaser of the Mortgaged Property or of any party thereof or of any interest therein at any sale thereof, whether pursuant to foreclosure or otherwise, and may apply the purchase price thereof to the Obligations. Mortgagee shall, upon any such purchase, acquire good title to the Mortgaged Property so purchased, free of the lien of this Mortgage and free of all rights of redemption in Mortgagor.

SECTION 10 - COLLECTION EXPENSES

If Mortgagee employs counsel for advice or representation after an Event of Default (whether or not formally declared) relating to the collection or enforcement of this Mortgage, the Note, or any other Loan Document or Obligations (whether or not suit is actually instituted), Mortgagee may collect from any Obligor all of Mortgagee's reasonable expenses and fees including (a) all fees and disbursements of Mortgagee's counsel and (b) all expenses of, or in anticipation of, litigation including fees and expenses of witnesses, experts, stenographers, title and lien searches and appraisals. All those collection fees and expenses shall be due and payable upon demand, shall bear interest at the Default Rate in effect from time to time under the Note and shall become Obligations secured by this Mortgage and any other collateral that secures any Obligations.

SECTION 11 - MORTGAGEE'S PERFORMANCE

If Mortgagor fails to perform any duty or obligation imposed upon Mortgagor under this Mortgage or any other Loan Document when due, Mortgagee may, after notice to Mortgagor and expiration of any applicable cure period (except in the event of emergency, in which event no notice shall be required and no cure period shall apply), at its option (with or without declaring an Event of Default), perform any such duty or obligation including payment of any tax, governmental charge or insurance premium, making repairs to the Mortgaged Property, rendering it free of any Hazardous Substances or liens or performing any lease obligation. The out-of-pocket expenses incurred by Mortgagee in performing any of the Mortgagor's duties or obligations shall be added to the monies owing under the Note, with interest at the rate in effect from time to time under the Note, and shall be secured by this Mortgage and by all collateral given to secure any Obligations. Any action taken by Mortgagee pursuant to this Section shall not constitute a waiver of any Event of Default or an undertaking to perform or complete any of the Mortgagor's duties, nor shall it impose any responsibility on Mortgagee to perform any of Mortgagor's duties in the future.

SECTION 12 - SECURITY AGREEMENT

12.1 Mortgagor hereby grants Mortgagee a security interest, under the Uniform Commercial Code as enacted in the State of New York, in all of the Mortgagor's right, title and interest in and to all existing and future-acquired Fixtures and Equipment, Awards and Proceeds, Leases and Rents, Other Rights, and all tax and insurance escrows held by Mortgagee pursuant to this Mortgage. In order to perfect the security interests granted hereunder, this Mortgage shall be filed in the appropriate state real property records, Mortgagor, as debtor, hereby authorizes Mortgagee to execute UCC-1 financing statements in favor of Mortgagee, as secured party, which statements shall be filed with all appropriate county filing offices.

12.2 If any Event of Default shall occur, the Mortgagee shall have, in addition to any and all other rights and remedies set forth in this Mortgage, and may exercise without demand, any and all rights and remedies granted to a secured party under the Code, including, but not limited to, the right to take possession of the Other Rights, Fixtures and Equipment, Awards and Proceeds, Leases and Rents, and all tax and insurance escrows held by Mortgagee, or any part thereof, and the right to advertise and sell the Fixtures and Equipment and the Other Rights, or any part thereof, pursuant to and in accordance with the power of sale provided for in this Mortgage. The Mortgagor agrees that any notice of public or private sale or other action intended by the Mortgagee with respect to the Fixtures and Equipment and the Other Rights, or any part thereof, shall, to the extent permitted by law, constitute reasonable notice if it is sent to the Mortgagor not less than ten (10) days prior to any such sale or intended action. The proceeds of any such sale of the Fixtures and Equipment and the Other Rights, or any part thereof, shall be applied in the manner set forth in Article II of this Mortgage.

SECTION 13 - ABSOLUTE ASSIGNMENT OF LEASES AND RENTS

This Mortgage also serves as an **absolute** assignment of all existing and future rentals, leases, profits, income, revenues and proceeds arising from the Mortgaged Property as provided and set forth in the Assignment of Rents and Leases from Mortgagor to Mortgagee of even date, provided, however, that so long as there is no Event of Default, Mortgagor shall be granted a revocable license from Mortgagee to remain in possession of, and to collect all rentals arising from, the Mortgaged Property, and to exercise the rights of landlord thereunder. This assignment shall not, however, render Mortgagee responsible for the performance of any duties under any lease, nor for any negligence in the management, operation or maintenance of the Mortgaged Property or for any resulting damage, loss or injury. The receipt by Mortgagee of any rentals or profits pursuant to this assignment shall not cure any Event of Default or affect any foreclosure or other liquidation proceeding that may be pending at any time. Mortgagor hereby irrevocably appoints Mortgagee as Mortgagor's attorney-in-fact to exercise all rights and remedies of Mortgagor as landlord and manager of the Mortgaged Property, provided, however, that Mortgagee agrees not to exercise such rights and remedies until the occurrence of an Event of Default.

SECTION 14 – MODIFICATIONS

This Mortgage is subject to modification. To the extent permitted by law, this Mortgage secures all modifications from the date upon which this Mortgage was originally recorded,

including future loans and extensions of credit and changes in the interest rate, due date, amount or other terms and conditions of any Obligations.

SECTION 15 – MISCELLANEOUS

15.1 Further Assurances; Corrections. Mortgagor shall, within ten (10) days of Mortgagee's request, execute any documents, provide any lien or other searches, and do anything that Mortgagee determines to be reasonably necessary to establish, perfect, assure or maintain the existence and priorities of, Mortgagee's liens against the Mortgaged Property, the reasonable costs of so doing be paid by Mortgagor. In case of the occurrence of any errors in the execution of the Loan Documents, Mortgagor authorizes Mortgagee to make all necessary corrections in order to cause the Loan Documents to conform to the terms and conditions agreed to by Mortgagor and Mortgagee.

15.2 Notices. All notices, demands, requests, consents and other communications shall be in writing and served by hand delivery, by certified mail, return receipt requested, or by a recognized overnight delivery service, if to Mortgagee, to the address set forth in the caption of this Mortgage, with a copy in like manner to Romer Debbas LLP, 275 Madison Avenue, Suite 801, New York, New York 10016, Attn: Hugh P. Finnegan, Esq., and if to Mortgagor, to Mortgagor at the address set forth in the caption of this Mortgage, with a copy in like manner to Marcus Rosenberg & Diamond LLP, 488 Madison Avenue, 17th Floor, New York, New York 10022, Attn: Jeffrey M. Diamond, Esq., unless proper written notice has been given to all other parties of any change in address. Notices and other written communication shall be deemed to have been properly served upon delivery to the designated address provided, however, that any notice or other communication sent by certified mail, return receipt requested, shall be deemed to have been properly served on the third business day after mailing, regardless of when it is actually received.

15.3 No Jury Trial. MORTGAGOR HEREBY WAIVES ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY LITIGATION WITH RESPECT TO ANY ASPECT OF THIS MORTGAGE OR ANY OTHER LOAN DOCUMENT AND REPRESENTS THAT MORTGAGOR HAS CONSULTED WITH COUNSEL SPECIFICALLY AS TO THIS WAIVER. BY ACCEPTING THIS MORTGAGE, MORTGAGEE ALSO WAIVES ITS RIGHT TO REQUEST A TRIAL BY JURY.

15.4 No Waivers. Mortgagee shall not be deemed to have waived any of its rights or remedies under this Mortgage or any other Loan Document by:

- (a) forbearing or failing to exercise, or delaying in exercising, any rights and remedies; or
- (b) forbearing or failing to insist upon, or delaying in insisting upon, the strict performance of any term or condition of this Mortgage or any other Loan Document;
- (c) granting any extension, modification or waiver of any term or condition of this Mortgage or any other Loan Document, except to the extent expressly provided in any written extension, modification, or waiver; or

(d) any other act, omission, forbearance or delay by Mortgagee, its officers, agents, servants or employees; or

(e) any waiver of any rights or remedies on any one occasion.

15.5 Collection Duties. Mortgagee shall be under no duty or obligation to:

(a) preserve, protect or marshal any Mortgaged Property or other collateral for any Obligations; or

(b) preserve or protect any rights in any Mortgaged Property or other Collateral against any person claiming an interest adverse to that of Mortgagor; or

(c) realize upon any Mortgaged Property or other collateral in any particular order or manner or seek repayment of any Obligations from any particular source.

15.6 Waiver of Defense. Mortgagor hereby waives any defense based on the failure to name any tenant or occupant of the Mortgaged Property as a defendant in any foreclosure action or other litigation with respect to this Mortgage.

15.7 Written Changes Only. No change, extension, modification, amendment or waiver of any term or condition of this Mortgage or any other Loan Document shall be valid or binding upon any party hereto, unless it is in writing and has been executed by duly authorized officer of such party.

15.8 Correction of Documents. If any Loan Documents contain an error or incorrect terms or were improperly prepared or executed, or if a document intended to constitute part of the Loan Documents was inadvertently omitted, then in each such case Mortgagor agrees to execute proper documents promptly.

15.9 Successors and Assigns. This Mortgage shall be binding upon Mortgagor and its successors and assigns, and inure to the benefit of Mortgagee, and its successors and assigns.

15.10 Governing Law and Jurisdiction. This Mortgage has been executed and delivered in the State of New York; all terms of this Mortgage shall be governed by and construed according to the laws of the State of New York since the premises are located in the State of New York. All terms of the other Loan Documents shall be governed by and constructed according to the Laws of the State of New York. Mortgagor and Mortgagee each hereby consents to personal jurisdiction in the State of New York with respect to any and all matters arising under or relating to this Mortgage and all other Loan Documents. SUBJECT TO THE REQUIREMENTS FOR A CASE TO BE HEARD IN THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, THE PARTIES AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, AND TO THE APPLICATION OF SAID COURT'S ACCELERATED PROCEDURES PURSUANT TO RULE 9 OF SECTION 202.70(G) OF THE UNIFORM RULES FOR NEW YORK STATE TRIAL COURTS.

15.11 Partial Invalidity. If any term or provision of this Mortgage is at any time held to be invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining terms and provisions of this Mortgage, which shall continue to be in full force and effect.

15.12 Receipt of Copies. Mortgagor hereby acknowledges receipt of a true copy of this Mortgage, the Note and the other Loan Documents without charge.

15.13 Intentionally Omitted.

15.14 Cross Default. The occurrence of an Event of Default shall constitute a default under any other Obligations of Mortgagor and a default under any other Obligations of Mortgagor shall constitute an Event of Default under the Note, this Mortgage and all other Loan Documents.

15.15 Intentionally Omitted.

15.16 Satisfaction or Assignment of Mortgage. Upon the payment in full of all amounts due under, evidenced or secured by this Mortgage and the payment of a reasonable attorney fee for the preparation of a Satisfaction of Mortgage, the Mortgagee shall only be required to deliver a satisfaction instrument, and not an assignment. However, if permitted by applicable laws, including without limitation, Section 275 of the Real Property Law of the State of New York, upon no less than twenty (20) days prior written notice, Mortgagor may request that, and subject to this paragraph, Mortgagee shall, upon the final and indefeasible repayment in full (except by reason of foreclosure of the lien of this Mortgage) of the Obligations, Mortgagee prepare and deliver, at Mortgagor's expense, to the person or entity making such payment, an assignment, without recourse, representation or warranty, of Mortgagee's right, title, and interest in the Note and this Mortgage. Mortgagee's agreement to provide said assignment shall be subject only to the Mortgagor's payment of Mortgagee's assignment fee, at the time of such assignment, not to exceed \$2,500.00, Mortgagee's reasonable legal fees, including attendance at closing, if necessary, at the customary hourly rates of Mortgagee's counsel, and any other out-of-pocket expenses incurred by Mortgagee in connection with the assignment. Mortgagee's agreement to provide said assignment shall not be deemed to impose any liability or obligation on Mortgagee in the event any of the original notes and/or mortgages shall be lost or misplaced other than to provide a lost note affidavit.

15.17 Mortgage Commitment. The terms and provisions of the Commitment Letter are incorporated herein by reference and shall survive the closing of the Loan. In the event the terms of the Commitment Letter are inconsistent with the provisions of this Mortgage, the terms and provisions of this Mortgage shall govern.

15.18 Usury. In the event that Mortgagee, in enforcing its rights hereunder, determines that charges and fees incurred in connection with the Loan may, under the laws of the State of New York, cause the interest rate herein to exceed the maximum allowed by law, then such interest shall be recalculated and any excess over the maximum interest permitted by said laws shall be credited to the then outstanding principal balance to reduce said balance by that amount. It is the intent of the parties hereto that Mortgagor under no circumstances shall be required to pay, nor shall Mortgagee be entitled to collect, any interest which is in excess of the maximum legal rate permitted under the laws of the State of New York.

15.19 Maximum Amount Secured. Notwithstanding anything contained herein to the contrary, the maximum amount of indebtedness secured by this Mortgage at execution or which under any contingency may become secured hereby at any time hereafter is TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00), plus interest thereon, plus all amounts expended by the Mortgagee after default by the Mortgagor which constitute payment of (i) taxes, charges or assessments which may be imposed by law upon the Property; (ii) premiums on insurance policies covering the Property; (iii) expenses incurred in protecting or upholding the lien of this Mortgage, including, but not limited to the expenses of any litigation to prosecute or defend the rights and lien created by this Mortgage; (iv) expenses incurred in protecting the collateral encumbered by this Mortgage; or (v) any amount, cost or charge to which the Mortgagee becomes subrogated upon payment, whether under recognized principles of law or equity, or under express statutory authority.

15.20 Mortgagee's Consent and Approval. If Mortgagor shall request Mortgagee's consent or approval pursuant to any of the provisions of this Mortgage or otherwise, and Mortgagee shall fail or refuse to give, or shall delay in giving, such consent or approval, Mortgagor shall in no event make, or be entitled to make, any claim for damages (nor shall Mortgagor assert, or be entitled to assert, any such claim by way of defense, set off, or counterclaim) based upon any claim or assertion by Mortgagor that Mortgagee unreasonably withheld or delayed its consent or approval, and Mortgagor hereby waives any and all rights that it may have from whatever source derived, to make or assert any such claim. Mortgagor's sole remedy for any such failure, refusal, or delay shall be an action for a declaratory judgment, specific performance, or injunction, and such remedies shall be available only in those instances where Mortgagee has expressly agreed in writing not to unreasonably withhold or delay its consent or approval or where, as a matter of law, Mortgagee may not unreasonably withhold or delay the same.

SECTION 16 - INTENTIONALLY OMITTED

SECTION 17 - NEW YORK STATE SPECIFIC PROVISIONS

17.1 Real Property Law. All covenants contained in this Mortgage, which are in addition to those set forth in Sections 254 and 291-F of the Real Property Law shall be construed as affording to Mortgagee rights additional to, and not exclusive of, the rights conferred under the provisions of said Sections 254 and 291-f of the Real Property Law.

17.2 Lien Law. In compliance with Section 13 of the New York Lien Law, the Mortgagor will receive the advances secured by this Mortgage and will hold such advances in trust, to be applied first for the purpose of paying the cost of any improvements heretofore made or now being made on, in and under the premises hereby mortgaged and will apply the same first payment of the cost of improvements before using any part of the total of the same for any other purpose.

17.3 Costs, Expenses and Attorneys' Fees. Should one or more Events of Default occur under this Mortgage or the Loan Documents, and should an action be commenced for the foreclosure of this Mortgage, Mortgagee shall be entitled to recover all sums due hereunder, statutory costs, and additional allowances made pursuant to Section 8303(a) of the Civil Practice Laws and Rules of the State of New York, and addition thereto, reasonable attorneys' fees in such

proceeding, and such amount shall be added to the principal balance and interest then due and shall be a lien on the Mortgaged Property prior to any right or title to, interest in or claim upon the Mortgaged Property attaching and accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage, and the indebtedness which it secures.

17.4 Intervening Liens. Should any agreement be hereafter entered into modifying or changing the terms of this Mortgage or the Note in any manner, the rights of the parties to such agreement shall be superior to the rights of the holder of any intervening lien.

17.5 Time is of the Essence. Time is of the essence with respect to each and every covenant, agreement and obligation of Mortgagor under this Mortgage, the Note and any and all other Loan Documents.

17.6 Terms. It is understood that the words “Mortgagor” and “Mortgagee” herein shall include their respective heirs, successors and assigns of Mortgagor and Mortgagee.

17.7 Entire Agreement. This Mortgage and the other Loan Documents, constitute the entire understanding between Mortgagor and Mortgagee and to the extent that any writings not signed by Mortgagee or oral statements or conversations at any time made or had shall be inconsistent with the provisions of this Mortgage or the other Loan Documents, the same shall be null and void

17.8 Tax Law Section 253 Statement. This Mortgage does not cover real property principally improved or to be improved by one or more structured containing in the aggregate not more than six (6) residential dwelling units, each having their own separate cooking facilities.

17.9 Nonjudicial Foreclosure. To the extent permitted by law, Mortgagee may choose to utilize the procedures set forth in Article 14 of the Real Property Actions and Proceedings Law of New York to commence a non-judicial foreclosure of this Mortgage by power of sale. To the extent permitted by law, Mortgagor waives any right granted pursuant to Section 1421 or any other provision of the Real Property Actions and Proceedings Law of New York to challenge the Mortgagee’s election to enforce this Mortgage by means of such non-judicial foreclosure by power of sale. If the Mortgaged Premises consists of two or more distinct parcels, all of such parcels shall be sold as one parcel, unless Mortgagee shall elect otherwise.

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MORTGAGOR:

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company

By: Citadel Cinemas, Inc.,
a Nevada corporation,
its Manager

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer and
Treasurer

UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT
(Outside of New York State)

State, District of Columbia, Territory, Possession, or Foreign Country

State of)
) ss.:
County of)

On the ____ day of March in the year 2020 before me, the undersigned, personally appeared Gilbert Avanes personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual(s) made such appearance before the undersigned in the

(insert city or other political subdivision and state or country or other place the acknowledgment was taken).

(signature and office of individual taking acknowledgment)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California _____)

County of _____)

On _____ before me, /s/ Michael James Conroy "as Notary Public",
Date Here Insert Name and Title of the Officer

personally appeared /s/ Gilbert Avanes
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature /s/ Michael James Conroy

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Partner — Limited General Partner — Limited General

Individual Attorney in Fact Individual Attorney in Fact

Trustee Guardian or Conservator Trustee Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

“EXHIBIT A”

LEGAL DESCRIPTION

ALL that certain plot piece or parcel of land, situate, lying and being in the Borough of Manhattan, City of New York, County of New York, State of New York, bounded and described as follows:

BEGINNING at the point of the easterly side of Third Avenue, distant northerly 100 feet 4 inches from the corner formed by the intersection of the northerly side of 59 Street and the easterly side of Third Avenue;

RUNNING THENCE easterly parallel with the northerly side of 59th Street and part of the way through a party wall, 105 feet;

THENCE northerly parallel with Third Avenue, 75 feet $\frac{1}{4}$ inch;

THENCE westerly parallel with 59th Street, 105 feet to the easterly side of Third Avenue; and

THENCE southerly along the easterly side of Third Avenue, 75 feet $\frac{1}{4}$ inch to the point or place of BEGINNING.

Exhibit “A”-1

“EXHIBIT B”

PERMITTED ENCUMBRANCES

Any interests expressly referenced on Schedule B-I of that certain Title Insurance Policy No. 7230732-219191985 issued by New York Metro Title Agency, Inc. in connection with this Mortgage.

Exhibit “B”-1

APPENDIX A

GLOSSARY OF DEFINED TERMS

“Affidavit of Title” means the affidavit of title given by Mortgagor to Mortgagee in connection with this Mortgage.

“Affiliates” of a party means (a) any Person directly or indirectly controlling, under common control with, or controlled by, that party, (b) any Person in which that party directly or indirectly owns or controls any interest, (c) any employee, officer, shareholder, director, subsidiary or joint venture of that party and (d) any relative of the foregoing.

“Appendix” means an Appendix to this Mortgage.

“Awards and Proceeds” means all awards, damages, claims, payments, insurance proceeds (other than from liability insurance coverage) and other compensation with respect to the Land, Improvements, Fixtures and Equipment and other interests described in Section 3 (collectively referred to as “Awards and Proceeds”) including those arising from: (a) any governmental taking or exercise of eminent domain, (b) any damage, injury, casualty or other destruction or loss or (c) any change of grade or vacation of any street.

“CFO” means Mortgagor’s chief financial officer.

“Commitment Letter” means the letter dated March 5, 2020 from Mortgagee to Mortgagor setting forth certain terms of the Loan Documents.

“Consolidation Agreement” means the Mortgage Consolidation, Modification and Extension Agreement of this same date in the consolidated principal sum of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) which merges all prior Mortgages of Mortgagor to cause one new consolidated lien for purpose of saving Mortgage recording tax.

“Environmental Laws” means the New York Environmental Conservation Laws, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. s. 9601 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. s. 6901, et seq.), the New York Environmental Conservation Laws and all other federal, state and local laws, rules and regulations regarding environmental matters.

“Expenses” means any and all fees, out-of-pocket costs and expenses, including reasonable legal fees and disbursements, copying costs, delivery and postage charges and all filing and recording costs.

“Event of Default” has the meaning set forth in Section 8.

“Fixtures and Equipment” means all fixtures, machinery, equipment, appliances, goods, chattels, furniture, furnishings and personal property of every nature presently or in the future attached to, or used or intended to be used in connection with, the Land or Improvements, or to be erected on the Land or Improvements, or to be erected on the Land or Improvements, to the extent owned by Mortgagor, including gas and electric fixtures, radiators, heaters, engines, machinery, boilers,

ovens, elevators, bathtubs, sinks, water closets, faucets, air conditioning equipment, plumbing and heating fixtures, refrigerators, freezers, shades, blinds, draperies, carpets and all replacement and substitutions for, proceeds of, and warranties with respect to, such property.

“Governmental Authority” means any federal, state or local political subdivision, governmental authority, agency, commission or board.

“Guarantor(s)” means any Person who at any time guarantees payment or performance of any Obligations to the Mortgagee, and such Person’s successors or heirs, and assigns.

“Guaranty(ies)” means all guaranties of any Obligations presently or in the future executed by any Guarantor in favor of Mortgagee.

“Hazardous Substances” means any pollutants and dangerous substances including radon, and any “hazardous wastes” or “hazardous substances” as defined in any Environmental Law.

“Improvements” means all buildings, structures and other improvements of every nature presently or in the future on, attached to or used in connection with the Land, including all betterments, substitutions, replacements and proceeds, and all appurtenances, easements, rights of way or use, air rights, development rights, and other rights, privileges and appurtenances to the Mortgaged Property, and paved roads and walkways adjacent, or relating to, the foregoing or to the Land, and all claims or demands, either in law or in equity, in possession or expectancy, of, in, and to the Mortgaged Property.

“Land” means the land and property commonly known as 1001-1007 Third Avenue, New York, New York, designated Block 1414, Lot 48 on the official Tax Map of the County of New York, and having a legal description as set forth on Exhibit A to this Mortgage;

“Leases and Rents” means all rents, issues, profits, revenues, royalties and benefits now or hereafter due to Mortgagor in connection with the Land or Improvements including all rights and interests of Mortgagor as landlord under any existing and future leases with respect to the Land, Improvements and Fixtures and Equipment;

“Loan” means the loan in the principal sum of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) evidenced by the Note and secured by this Mortgage.

“Loan Documents” means this Mortgage, the Note, the Mortgage Consolidation, Modification and Extension Agreement, the Guaranty, the Commitment Letter and all other agreements, documents, notes, affidavits and certificates executed in connection with this Mortgage.

“Mortgage” and “Consolidated Mortgage” as referred in the Consolidation Agreement means this mortgage given by Mortgagor to Mortgagee to secure the Note and all modifications, renewals and extensions of, and all amendments or supplements to, this mortgage; this Mortgage is the Mortgage referred to in the Note and Consolidated Note as referred to in the Consolidation Agreement.

“Mortgagee” means the mortgagee named in the above caption of this Mortgage and its successors and assigns.

“Mortgagor” means the mortgagor named in the above caption of this Mortgage and its successors and assigns.

“Mortgaged Property” shall have the meaning set forth in Section 3 of this Mortgage.

“Note” and “Consolidated Note” as referred to in the Consolidation Agreement means the consolidated, amended and restated mortgage promissory note of this same date from Mortgagor to the order of Mortgagee in the original principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) as amended, modified, renewed, extended or replaced from time to time.

“Obligations” means all debts, liabilities, duties and obligations owing from any Obligor to Mortgagee, whether direct or indirect, now existing or in the future created or acquired, contingent or non-contingent, due or to become due, liquidated or unliquidated, including the Note, any Guaranty of the Note, all other Loan Documents, all modifications thereof and all expenses of Mortgagee to protect the Mortgaged Property or Mortgagee’s interest in the Mortgaged Property.

“Obligor(s)” means each Mortgagor and each Guarantor, and every other Person who may now or in the future have any duties, debts or liabilities to Mortgagee pursuant to any Loan Document.

“Other Rights” means all other rights whatsoever that any Mortgagor or any other future owner has or may acquire in the Land, Improvements, Fixtures and Equipment, Awards and Proceeds and all other above-described property and interests, including all rights, privileges, rights of way, easements, public spaces, streets, alleys, appurtenances and sewer, air, mineral, water and subsurface rights of all kinds and all agreements, licenses, contracts and permits affecting the Mortgaged Property.

“Permitted Encumbrances” means (a) any lien for municipal real estate taxes, assessments or utilities that are not yet due and payable, and (b) any easements that do not, in Mortgagee’s reasonable judgment, interfere with the intended use or operation, or impair the value, of the Mortgaged Property, and (c) any other interests expressly referenced on Exhibit B to this Mortgage or on Schedule B-I of that certain Title Insurance Policy No. 7230732-219191985 issued by New York Metro Title Agency, Inc. in connection with this Mortgage.

“Person(s)” means an individual, corporation, limited liability company, non-profit corporation, partnership, limited partnership, joint venture, trust, joint stock company, unincorporated organization, association, Governmental Authority or other business entity.

“Prime Rate” means the rate of interest that Mortgagee adopts from time to time as its official prime rate. The Prime Rate is not tied to any external rate of interest or index and does not necessarily reflect the lowest rate of interest actually charged at any given time by Mortgagee to any particular class or category of customers of Mortgagee. Any change in the Prime Rate shall be effective immediately when adopted by the Mortgagee, without notice to any Obligor.

“Section” means a section or subsection of this Mortgage.

“Transfer” means any change in ownership or control, whether or not that change is voluntary, involuntary or by operation of law, direct or indirect, or by merger (regardless of who is the

survivor of that merger) or by any pledge, mortgage, assignment, sale, lease, lien, encumbrance, option, transfer or disposal of any kind.

To “Use” a substance means to generate, store, refine, treat, discharge, handle, refine, spill, release, emit, leach or dispose of that substance in any manner.

Appendix A-4

PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT (this “Agreement”) is dated March 13, 2020 by and between **SUTTON HILL PROPERTIES, LLC**, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (the “Pledgor”) and **VALLEY NATIONAL BANK**, a national banking association at its offices at 1455 Valley Road, Wayne, New Jersey 07470 (the “Lender”).

1. Pledge. In consideration of the Lender’s extending credit and other financial accommodations to or for the benefit of the Pledgor, whether evidenced by notes or not, the Pledgor hereby grants to the Lender a security interest in, a lien on and pledge and assignment of the Collateral (as hereinafter defined). The security interest granted by this Agreement is given to and shall be held by the Lender as security for the payment and performance of all Obligations (as hereinafter defined), including without limitation, all amounts due and owing to the Lender and all obligations respecting that certain Consolidated, Amended and Restated Mortgage Promissory Note dated of even date herewith made by the Pledgor in favor of the Lender in the original principal amount of \$25,000,000.00 (the “Note”) and that certain Amended and Restated Mortgage and Security Agreement dated of even date herewith made by the Pledgor in favor of the Lender in the original principal amount of \$25,000,000.00 (the “Mortgage” and, along with the Note and all other agreements, documents, certificates and instruments delivered in connection therewith, collectively, the “Loan Documents”), and any substitutions, modifications, extensions or amendments to any of the Loan Documents. The Lender shall have the unrestricted right from time to time to apply (or to change any application already made of) the proceeds of any of the Collateral to any of the Obligations, as the Lender in its sole discretion may determine.

2. Definitions. The following definitions shall apply:

(a) “Code” shall mean the Uniform Commercial Code in effect in New York, as amended from time to time.

(b) “Collateral” shall mean all the Pledgor’s present and future right, title and interest in and to any and all of the property listed on Schedule A attached hereto, any additional property which may at any time and from time to time be delivered by or on behalf of the Pledgor to the Lender to be held pursuant to this Agreement, all books, records, and papers relating to the foregoing, and all proceeds of the foregoing, including, without limitation, all deposit accounts and all cash, securities, instruments, promissory notes or other property at any time and from time to time receivable or otherwise distributed in respect of or in exchange for any of or all of the foregoing.

(c) “Event of Default” shall mean the occurrence of any one or more of the following events: (i) default beyond the expiration of any applicable grace, notice or cure periods of any liability, obligation, covenant or undertaking of the Pledgor or any guarantor of the Obligations to the Lender, hereunder or otherwise, including, without limitation, failure to pay in full and when due any installment of principal or interest or default of the Pledgor or any guarantor of the Obligations under any other Loan Document or any other agreement with the Lender; (ii)

failure beyond the expiration of any applicable grace, notice or cure periods of the Pledgor or any guarantor of the Obligations to maintain aggregate collateral security value reasonably satisfactory to the Lender; (iii) default beyond the expiration of any applicable grace, notice or cure periods of any material liability, obligation or undertaking of the Pledgor or any guarantor of the Obligations to any other party; (iv) if any statement, representation or warranty heretofore, now or hereafter made by the Pledgor or any guarantor of the Obligations in connection with this Agreement or in any supporting financial statement of the Pledgor or any guarantor of the Obligations shall be determined by the Lender to have been false or misleading in any material respect when made; (v) if the Pledgor or any guarantor of the Obligations is a corporation, trust, partnership or limited liability company, the liquidation, termination or dissolution of any such organization, or the merger or consolidation of such organization into another entity, or its ceasing to carry on actively its present business or the appointment of a receiver for its property; (vi) the death of the Pledgor or any guarantor of the Obligations and, if the Pledgor or any guarantor of the Obligations is a partnership or limited liability company, the death of any partner or member; (vii) the institution by or against the Pledgor or any guarantor of the Obligations of any proceedings under the Bankruptcy Code 11 USC §101 *et seq.* or any other law in which the Pledgor or any guarantor of the Obligations is alleged to be insolvent or unable to pay its debts as they mature, provided, however, that Pledgor or any such guarantor shall have sixty (60) days to obtain a court order dismissing any bankruptcy or insolvency proceeding that is filed without consent of the Pledgor or any such guarantor, or the making by the Pledgor or any guarantor of the Obligations of an assignment for the benefit of creditors or the granting by the Pledgor or any guarantor of the Obligations of a trust mortgage for the benefit of creditors; (viii) the service upon the Lender of a writ in which the Lender is named as trustee of the Pledgor or any guarantor of the Obligations; (ix) a judgment or judgments for the payment of money shall be rendered against the Pledgor or any guarantor of the Obligations, and any such judgment shall remain unsatisfied and in effect for any period of thirty (30) consecutive days without a stay of execution; (x) any levy, lien (including mechanics lien), seizure, attachment, execution or similar process shall be issued or levied on any of the property of the Pledgor or any guarantor of the Obligations, which is not, within thirty (30) days of such seizure, issuance, levy or imposition, released, discharged or fully bonded to the reasonable satisfaction of Lender; (xi) the termination or revocation of any guaranty of the Obligations; or (xii) the occurrence of such a change in the condition or affairs (financial or otherwise) of the Pledgor or any guarantor of the Obligations, or the occurrence of any other event or circumstance, such that the Lender, in its sole discretion, reasonably exercised, deems that it is insecure or that the prospects for timely or full payment or performance of any obligation of the Pledgor or any guarantor of the Obligations to the Lender has been or may be impaired.

(d) “Lender Affiliate” shall mean any “Affiliate” of the Lender or any lender acting as a participant under any loan arrangement between the Lender and the Borrower(s). The term “Affiliate” shall mean with respect to any person, (a) any person which, directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such person, or (b) any person who is a director or officer (i) of such person, (ii) of any subsidiary of such person, or (iii) any person described in clause (a) above. For purposes of this definition, control of a person shall mean the power, direct or indirect, (x) to vote 5% or more of the Capital Stock having ordinary voting power for the election of directors (or comparable equivalent) of such person, or (y) to direct or cause the direction of the management and policies of such person whether by contract or otherwise. Control may be by ownership, contract, or otherwise.

(e) Intentionally omitted.

(f) “Obligation(s)” shall include without limitation all loans, advances, indebtedness, notes, liabilities and amounts, liquidated or unliquidated, owing by the Pledgor to the Lender at any time, of each and every kind, nature and description, whether arising under this Agreement, any of the Loan Documents or otherwise, and whether secured or unsecured, direct or indirect (that is, whether the same are due directly by the Pledgor to the Lender; or are due indirectly by the Pledgor to the Lender as endorser, guarantor or other surety, or as obligor of obligations due third persons which have been endorsed or assigned to the Lender, or otherwise), absolute or contingent, due or to become due, now existing or hereafter contracted, including, without limitation, payment when due of all amounts outstanding respecting any of the Loan Documents. Said term shall also include all interest and other charges chargeable to the Pledgor or due from the Pledgor to the Lender from time to time and all costs and expenses referred to in this Agreement.

(g) “Person” or “party” shall include individuals, partnerships, corporations, limited liability companies and all other entities.

All words and terms used in this Agreement other than those specifically defined herein shall have the meanings accorded to them in the Code.

3. Costs and Expenses. The Pledgor shall pay to the Lender within ten (10) days after demand any and all costs and expenses (including, without limitation, reasonable attorneys’ fees and disbursements, court costs, litigation and other expenses) incurred or paid by the Lender in establishing, maintaining, protecting or enforcing any of the Lender’s rights or the Obligations, including, without limitation, any and all such costs and expenses incurred or paid by the Lender in defending the Lender’s security interest in, title or right to the Collateral or in collecting or attempting to collect or enforcing or attempting to enforce payment of the Obligations.

4. Affirmative Covenants. The Pledgor shall: (a) keep the Collateral free and clear of all liens, encumbrances, attachments, security interests, pledges and charges (other than with respect to real estate taxes not yet due and payable) except in favor of the Lender; (b) deliver to the Lender, if and when received by the Pledgor, any item representing or constituting any of the Collateral, including, without limitation, all cash dividends, all promissory notes, certificates of deposit, passbooks and instruments and all stock certificates whether now existing or hereafter received as a result of any stock dividends, stock splits or otherwise; and (c) not exercise any right with respect to the Collateral which would dilute or adversely affect the Lender’s rights in the Collateral.

5. Power of Attorney. The Pledgor hereby irrevocably constitutes and appoints the Lender as the Pledgor’s true and lawful attorney, with full power of substitution at the sole cost and expense of the Pledgor but for the sole benefit of the Lender, to endorse in favor of the Lender any of the Collateral; execute and deliver instruments of assignment and/or orders for withdrawal; cause the transfer of any of the Collateral in such name as the Lender may, from time to time, determine; cause the issuance of certificates for book entry and/or uncertificated securities; provide notification in connection with book entry securities or general intangibles and/or provide instructions to the issuers of uncertificated securities or securities intermediaries,

as necessary; to renew, extend or roll over any Collateral; and make demand and initiate actions to enforce any of the Obligations. The Lender may take such action with respect to the Collateral as the Lender may reasonably determine to be necessary to protect and preserve its interests in the Collateral. The Lender shall also have and may exercise at any time all rights, remedies, powers, privileges and discretion of the Pledgor with respect to and under the Collateral, provided, however, the Lender shall have no right until an Event of Default has occurred to exercise any voting rights available to the Pledgor at any time the Collateral is held by the Lender solely as pledgee hereunder. Except as limited above, all the rights, remedies, powers, privileges and discretion included in this paragraph may be exercised by the Lender whether or not any of the Obligations are then due and whether or not an Event of Default has occurred. All powers conferred upon Lender by this Agreement, being coupled with an interest, shall be irrevocable until this Agreement terminates in accordance with its terms, all Obligations are irrevocably paid in full and the Collateral is released. The power of attorney shall not be affected by subsequent disability or incapacity of the Pledgor. The Lender shall not be liable for any act or omission to act pursuant to this Paragraph except for any act or omission to act which is caused by the Lender's gross negligence or willful misconduct.

6. Further Assurances. The Pledgor will from time to time execute and deliver to the Lender such documents, and take or cause to be taken, all such other further action, as the Lender may request in order to effect and confirm or vest more securely in the Lender all rights contemplated by this Agreement (including, without limitation, to correct clerical errors) or to vest more fully in, or assure to the Lender the security interest in, the Collateral or to comply with applicable statute or law. To the extent permitted by applicable law, the Pledgor authorizes the Lender to file financing statements, continuation statements or amendments, and any such financing statements, continuation statements or amendments may be filed at any time in any jurisdiction. The Lender may at any time and from time to time file financing statements, continuation statements and amendments thereto which contain any information required by Article 9 of the Code for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment, including whether the Pledgor is an organization, the type of organization and any organization identification number issued to the Pledgor. The Pledgor agrees to furnish any such information to the Lender promptly upon request. In addition, the Pledgor shall at any time and from time to time take such steps as the Lender may reasonably request for the Lender (i) to obtain an acknowledgment, in form and substance satisfactory to the Lender, of any bailee having possession of any of the Collateral that the bailee holds such Collateral for the Lender, (ii) to obtain "control" of any Collateral comprised of investment property or deposit accounts (as such terms are defined in the Code), with any agreements establishing control to be in form and substance satisfactory to the Lender, and (iii) otherwise to insure the continued perfection and priority of the Lender's security interest in any of the Collateral and the preservation of its rights therein. The Pledgor hereby constitutes the Lender its attorney-in-fact to execute and file all filings required or so requested for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; and such power, being coupled with an interest, shall be irrevocable until this Agreement terminates in accordance with its terms, all Obligations are irrevocably paid in full and the Collateral is released.

7. Default. If an Event of Default shall occur, at the election of the Lender, all Obligations shall become immediately due and payable without notice or demand, except with

respect to Obligations payable on demand, which shall be due and payable on demand, whether or not an Event of Default has occurred.

The Lender is hereby authorized, at its election, after an Event of Default or after demand, without any further demand or notice except to such extent as notice may be required by applicable law, to sell or otherwise dispose of all or any of the Collateral at public or private sale and/or enforce and collect the Collateral (including, without limitation, the liquidation of deposit accounts, debt instruments or securities and the exercise of conversion rights with respect to convertible securities, whether or not such instruments or securities have matured and whether or not any penalties or other charges are imposed on account of such action); and the Lender may also exercise any and all other rights and remedies of a secured party under the Code or which are otherwise accorded to it by applicable law, all as the Lender may determine. If notice of a sale or other action by the Lender is required by applicable law, the Pledgor agrees that ten (10) days' written notice to the Pledgor, or the shortest period of written notice permitted by law, whichever is longer, shall be sufficient notice; and that to the extent permitted by law, the Lender, its officers, attorneys and agents may bid and become purchasers at any such sale, if public, and may purchase at any private sale any of the Collateral that is of a type customarily sold on a recognized market or which is the subject of widely distributed standard price quotations. Any sale (public or private) shall be free from any right of redemption, which the Pledgor hereby waives and releases. No purchaser at any sale (public or private) shall be responsible for the application of the purchase money. Any balance of the net proceeds of sale remaining after paying all Obligations of the Pledgor to the Lender shall be returned to the Pledgor or to such other party as may be legally entitled thereto; and if there is a deficiency, the Pledgor shall be responsible for the same, with interest. The Pledgor acknowledges that any exercise by the Lender of the Lender's rights upon default may be subject to compliance by the Lender with any statute, regulation, ordinance, directive or order of any Federal, state, municipal or other governmental authority, and may impose, without limitation, any of the foregoing restricting the sale of securities. The Lender, in its sole discretion at any such sale, may restrict the prospective bidders or purchasers as to their number, nature of business and investment intentions, and may impose, without limitation, a requirement that the persons making such purchases represent and agree, to the satisfaction of the Lender, that they are purchasing the Collateral for their own account, for investment, and not with a view to the distribution or resale thereof. The proceeds of any collection or of any sale or disposition of the Collateral held pursuant to this Agreement shall be applied towards the Obligations in such order and manner as the Lender determines in its sole discretion, any statute, custom or usage to the contrary notwithstanding.

8. Safe Custody and Exclusivity. The Lender shall have no duty as to the Collateral or protection of the Collateral or any income or distribution thereon, beyond the safe custody of such of the Collateral as may come into the possession of the Lender, and shall have no duty as to the preservation of rights against prior parties or any other rights pertaining thereto. The Lender's Rights and Remedies (as defined herein) may be exercised without resort or regard to any other source of satisfaction of the Obligations.

9. Waivers. The Pledgor waives notice of intent to accelerate, notice of acceleration, notice of nonpayment, demand, presentment, protest or notice of protest of the Obligations, and all other notices, consents to any renewals or extensions of time of payment thereof, and generally waives any and all suretyship defenses and defenses in the nature thereof. No course

of dealing and no delay or omission of the Lender in exercising or enforcing any of its rights, powers, privileges, remedies, immunities or discretion (all of which are hereinafter collectively referred to as the "Lender's Rights and Remedies") hereunder or under applicable law shall constitute a waiver thereof; and no waiver by the Lender of any default of the Pledgor hereunder or of any demand hereunder shall operate as a waiver of any other default hereunder or any other demand hereunder. No term or provision hereof shall be waived, altered or modified except with the prior written consent of the Lender, which consent makes explicit reference to this Agreement. Except as provided in the preceding sentence, no other agreement or transaction, of whatsoever nature, entered into between the Lender and the Pledgor at any time (whether before, during or after the effective date or term of this Agreement) shall be construed in any particular way as a waiver, modification or limitation of any of the Lender's Rights and Remedies under this Agreement (nor shall anything in this Agreement be construed as a waiver, modification or limitation of any of the Lender's Rights and Remedies under any such other agreement or transaction) but all the Lender's Rights and Remedies not only under the provisions of this Agreement but also under any such other agreement or transaction shall be cumulative and not alternative or exclusive, and may be exercised by the Lender at such time or times and in such order of preference as the Lender in its sole discretion may determine.

10. Severability. If any provision of this Agreement or portion of such provision or the application thereof to any person or circumstance shall to any extent be held invalid or unenforceable, the remainder of this Agreement (or the remainder of such provision) and the application thereof to other persons or circumstances shall not be affected thereby.

11. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute but one agreement.

12. Complete Agreement. This Agreement and the other Loan Documents constitute the entire agreement and understanding between and among the parties hereto relating to the subject matter hereof, and supersedes, all prior proposals, negotiations, agreements and understandings among the parties hereto with respect to such subject matter.

13. Binding Effect of Agreement. This Agreement shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, legal representatives, successors and assigns of the parties hereto, and shall remain in full force and effect (and the Lender shall be entitled to rely thereon) until released in writing by the Lender. The Lender may transfer and assign this Agreement and deliver the Collateral to the assignee, who shall thereupon have all of the Lender's Rights and Remedies; and the Lender shall then be relieved and discharged of any responsibility or liability with respect to this Agreement and the Collateral. Except as expressly provided herein or in the other Loan Documents, nothing, expressed or implied, is intended to confer upon any party, other than the parties hereto, any rights, remedies, obligations or liabilities under or by reason of this Agreement or the other Loan Documents.

14. Notices. Any notices under or pursuant to this Agreement shall be deemed duly received and effective if delivered in hand to any officer or agent of the Pledgor or Lender, or if mailed by registered or certified mail, return receipt requested, addressed to the Pledgor or Lender at the address set forth in this Agreement or as any party may from time to time designate by written notice to the other party.

15. Governing Law. This Agreement shall be governed by the laws of the State of New York.

16. JURY WAIVER. THE PLEDGOR AND LENDER (BY ITS ACCEPTANCE HEREOF) EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, AND AFTER AN OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL, (A) WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING IN CONNECTION WITH THIS AGREEMENT, THE OBLIGATIONS, ALL MATTERS CONTEMPLATED HEREBY AND DOCUMENTS EXECUTED IN CONNECTION HERewith AND (B) AGREE NOT TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CAN NOT BE, OR HAS NOT BEEN WAIVED. THE PLEDGOR CERTIFIES THAT NEITHER THE LENDER NOR ANY OF ITS REPRESENTATIVES, AGENTS OR COUNSEL HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT IN THE EVENT OF ANY SUCH PROCEEDING SEEK TO ENFORCE THIS WAIVER OF RIGHT TO TRIAL BY JURY.

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PLEDGOR:

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company
qualified to do business in New York

By: Citadel Cinemas, Inc.,
a Nevada corporation,
its Manager

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer and Treasurer

**UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT
(Outside of New York State)**

State, District of Columbia, Territory, Possession, or Foreign Country

State of _____)
County of _____) ss:
_____)

On the _____ day of March in the year 2020 before me, the undersigned, personally appeared Gilbert Avanes personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual(s) made such appearance before the undersigned in the _____
(insert city or other political subdivision and state or country or other place the acknowledgment was taken).

(signature and office of individual taking acknowledgment)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of)

On _____ before me, /s/ Michael James Conroy "as Notary Public",

Date Name and Title of the Officer

Here Insert

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

personally appeared /s/ Gilbert Avanes

Name(s) of Signer(s)

Signature /s/ Michael James Conroy

Signature of Notary Public

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Corporate Officer — Title(s): _____

Partner — Limited General

Partner — Limited General

Individual Attorney in Fact

Individual Attorney in Fact

Trustee Guardian or Conservator

Trustee Guardian or Conservator

Other: _____

Other: _____

Signer Is Representing: _____

Signer Is Representing: _____

SCHEDULE A

Pledged Collateral

1. Account No. **[Redacted]** with the Lender, plus all interest, if any, which accrues thereon.

ADA AND ENVIRONMENTAL INDEMNITY AGREEMENT

ADA AND ENVIRONMENTAL INDEMNITY AGREEMENT (this “Agreement”) made as of the 13th day of March, 2020 by **SUTTON HILL PROPERTIES, LLC**, a Nevada limited liability company, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (the “Borrower”) and **READING INTERNATIONAL, INC.**, a Nevada corporation, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (the “Guarantor” and, together with Borrower, collectively, the “Indemnitor”) in favor of **VALLEY NATIONAL BANK**, having an office at 1455 Valley Road, Wayne, New Jersey 07470, (the “Lender” or “Indemnified Party”) and other Indemnified Parties (defined below).

RECITALS:

A. Lender is prepared to make a first mortgage loan to Borrower of even date herewith in the original principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) (the “Loan”).

B. The Loan is to made pursuant to that certain Consolidated, Amended and Restated Mortgage Promissory Note of even date herewith made by Borrower in favor of Lender (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the “Note”), which Loans are secured by, among other things, the Property (hereinafter defined) pursuant to that certain Mortgage Consolidation, Extension and Modification Agreement of even date herewith made by Borrower in favor of Lender (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the “Mortgage”).

C. Guarantor is the owner of direct or indirect interests in Borrower, and Guarantor will directly or indirectly and substantially benefit from the Lender making the Loan to Borrower.

D. Lender is unwilling to make the Loan unless Indemnitor agrees to provide the indemnification, representations, warranties, covenants and other matters described in this Agreement for the benefit of the Indemnified Parties.

E. Indemnitor is entering into this Agreement to induce Lender to make the Loan to Borrower.

F. “Property” shall mean 1001-1007 Third Avenue, New York, New York, as more fully described on Schedule A attached hereto.

AGREEMENT

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Indemnitor hereby represents, warrants, covenants and agrees for the benefit of the Indemnified Parties as follows:

1 Representations and Warranties.

Except as otherwise disclosed by that certain Phase I environmental report (or Phase II environmental report, if required) in respect of the Property (referred to below as the “Environmental Report”), an accurate and complete copy of which has been provided to Lender, (a) there are no Hazardous Substances (defined below) or underground storage tanks in, on, or under the Property, except those that are both (i) in compliance with all Environmental Laws (defined below) and with permits issued pursuant thereto and (ii) fully disclosed to Lender in writing pursuant to the Environmental Report; (b) there are no past, present or threatened Releases (defined below) of Hazardous Substances in, on, under or from the Property which have not been fully remediated in accordance with Environmental Law; (c) there is no threat of any Release of Hazardous Substances migrating to the Property; (d) there is no past or present non-compliance with Environmental Laws, or with permits issued pursuant thereto, in connection with the Property which has not been fully remediated in accordance with Environmental Law; (e) Indemnitor does not know of, and has not received, any written or oral notice or other communication from any Person (including but not limited to a Governmental Authority) relating to Hazardous Substances or Remediation (defined below) thereof, or possible liability of any Person pursuant to any Environmental Law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with any of the foregoing; and (f) Indemnitor has truthfully and fully provided to Lender, in writing, any and all information relating to conditions in, on, under or from the Property that is known to Indemnitor and that is contained in files and records of Indemnitor, including but not limited to any reports relating to Hazardous Substances in, on, under or from the Property and/or to the environmental condition of the Property.

2 Covenants.

(a) Indemnitor covenants and agrees that: (a) all uses and operations on or of the Property, whether by Indemnitor or any other Person, shall be in compliance with all Environmental Laws and permits issued pursuant thereto; (b) there shall be no Releases of Hazardous Substances in, on, under or from the Property; (c) there shall be no Hazardous Substances in, on, or under the Property, except those that are both (i) in compliance with all Environmental Laws and with permits issued pursuant thereto and (ii) fully disclosed to Lender in writing; (d) Indemnitor shall keep the Property free and clear of all liens and other encumbrances imposed pursuant to any Environmental Law, whether due to any act or omission of Indemnitor or any other Person (the “Environmental Liens”); (e) Indemnitor shall, at its sole cost and expense, fully and expeditiously cooperate in all activities pursuant to Paragraph 3 of this Agreement, including but not limited to providing all relevant information and making knowledgeable Persons available for interviews; (f) at any time after the occurrence and during the continuance of an Event of Default (as defined in the Mortgage) or after Lender shall have reasonable grounds to believe that, other than as previously disclosed to Lender in the Environmental Report, Hazardous Substances are or have been released, stored or disposed of on the Property, or that any part of the Property may be in violation of Environmental Laws, then pursuant to a written request from Lender, Indemnitor shall, at its sole cost and expense, perform any environmental site assessment

or other investigation of environmental conditions in connection with the Property, pursuant to any reasonable written request of Lender (including but not limited to sampling, testing and analysis of soil, water, air, building materials, and other materials and substances whether solid, liquid or gas), and share with Lender the reports and other results thereof, and Lender and the other Indemnified Parties shall be entitled to rely on such reports and other results thereof; (g) Indemnitor shall, at its sole cost and expense, comply with all reasonable written requests of Lender to (i) effectuate Remediation of any condition (including but not limited to a Release of a Hazardous Substance) in, on, under or from the Property; (ii) comply with any Environmental Law; (iii) comply with any directive from any Governmental Authority; and (iv) take any other reasonable action necessary or appropriate for protection of human health or the environment; (h) Indemnitor shall not do or allow any tenant or other user of the Property to do any act that materially increases the dangers to human health or the environment, poses an unreasonable risk of harm to any Person (whether on or off the Property), impairs or may impair in any material respect the value of the Property, is contrary to any requirement of any insurer, constitutes a public or private nuisance, constitutes waste, or violates any covenant, condition, agreement or easement applicable to the Property; and (i) Indemnitor shall immediately notify Lender in writing of (A) any presence or Releases or threatened Releases of Hazardous Substances in, on, under, from or migrating towards the Property; (B) any non-compliance with any Environmental Laws related in any way to the Property; (C) any actual or potential Environmental Lien; (D) any required or proposed Remediation of environmental conditions relating to the Property; and (E) any written or oral notice or other communication of which any Indemnitor becomes aware from any source whatsoever (including but not limited to a Governmental Authority) relating in any way to Hazardous Substances or Remediation thereof, possible liability of any Person in connection with the Property pursuant to any Environmental Law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with anything referred to in this Agreement.

(b) Indemnitor covenants and agrees that (a) except as otherwise expressly set forth in the Disclosure Schedule (as defined in the Mortgage), the Property shall at all times comply with all requirements of the ADA, (b) Indemnitor shall, at its sole cost and expense, comply with all reasonable written requests of Lender to (i) effectuate compliance with the ADA and (ii) comply with any directive from any Governmental Authority relating to ADA compliance and (c) Indemnitor shall immediately notify Lender in writing of (i) any non-compliance with the ADA related in any way to the Property and (ii) any written or oral notice or other communication of which Indemnitor becomes aware from any source whatsoever (including but not limited to a Governmental Authority) relating in any way to the ADA or compliance therewith, possible liability of any Person pursuant to the ADA, or any actual or potential administrative or judicial proceedings in connection with anything referred to in this Agreement.

3 Indemnified Rights/Cooperation and Access.

(a) In the event the Indemnified Parties have reason to believe that an environmental hazard exists on the Property that does not, in the sole reasonable discretion of the Indemnified Parties, endanger any tenants or other occupants of the Property or their

guests or the general public or materially and adversely affects the value of the Property, upon reasonable notice from the Lender, Indemnitor shall, at Indemnitor's expense, promptly cause an engineer or consultant satisfactory to the Indemnified Parties to conduct any environmental assessment or audit (the scope of which shall be determined in the sole and absolute discretion of the Indemnified Parties) and take any samples of soil, groundwater or other water, air, or building materials or any other invasive testing requested by Lender and promptly deliver the results of any such assessment, audit, sampling or other testing; provided, however, if such results are not delivered to the Indemnified Parties within a reasonable period or if the Indemnified Parties have reason to believe that an environmental hazard exists on the Property that, in the sole reasonable judgment of the Indemnified Parties, endangers any tenant or other occupant of the Property or their guests or the general public or may materially and adversely affect the value of the Property, upon reasonable notice to Indemnitor, the Indemnified Parties and any other Person designated by the Indemnified Parties, including but not limited to any receiver, any representative of a Governmental Authority, and any environmental consultant, shall have the right, but not the obligation, to enter upon the Property at all reasonable times to assess any and all aspects of the environmental condition of the Property and its use, including but not limited to conducting any environmental assessment or audit (the scope of which shall be determined in the sole and absolute discretion of the Indemnified Parties) and taking samples of soil, groundwater or other water, air, or building materials, and reasonably conducting other invasive testing. Indemnitor shall cooperate with and provide the Indemnified Parties and any such Person designated by the Indemnified Parties with access to the Property.

(b) In the event the Indemnified Parties have reason to believe that the Property is not in compliance with the ADA (other than with respect to conditions which have previously been disclosed in writing to Lender), upon reasonable notice from the Lender, Indemnitor shall, at Indemnitor's expense, promptly cause an engineer or consultant satisfactory to the Indemnified Parties to conduct any ADA assessment required by Lender (the scope of which shall be determined in the sole and absolute discretion of the Indemnified Parties) and promptly deliver the results of any such assessment. Indemnitor shall cooperate with and provide the Indemnified Parties and any such Person designated by the Indemnified Parties with access to the Property upon reasonable prior notice at all reasonable times (except in case of emergency).

4 Indemnification Indemnitor covenants and agrees, at its sole cost and expense, to protect, defend, indemnify, release and hold Indemnified Parties harmless from and against any and all Losses (defined below) imposed upon or incurred by or asserted against any Indemnified Parties and directly or indirectly arising out of or in any way relating to any one or more of the following: (a) any presence of any Hazardous Substances in, on, above, or under the Property; (b) any past, present or threatened Release of Hazardous Substances in, on, above, under or from the Property; (c) any activity by Indemnitor, any Person affiliated with Indemnitor, and any tenant or other user of the Property in connection with any actual, proposed or threatened use, treatment, storage, holding, existence, disposition or other Release, generation, production, manufacturing, processing, refining, control, management, abatement, removal, handling, transfer or transportation to or from the Property of any Hazardous Substances at any time located in, under, on or above the Property; (d) any activity by Indemnitor, any Person affiliated with Indemnitor,

and any tenant or other user of the Property in connection with any actual or proposed Remediation of any Hazardous Substances at any time located in, under, on or above the Property, whether or not such Remediation is voluntary or pursuant to court or administrative order, including but not limited to any removal, remedial or corrective action; (e) any past, present or threatened non-compliance or violations of any Environmental Laws (or permits issued pursuant to any Environmental Law) in connection with the Property or operations thereon, including but not limited to any failure by Indemnitor, any Person affiliated with Indemnitor, and any tenant or other user of the Property to comply with any order of any Governmental Authority in connection with any Environmental Laws; (f) the imposition, recording or filing or the threatened imposition, recording or filing of any Environmental Lien encumbering the Property; (g) any administrative processes or proceedings or judicial proceedings in any way connected with any matter addressed in this Agreement; (h) any past, present or threatened injury to, destruction of or loss of natural resources in any way connected with the Property, including but not limited to costs to investigate and assess such injury, destruction or loss; (i) any acts of Indemnitor, any Person affiliated with Indemnitor, and any tenant or other user of the Property in arranging for disposal or treatment, or arranging with a transporter for transport for disposal or treatment, of Hazardous Substances at any facility or incineration vessel containing such or similar Hazardous Substances; (j) any acts of Indemnitor, any Person affiliated with any Indemnitor, and any tenant or other user of the Property in accepting any Hazardous Substances for transport to disposal or treatment facilities, incineration vessels or sites from which there is a Release, or a threatened Release of any Hazardous Substance which causes the incurrence of costs for Remediation; (k) any personal injury, wrongful death, or property or other damage arising under any statutory or common law or tort law theory, including but not limited to damages assessed for private or public nuisance or for the conducting of an abnormally dangerous activity in, on or at the Property and any sidewalks, alleys or land in front of, adjoining or appurtenant to the Property or any portion thereof and used in conjunction therewith; and (l) any present or future non-compliance with the ADA and (m) misrepresentation or inaccuracy in any representation or warranty or material breach or failure to perform any covenants or other obligations pursuant to this Agreement. Notwithstanding anything set forth herein to the contrary, Indemnitor shall not be obligated to indemnify the Indemnified Parties for any Hazardous Substance or noncompliance with ADA which is first introduced to the Property on or after the date such Indemnified Parties take title to and/or possession and control of the Property through a receiver, foreclosure, deed-in-lieu of foreclosure, as mortgagee in possession or by any other means.

5 Duty to Defend and Attorneys and Other Fees and Expenses. Upon written request by any Indemnified Party, Indemnitor shall defend same (if requested by any Indemnified Party, in the name of the Indemnified Party) by attorneys and other professionals reasonably approved by the Indemnified Parties. Notwithstanding the foregoing, any Indemnified Parties may, in their sole and absolute discretion, engage their own attorneys and other professionals to defend or assist them, and, at the option of Indemnified Parties, their attorneys shall control the resolution of any claim or proceeding, providing that no compromise or settlement shall be entered without Indemnitor's consent, which consent shall not be unreasonably withheld, conditioned or delayed. Upon demand, Indemnitor shall pay or, in the sole and absolute discretion of the Indemnified Parties, reimburse, the Indemnified Parties for the payment of reasonable fees and disbursements of attorneys, engineers, environmental consultants, laboratories and other professionals in connection therewith.

6 Definitions. As used in this Agreement, the following terms shall have the following meanings:

The term “ADA” means the Americans with Disabilities Act of 1990, as amended and supplemented from time to time, and any New York City laws, rules, and regulations concerning the subject matter of the ADA.

The term “Environmental Law” means any present and future federal, state and local laws, statutes, ordinances, rules, regulations and the like, as well as common law, relating to protection of human health or the environment, relating to Hazardous Substances, relating to liability for or costs of other actual or threatened danger to human health or the environment.

The term “Environmental Law” includes, but is not limited to, the following statutes, as amended, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: the Comprehensive Environmental Response, Compensation and Liability Act; the Emergency Planning and Community Right-to-Know Act; the Hazardous Substances Transportation Act; the Resource Conservation and Recovery Act (including but not limited to Subtitle I relating to underground storage tanks); the Solid Waste Disposal Act; the Clean Water Act; the Clean Air Act; the Toxic Substances Control Act; the Safe Drinking Water Act; the Occupational Safety and Health Act; the Federal Water Pollution Control Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Endangered Species Act; the National Environmental Policy Act; and the River and Harbors Appropriation Act. The term “Environmental Law” also includes, but is not limited to, any present and future federal, state and local laws, statutes ordinances, rules, regulations and the like, as well as common law: conditioning transfer of property upon a negative declaration or other approval of a Governmental Authority of the environmental condition of the Property; requiring notification or disclosure of Releases of Hazardous Substances or other environmental condition of the Property to any Governmental Authority or other Person, whether or not in connection with transfer of title to or interest in property; imposing conditions or requirements in connection with permits or other authorization for lawful activity; relating to nuisance, trespass or other causes of action related to the Property; and relating to wrongful death, personal injury, or property or other damage in connection with any physical condition or use of the Property.

The term “Governmental Authority” means any federal, state or local political subdivision, governmental authority, agency, commission or board.

The term “Hazardous Substances” includes but is not limited to any and all substances (whether solid, liquid or gas) defined, listed, or otherwise classified as pollutants, hazardous wastes, hazardous substances, hazardous materials, extremely hazardous wastes, or words of similar meaning or regulatory effect under any present or future Environmental Laws or that may have a negative impact on human health or the environment, including but not limited to petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives, but excluding substances of kinds and in amounts ordinarily and customarily used or stored in similar properties for the purposes of cleaning or other maintenance or operations and otherwise in compliance with all Environmental Laws.

The term “Indemnified Parties” includes Lender, any Person who is or will have been involved in the origination of the Loan, any Person who is or will have been involved with the servicing of the Loan, any Person in whose name the encumbrance created by the Mortgage is or will have been recorded, Persons who may hold or acquire or will have held a full or partial interest in the Loan as well as the respective directors, officers, shareholders, partners, employees, agents, servants, representatives, contractors, subcontractors, affiliates, subsidiaries, participants, successors and assigns of any and all of the foregoing (including but not limited to any other Person who holds or acquires or will have held a participation or other full or partial interest in the Loan or the Property, whether during the term of the Loan or as a part of or following a foreclosure of the Loan and including, but not limited to, any successors by merger, consolidation or acquisition of all or a substantial portion of Lender’s assets and business).

The term “Legal Action” means any claim, suit or proceeding, whether administrative or judicial in nature.

The term “Losses” includes any losses, damages, costs, fees, expenses, claims, suits, judgments, awards, liabilities (including but not limited to strict liabilities), obligations, debts, diminutions in value, fines, penalties, charges, costs of Remediation (whether or not performed voluntarily), amounts paid in settlement, foreseeable and unforeseeable consequential damages, litigation costs, reasonable attorneys’ fees, engineers’ fees, environmental consultants’ fees, and investigation costs (including but not limited to costs for sampling, testing and analysis of soil, water, air, building materials, and other materials and substances whether solid, liquid or gas), of whatever kind or nature, and whether or not incurred in connection with any judicial or administrative proceedings, actions, claims, suits, judgments or awards.

The term “Person” means an individual, corporation, limited liability company, non-profit corporation, partnership, limited partnership, joint venture, trust, joint stock company, unincorporated organization, association, Governmental Authority or other business entity.

The term “Release” with respect to any Hazardous Substance includes but is not limited to any release, deposit, discharge, emission, leaking, leaching, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of Hazardous Substances.

The term “Remediation” includes but is not limited to any response, remedial, removal, or corrective action; any activity to clean up, detoxify, decontaminate, contain or otherwise remediate any Hazardous Substance; any actions to prevent, cure or mitigate any Release of any Hazardous Substance; any action to comply with any Environmental Laws or with any permits issued pursuant thereto; any inspection, investigation, study, monitoring, assessment, audit, sampling and testing, laboratory or other analysis, or evaluation relating to any Hazardous Substances or to anything referred to herein.

The term “Property” means the Property listed on Schedule A attached hereto.

7 Unimpaired Liability. The liability of Indemnitor under this Agreement shall in no way be limited or impaired by, and Indemnitor hereby consents to and agrees to be bound by, any amendment or modification of the provisions of the Note, the Mortgage or any other Loan

Document to or with Lender by Indemnitator or any Person who succeeds Indemnitator or any Person as owner of the Property. In addition, the liability of Indemnitator under this Agreement shall in no way be limited or impaired by (i) any extensions of time for performance required by the Note, the Loan Agreement, the Mortgage or any of the other Loan Documents, (ii) any sale or transfer of all or part of the Property, (iii) any exculpatory provision in the Note, the Loan Agreement, the Mortgage, or any of the other Loan Documents limiting Lender's recourse to the Property or to any other security for the Note, or limiting Lender's rights to a deficiency judgment against Indemnitator, (iv) the accuracy or inaccuracy of the representations and warranties made by Indemnitator under the Note, the Mortgage or any of the other Loan Documents or herein, (v) the release of Indemnitator or any other Person from performance or observance of any of the agreements, covenants, terms or condition contained in any of the other Loan Documents by operation of law, Lender's voluntary act, or otherwise, (vi) the release or substitution in whole or in part of any security for the Note, or (vii) Lender's failure to record the Mortgage or file any UCC financing statements (or Lender improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Note; and, in any such case, whether with or without notice to Indemnitator and with or without consideration.

8 Enforcement. Indemnified Parties may enforce the obligations of Indemnitator without first resorting to or exhausting any security or collateral or without first having recourse to the Note, the Loan Agreement, the Mortgage, or any other Loan Documents or any of the Property, through foreclosure proceedings or otherwise, provided, however, that nothing herein shall inhibit or prevent Lender from suing on the Note, foreclosing, or exercising any power of sale under, the Mortgage, or exercising any other rights and remedies thereunder. This Agreement is not collateral or security for the debt of Indemnitator pursuant to the Loan, unless Lender expressly elects in writing to make this Agreement additional collateral or security for the debt of Indemnitator pursuant to the Loan, which Lender is entitled to do in its sole and absolute discretion. It is not necessary for an Event of Default to have occurred pursuant to and as defined in the Mortgage for Indemnified Parties to exercise their rights pursuant to this Agreement. Indemnitator is fully and personally liable for the obligations pursuant to this Agreement and such liability is not limited to the original or amortized principal balance of the Loan or the value of the Property.

9 Survival. The obligations and liabilities of Indemnitator under this Agreement shall fully survive indefinitely notwithstanding any termination, satisfaction, assignment, entry of a judgment of foreclosure, exercise of any power of sale, or delivery of a deed in lieu of foreclosure of the Mortgage. Notwithstanding the foregoing or anything to the contrary contained herein, Indemnitator shall not have any liability with respect to Hazardous Substances which are (a) first introduced to the Property due to the gross negligence or willful misconduct of Lender, its agents or representatives, or (b) first introduced to the Property on or after the date upon which the Mortgagee takes possession and/or control of the Property, through a receiver, foreclosure, deed-in-lieu of foreclosure or as mortgagee in possession.

10 Interest. Any amounts payable to any Indemnified Parties under this Agreement shall become immediately due and payable on demand and, if not paid within thirty (30) days of such demand therefor, shall bear interest at the Default Interest Rate from the date of demand until paid in full.

11 Waivers.

(a) To the fullest extent permitted by law, Indemnitor hereby waives (i) any right or claim of right to cause a marshaling of Indemnitor's assets or to cause Lender or other Indemnified Parties to proceed against any of the security for the Loan before proceeding under this Agreement against Indemnitor; (ii) and relinquishes all rights and remedies accorded by applicable law to indemnitors or guarantors, except any rights of subrogation which Indemnitor may have, provided that the indemnity provided for hereunder shall neither be contingent upon the existence of any such rights of subrogation nor subject to any claims or defenses whatsoever which may be asserted in connection with the enforcement or attempted enforcement of such subrogation rights including, without limitation, any claim that such subrogation rights were abrogated by any acts of Lender or other Indemnified Parties; (iii) the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against or by Lender or other Indemnified Parties; (iv) notice of acceptance hereof and of any action taken or omitted in reliance hereon; (v) presentment for payment, demand of payment, protest or notice of nonpayment or failure to perform or observe, or other proof, or notice or demand; and (vi) all homestead exemption rights against the obligations hereunder and the benefits of any statutes of limitations or repose. Notwithstanding anything to the contrary contained herein, Indemnitor hereby agrees to postpone the exercise of any rights of subrogation with respect to any collateral securing the Loan until the Loan shall have been paid in full.

(b) INDEMNITOR AND, BY ITS ACCEPTANCE HEREOF, LENDER, EACH HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN EVIDENCED BY THE NOTE, THE APPLICATION FOR THE LOAN EVIDENCED BY THE NOTE, THE MORTGAGE, THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS OR ANY ACTS OR OMISSIONS OF ANY INDEMNIFIED PARTIES IN CONNECTION THEREWITH.

12 Subrogation. Indemnitor shall take any and all reasonable actions, including institution of legal action against third parties, necessary or appropriate to obtain reimbursement, payment or compensation from such Persons responsible for the presence of any Hazardous Substances at, in, on, under or near the Property or otherwise obligated by law to bear the cost. Indemnified Parties shall be and hereby are subrogated to all of Indemnitor's rights now or hereafter in such claims.

13 Indemnitor's Representations and Warranties. Indemnitor represents and warrants that:

(a) it has the full power and authority to execute and deliver this Agreement and to perform its obligations hereunder; the execution, delivery and performance of this Agreement by Indemnitor has been duly and validly authorized; and all requisite action has been taken by Indemnitor to make this Agreement valid and binding upon Indemnitor, enforceable in accordance with its terms;

(b) its execution of, and compliance with, this Agreement is in the ordinary course of business of Indemnitor and will not result in the breach of any term or provision of the charter, by-laws, partnership or trust agreement, or other governing instrument of Indemnitor or result in the breach of any term or provision of, or conflict with or constitute a default under, or result in the acceleration of any obligation under, any agreement, indenture or loan or credit agreement or other instrument to which Indemnitor or the Property is subject, or result in the violation of any law, rule, regulation, order, judgment or decree to which Indemnitor or the Property is subject;

(c) except as otherwise expressly set forth in the Disclosure Schedule, to the best of Indemnitor's knowledge, there is no action, suit, proceeding or investigation pending or threatened against it which, either in any one instance or in the aggregate, may result in any material adverse change in the business, operations, financial condition, properties or assets of Indemnitor, or in any material impairment of the right or ability of Indemnitor to carry on its business substantially as now conducted, or in any material liability on the part of Indemnitor, or which would draw into question the validity of this Agreement or of any action taken or to be taken in connection with the obligations of Indemnitor contemplated herein, or which would be likely to impair materially the ability of Indemnitor to perform under the terms of this Agreement;

(d) it does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant contained in this Agreement;

(e) to the best of Indemnitor's knowledge, no approval, authorization, order, license or consent of, or registration or filing with, any Governmental Authority or other Person, and no approval, authorization or consent of any other party is required in connection with this Agreement; and

(f) this Agreement constitutes a valid, legal and binding obligation of Indemnitor, enforceable against it in accordance with the terms hereof.

14 No Waiver. No delay by any Indemnified Party in exercising any right, power or privilege under this Agreement shall operate as a waiver of any such privilege, power or right.

15 Notice of Legal Actions. Each party hereto shall, within ten (10) days of receipt thereof, give written notice to the other party hereto of (i) any notice, advice or other communication from any Governmental Authority or any source whatsoever with respect to Hazardous Substances or the ADA on, from or affecting the Property, and (ii) any legal action brought against such party or related to the Property, with respect to which Indemnitor may have liability under this Agreement. Such notice shall comply with the provisions of Section 18 hereof.

16 Examination of Books and Records. Indemnified Parties and their accountants shall have the right at all reasonable times upon reasonable prior notice to examine the records, books, management and other papers of Indemnitor which reflect upon its financial condition, at the Property or at the office regularly maintained by Indemnitor where the books and records are located. Indemnified Parties and their accountants shall have the right to make copies and extracts from the foregoing records and other papers. In addition, at reasonable times and upon reasonable

notice, Indemnified Parties and their accountants shall have the right to examine and audit the books and records of Indemnitor pertaining to the income, expenses and operation of the Property during reasonable business hours at the office of Indemnitor where the books and records are located.

17 Taxes. Indemnitor has filed all federal, state, county, municipal, and city income and other tax returns required to have been filed by it and has paid all taxes and related liabilities which have become due pursuant to such returns or pursuant to any assessments received by it. Indemnitor has no knowledge of any basis for any additional assessment in respect of any such taxes and related liabilities for prior years.

18 Notices. All notices or other written communications hereunder shall be made in accordance with the Mortgage.

19 Duplicate Originals; Counterparts. This Agreement may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Agreement may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Agreement. The failure of any party hereto to execute this Agreement, or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder.

20 No Oral Change. This Agreement, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Indemnitor or any Indemnified Party, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

21 Headings, Etc. The headings and captions of various paragraphs of this Agreement are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

22 Number and Gender/Successors and Assigns. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the Person or Persons referred to may require. Without limiting the effect of specific references in any provision of this Agreement, the term "Indemnitor" shall be deemed to refer to each and every Person comprising an Indemnitor from time to time, as the sense of a particular provision may require, and to include the heirs, executors, administrators, legal representatives, successors and assigns of Indemnitor, all of whom shall be bound by the provisions of this Agreement, and the obligations and liabilities of each such Person shall be joint and several, provided that no obligation of Indemnitor may be assigned except with the written consent of Lender. Each reference herein to Lender shall be deemed to include its successors and assigns. This Agreement shall inure to the benefit of Indemnified Parties and their respective successors and assigns forever.

23 Release of Liability. Any one or more parties liable upon or in respect of this Agreement may be released with the written consent of Lender without affecting the liability of any party not so released.

24 Rights Cumulative. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies which Lender has under the Note, the Mortgage, the Loan Agreement or the other Loan Documents or would otherwise have at law or in equity.

25 Inapplicable Provisions. If any term, condition or covenant of this Agreement shall be held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such provision.

26 Governing Law.

A. THIS AGREEMENT WAS NEGOTIATED IN THE STATE OF NEW YORK, AND MADE BY INDEMNITOR AND ACCEPTED BY LENDER IN THE STATE OF NEW YORK, AND THE PROCEEDS OF THE NOTE SECURED BY THE MORTGAGE WERE DISBURSED FROM THE STATE OF NEW YORK, WHICH STATE THE PARTIES HEREBY AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREBY, AND IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA, EXCEPT THAT AT ALL TIMES THE PROVISIONS FOR THE CREATION, PERFECTION, AND ENFORCEMENT OF THE LIENS AND SECURITY INTERESTS CREATED PURSUANT HERETO AND PURSUANT TO THE OTHER LOAN DOCUMENTS WITH RESPECT TO THE PROPERTY SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAW OF THE STATE IN WHICH THE PROPERTY IS LOCATED, IT BEING UNDERSTOOD THAT, TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, THE LAW OF THE STATE OF NEW YORK SHALL GOVERN THE CONSTRUCTION, VALIDITY AND ENFORCEABILITY OF ALL LOAN DOCUMENTS AND ALL OF THE OBLIGATIONS ARISING HEREUNDER OR THEREUNDER. TO THE FULLEST EXTENT PERMITTED BY LAW, INDEMNITOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS AGREEMENT AND THE NOTE, AND THIS AGREEMENT AND THE NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.

B. ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR INDEMNITOR ARISING OUT OF OR RELATING TO THIS AGREEMENT MAY AT LENDER'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE CITY OF NEW YORK, COUNTY OF NEW YORK, PURSUANT TO SECTION 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, AND INDEMNITOR WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR

PROCEEDING, AND INDEMNITOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING. INDEMNITOR DOES HEREBY DESIGNATE AND APPOINT:

Jeffrey M. Diamond, Esq.
Marcus Rosenberg & Diamond LLP
488 Madison Avenue, 17th Floor
New York, NY 10022-5702

AS ITS AUTHORIZED AGENT TO ACCEPT AND ACKNOWLEDGE ON ITS BEHALF SERVICE OF ANY AND ALL PROCESS WHICH MAY BE SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY FEDERAL OR STATE COURT IN NEW YORK, NEW YORK, AND AGREES THAT SERVICE OF PROCESS UPON SAID AUTHORIZED AGENT AT SAID ADDRESS AND WRITTEN NOTICE OF SAID SERVICE MAILED OR DELIVERED TO INDEMNITOR IN THE MANNER PROVIDED HEREIN SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON INDEMNITOR IN ANY SUCH SUIT, ACTION OR PROCEEDING IN THE STATE OF NEW YORK. INDEMNITOR (I) SHALL GIVE PROMPT NOTICE TO AGENT OF ANY CHANGED ADDRESS OF ITS AUTHORIZED AGENT HEREUNDER, (II) MAY AT ANY TIME AND FROM TIME TO TIME DESIGNATE A SUBSTITUTE AUTHORIZED AGENT WITH AN OFFICE IN NEW YORK, NEW YORK (WHICH SUBSTITUTE AUTHORIZED AGENT AND OFFICE SHALL BE DESIGNATED AS THE PERSON AND ADDRESS FOR SERVICE OF PROCESS), AND (III) SHALL PROMPTLY DESIGNATE SUCH A SUBSTITUTE IF ITS AUTHORIZED AGENT CEASES TO HAVE AN OFFICE IN NEW YORK, NEW YORK OR IS DISSOLVED WITHOUT LEAVING A SUCCESSOR.

27 Miscellaneous.

(a) Wherever pursuant to this Agreement (i) Lender exercises any right given to it approve or disapprove, (ii) any arrangement or term is to be satisfactory to Lender, or (iii) any other decision or determination is to be made by Lender, the decision of Lender to approve or disapprove, all decisions that arrangements or terms are satisfactory or not satisfactory and all other decisions and determinations made by Lender, shall be in the sole and absolute discretion of Lender and shall be final and conclusive, except as may be otherwise expressly and specifically provided herein.

(b) Wherever pursuant to this Agreement it is provided that Indemnitor pay any costs and expenses, such costs and expenses shall include, but not be limited to, reasonable legal fees and disbursements of Lender, whether retained firms, the reimbursements for the expenses of the in-house staff or otherwise.

[Signature is on the following page]

INDEMNITOR:

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company,
qualified to do business in New York

By: Citadel Cinemas, Inc.,
a Nevada corporation
its Manager

By: [s] Gilbert Avanes
Name: Gilbert Avanes
Title: Chief Financial Officer and
Treasurer

READING INTERNATIONAL, INC.,
a Nevada corporation

By: [s] Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer
and Treasurer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California _____)

County of _____)

On _____ before me, /s/ Michael James Conroy "as Notary Public",
Date Here Insert Name and Title of the Officer

personally appeared /s/ Gilbert Avanes
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature /s/ Michael James Conroy
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

SCHEDULE A
DESCRIPTION OF PROPERTY

ALL that certain plot piece or parcel of land, situate, lying and being in the Borough of Manhattan, City of New York, County of New York, State of New York, bounded and described as follows:

BEGINNING at the point of the easterly side of Third Avenue, distant northerly 100 feet 4 inches from the corner formed by the intersection of the northerly side of 59th Street and the easterly side of Third Avenue:

RUNNING THENCE easterly parallel with the northerly side of 59th Street and part of the way through a party wall, 105 feet;

THENCE northerly parallel with Third Avenue, 75 feet $\frac{1}{4}$ inch;

THENCE westerly parallel with 59th Street, 105 feet to the easterly side of Third Avenue; and

THENCE southerly along the easterly side of Third Avenue, 75 feet $\frac{1}{4}$ inch to the point or place of BEGINNING.

RECORD AND RETURN TO:
Commercial Mortgage Department
Valley National Bank
1720 Route 23 North
Wayne, New Jersey 07470

ASSIGNMENT OF RENTS AND LEASES

KNOW ALL MEN BY THESE PRESENTS THAT March 13, 2020, **SUTTON HILL PROPERTIES, LLC**, a Nevada limited liability company, qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230, its successors and assigns (hereinafter called "**Assignor**"), in consideration of One Dollar (\$1.00) paid by VALLEY NATIONAL BANK, a national banking association, having an office at 1455 Valley Road, Wayne, New Jersey 07470 (hereinafter called "**Assignee**") and for other valuable consideration, the receipt of which is hereby acknowledged, hereby conveys, transfers and assigns unto Assignee, its successors and assigns, all of the rights, interests and privileges: (a) which Assignor as lessor has and may have in the leases, subleases, contracts, licenses or other agreements now existing or hereafter made and affecting the use and/or occupancy of the Mortgaged Property (as hereinafter defined) by any lessee, or any part thereof, as any such document may have been, or may from time to time be hereafter modified, extended and renewed, including but not limited to, those leases set forth and described on the schedule attached hereto and made a part hereof as Exhibit A (all of the foregoing rights, interests and privileges being collectively referred to as the "**Leases**"); and (b) which Assignor has and may have by virtue of any guaranty or surety agreement with respect to the tenant's obligations under any of such Leases, as such guaranties or surety agreements may have been, or may from time to time be hereafter, modified and extended. Assignor will, on request of Assignee, execute further assignments of any future leases affecting the Mortgaged Property or any part thereof and further assignments of any guaranties or surety agreements made in connection therewith;

TOGETHER with all the right, power and authority of Assignor to alter, modify or change the terms of said Leases or any guaranty thereof, or surety agreement relating thereto, or to surrender, renew, cancel or terminate the same; and

TOGETHER with all rents, income, security deposits and profits arising from said Leases and renewals thereof, if any, (collectively, the "**Rents**"); and

TOGETHER with all monies posted with any governmental unit or agency for bonds or on- or off-site improvements and all governmental approvals, permits and licenses.

This is an absolute, unconditional, present and true Assignment (and not pledged as security) and is made in connection with the following: (i) the obligations of Assignor under the Mortgage Consolidation, Modification and Extension Agreement ("**Consolidation Agreement**") and Consolidated, Amended and Restated Mortgage Promissory Note from Assignor to the order of Assignee dated of even date herewith, as the same may be amended, restated, replaced or modified from time to time ("**Note**" and when referred to in the Consolidation Agreement, the "**Consolidated Note**"), evidencing a loan from Assignee to Assignor in the original principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) (the "**Loan**"),

and all increases, extensions, amendments or modifications of the Loan, and all additional loans made hereafter, if any, by Assignee to Assignor or its successors and assigns; and (ii) the Assignor's "**Obligations**" (as defined in the Mortgage) under the Mortgage from Assignee to Assignor dated of even date herewith, covering the "**Mortgaged Property**" as defined therein and as more particularly described therein and in Exhibit B attached hereto ("**Mortgaged Property**"), as the same may be amended, restated, replaced or modified from time to time ("**Mortgage**" and when referred to in the Consolidation Agreement, the "**Consolidated Mortgage**") (the Note, the Mortgage, the Consolidation Agreement, this Assignment and all other documents executed in connection with the Loan, as they may from time to time be hereafter modified, extended and renewed, are hereinafter collectively referred to as the "**Loan Documents**"). This Assignment is also made upon the following terms and conditions:

1. The acceptance of this Assignment and the collection of the Rents or other payments under the Leases or any sums under the guaranties or surety agreements hereby assigned shall not constitute a waiver of any rights of Assignee under the terms of any of the Loan Documents. It is expressly understood and agreed, notwithstanding any contrary terms in this Assignment or any of the other Loan Documents, that Assignor shall have a revocable license to remain in possession of the Mortgaged Property and to collect, but not prior to accrual, such Rents, incomes, issues and profits from the Leases, guaranties and surety agreements and to retain, use and enjoy the same and, subject to the terms and provisions of the Mortgage and this Assignment, to exercise the rights of landlord under the Leases; provided, however, that even before an "**Event of Default**" (as such term is defined in the Mortgage) occurs, no Rents shall be collected or accepted more than one (1) month in advance without the prior written consent of Assignee.

2. Anything to the contrary notwithstanding, Assignor hereby assigns to Assignee any award made hereafter to it in any court proceeding involving any of the lessees of any portion of the Mortgaged Property in any bankruptcy, insolvency or reorganization proceedings in any state or Federal court and any and all payments made by lessees in lieu of rent. Assignor hereby appoints Assignee as its irrevocable attorney-in-fact to appear in any action and/or to collect any such award or payment.

3. It is hereby understood and agreed that this Assignment shall be effective immediately but that the Assignee agrees not to exercise its rights hereunder until an Event of Default occurs. Upon the occurrence and during the continuance of an Event of Default, Assignor's license to collect Rents shall automatically terminate with or without notice, and Assignee at its option, under order of court or by operation of law, may enter and take possession of the Mortgaged Property with or without foreclosing or other legal action, and manage the same, and whether or not in possession, may collect all or any Rents accruing from such Leases, collect all or any sums due or becoming due under such guaranties and surety agreements, evict lessees, bring or defend any suits in connection with the possession of the Mortgaged Property in its own name or Assignor's name, make such repairs as Assignee deems appropriate, and perform such other acts in connection with the management and operation of the Mortgaged Property as Assignee, in its sole discretion, may deem proper. Said license shall be reinstated after such Event of Default shall be cured to Assignee's satisfaction, in its sole discretion, reasonably exercised. Upon occurrence of an Event of Default, Assignor shall deliver to Assignee the originals of all Leases of the Mortgaged Property or any portion thereof. This Assignment shall be an assignment

and not merely a pledge of all such Leases to Assignee, and Assignor will execute any further assignments necessary to perfect the transfer of such Leases to Assignee.

4. After the occurrence of an Event of Default, all sums collected and received by Assignee out of the Rents of the Mortgaged Property shall be applied to the payment of any or all of the following: costs of management; necessary repairs and upkeep of the Mortgaged Property; all taxes, assessments, premiums for public liability insurance and insurance premiums payable by the Assignor or other owner as provided in the Mortgage; any taxes imposed upon or collectible by Assignee under any federal or state law or any law or ordinance enacted by any political subdivision thereof; or any costs reasonably determined necessary and proper to maintain and protect the collateral value of the Mortgaged Property. The provisions contained in the immediately preceding sentence shall not, however, limit the right of Assignee to apply any Rents received (when taxes and insurance payments are not then due and owing) against the repayment of the Obligations (as defined in the Mortgage). No credit shall be given by Assignee for any sum or sums received from the Rents until the money collected is actually received at the address of Assignee hereinafter specified and no credit shall be given for any uncollected Rents or other uncollected amounts or bills, nor shall credit toward the Obligations be given for any Rents after Assignee has obtained possession of the Mortgaged Property under order of court or by operation of law.

5. Assignee may, after occurrence of any Event of Default, from time to time appoint and dismiss such agents or employees as shall be necessary for the collection of the Rents and for the proper care and operation of the Mortgaged Property, and Assignor hereby grants to such agents or employees so appointed full and irrevocable authority to manage the Mortgaged Property and to do all acts relating to such management, including among other things, the making of new Leases in the name of Assignor or otherwise, the alteration or amendment of existing Leases, the authorization of necessary repairs or replacements to maintain the building or buildings and chattels situated upon the Mortgaged Property in good and tenantable condition, and the making of such alterations or improvements, as, in the reasonable judgment of the Assignee, may be necessary to maintain or increase the income from the Mortgaged Property. Assignee shall have the sole control of such agents or employees whose remuneration shall be paid out of the Rents at such rate as Assignee shall deem appropriate, and Assignor agrees that Assignee shall not be liable for monies that may come into its hands unless actually received by Assignee at its address hereinafter specified.

6. The collection and application of the Rents to the Obligations, as set forth in and secured by the Loan Documents or as otherwise above provided, shall not constitute a waiver or cure of any Event of Default which might at the time of application or thereafter exist under the Loan Documents, and the payment of the Obligations may be accelerated in accordance with the terms of the Loan Documents notwithstanding such application.

7. The receipt by Assignee of any Rents pursuant to this Assignment, after the institution of foreclosure or sale proceedings under the Mortgage, shall not cure any Event of Default or affect such proceedings or any sale pursuant thereto.

8. Assignee shall not be obligated to perform or discharge, nor does it by acceptance hereof undertake to perform or discharge, any obligation or duty to be performed or discharged by

Assignor under any of the Leases, and Assignor shall and hereby does agree to indemnify and defend Assignee for, and to save it harmless from and against, any and all claims, demands, liabilities, judgments, costs, expenses, losses or damages (collectively referred to as “**Liabilities**”) (a) arising out of or resulting from any of the Leases, guaranties, surety agreements or (b) by reason of the Assignee being required, for any reason whatsoever, to perform or discharge any obligation, duty or liability thereof or (c) by reason of the assertion by any person, firm, corporation or governmental authority of any alleged obligation or undertaking on the Assignee’s part to perform or discharge any of the terms, covenants, or agreements contained in said Leases or otherwise as a result of this Assignment. This Assignment shall not place responsibility for the control, care, management or repair of the Mortgaged Property upon Assignee, or make Assignee responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Mortgaged Property resulting in loss or injury or death to any lessee, any licensee, employee or other person. Should the Assignee incur Liabilities under said Leases or under or by reason of this Assignment or in the defense of any such claims or demands, the amount thereof, including, without limitation, all reasonable attorney’s fees and costs and expenses, shall be paid by Assignor to Assignee upon demand, together with interest until the date of payment at the Default Interest Rate (as such term is defined in the Note). Upon the failure of the Assignor to do so, the Assignee may declare all sums secured hereby immediately due and payable.

9. Assignor covenants to Assignee as follows: to observe and perform all of the obligations to be imposed upon the lessor in said Leases and not to do or permit anything to be done to impair the security thereof; not to collect any of the Rents arising or accruing from the Mortgaged Property more than one (1) month in advance of the time when the same shall become due under the terms of said Leases; not to discount any future accruing Rents; and not to execute any other assignment of the Rents or Leases.

10. Assignor covenants and represents to Assignee as follows: that Assignor has title to, and full right to assign such Leases, guaranties, surety agreements and the Rents due or to become due thereunder; that true copies of such Leases, guaranties and surety agreements have been submitted to Assignee for approval; that no other assignment of any interest therein has been made; that there are no existing defaults under the provisions thereof; and that Assignor will not hereafter cancel, surrender or terminate any of such Leases, guaranties and surety agreements, exercise any option which might lead to such termination, or change, alter or modify them, or consent to the release of any party liable thereunder or to the assignment of the lessees’ interest under any such Leases or guaranties or surety agreements without the prior written consent of Assignee, which consent shall not be unreasonably withheld, conditioned or delayed.

11. Assignee shall have the right to give notice in writing of this Assignment at any time to any lessee under any of such Leases and to any guarantor of any such Leases.

12. A violation of any of the covenants, representations and provisions contained in this Assignment by Assignor beyond the expiration of any applicable notice and cure periods shall be deemed an Event of Default hereunder and under the terms of all Loan Documents.

13. A material default by Assignor under any of the terms of the Leases assigned herein, which default continues beyond any applicable grace, notice and/or cure period, shall be deemed an Event of Default hereunder and under the terms of all Loan Documents. Any and all

expenditures made by Assignee in curing such a default on Assignor's behalf, with interest thereon at the Default Rate (as such term is defined in the Note), shall become part of the Obligations set forth in and secured by this Assignment and the Loan Documents.

14. Notices required hereunder shall be hand delivered, sent by certified mail, return receipt requested, or sent by overnight courier delivery service, in each instance addressed to a party at its address set forth above or to such other address specified in a notice by one party to the other.

15. The affidavit of any officer, supervisor or attorney of Assignee alleging (a) that all or any part of the Obligations secured by this Assignment and the Loan Documents remains unpaid or (b) that an Event of Default has occurred shall in each instance be and constitute conclusive evidence to any third party of the validity, effectiveness and continuing force of this Assignment, and any such third party may and is hereby authorized to rely thereon; provided, however, no such affidavit shall be conclusive evidence as between the Assignee and the Assignor. Upon any Event of Default claimed by Assignee, a demand on any lessee under said Leases by Assignee for the payment of Rent or other charges shall be sufficient warrant to the lessee to make all such future payments to Assignee without the necessity for further consent by Assignor and notwithstanding any objections made by Assignor.

16. Without prejudice to any of its rights hereunder, the Assignee may take or release other security, may release any party primarily or secondarily liable for any indebtedness secured hereby, may grant extensions, renewals or indulgences with respect to such indebtedness, and may apply any other security therefor held by it to the satisfaction of the indebtedness secured hereby or arising hereunder.

17. Nothing contained in this Assignment and no act done or omitted by Assignee pursuant to the powers and rights granted it herein shall be deemed to be a waiver by Assignee of its rights and remedies under the Loan Documents. This assignment is made by Assignor and may be accepted by Assignee without in any way limiting or constricting any of the rights, powers and remedies possessed by Assignee under the terms of the Loan Documents. The right of Assignee to collect any indebtedness secured hereby and to enforce any other security therefor owned by it may be exercised by Assignee either prior to, simultaneously with or subsequent to any action taken by it under this Assignment.

18. Assignor shall give Assignee written notice of the name and address of the bank and the account number applicable to the segregated escrow account which shall be maintained by Assignor as the depository of tenant security deposits, which account shall be maintained in compliance with all requirements of applicable law concerning the holding of such deposits. Assignor will also give written authorization to such bank to permit Assignee to receive any information requested by Assignee as to the status and balance of such account. Assignor hereby assigns, pledges and grants a security interest in and to Assignee all of Assignor's right, title and interest to such bank account as collateral security for the Obligations secured by this Assignment and Assignor agrees that upon, but not before, the occurrence and during the continuance of an Event of Default, the sums in said bank account, shall, at the election of Assignee, in accordance with applicable law, be payable to Assignee as assignee and secured creditor of such bank account.

19. This Assignment shall inure to the benefit of the Assignee and its successors and assigns and any holder of any of the Note and the other Loan Documents, and shall be binding upon the Assignor and its administrators, successors and assigns.

20. Assignee shall not be deemed to be an agent, partner or joint venturer of Assignor or of any other person, and nothing herein contained shall be construed to impose any liability upon Assignee by reason of the assignment granted hereby.

21. This Assignment shall be governed by and construed in accordance with the laws, including the conflict of law rules, of the State of New York except to the extent that procedural matters must be governed by the law of the jurisdiction wherein the Mortgaged Property is located. Whenever possible, each provision of this Assignment shall be interpreted in such manner as to be effective and valid under applicable law; but if any provision of this Assignment shall be prohibited by or be invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Assignment.

22. The rights of the Assignee to collect and receive the rents assigned hereunder or to exercise any of the rights or powers herein granted to the Assignee shall, to the extent not prohibited by law, extend also to (a) the period from and after the filing of any bankruptcy petition by Assignee at any time, including a filing after entry of any judgment of foreclosure, and (b) the period from and after the filing of any suit to foreclose the lien of the Mortgage, including the entry of any judgment of foreclosure and any period allowed by law for the redemption of the premises after any foreclosure sale. The entry of any foreclosure judgment on the Mortgage shall not be deemed a merger of this Assignment into any other document and this Assignment shall survive such entry of judgment.

23. This Assignment cannot be modified except with the written consent of the party against whom enforcement is sought.

24. This Assignment may be terminated at any time by Assignee.

25. When all of the Obligations are fully and finally paid and the Note and Mortgage terminated or assigned, Assignee's right, title and interest in the Mortgaged Property shall terminate; and at the request and expense of Assignor, Assignee shall execute and deliver to Assignor the appropriate instrument in recordable form, discharging the lien of this Assignment and acknowledging satisfaction of the Obligations and this Assignment.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, Assignor has duly executed this Assignment of Rents and Leases on the day and year first above written.

ASSIGNOR:

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company,
qualified to do business in New York

By: Citadel Cinemas, Inc.,
a Nevada corporation,
its Manager

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer and
Treasurer

**UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT
(Outside of New York State)**

State, District of Columbia, Territory, Possession, or Foreign Country

State of)
) ss.:
County of)

On the ___ day of March in the year 2020 before me, the undersigned, personally appeared Gilbert Avanes personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual(s) made such appearance before the undersigned in the

(insert city or other political subdivision and state or country or other place the acknowledgment was taken).

(signature and office of individual taking acknowledgment)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of)

On _____ before me, /s/ Michael James Conroy "as Notary Public",
Date Here Insert Name and Title of the Officer

personally appeared /s/ Gilbert Avanes
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature /s/ Michael James Conroy
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Corporate Officer — Title(s): _____

Partner — Limited General

Partner — Limited General

Individual Attorney in Fact

Individual Attorney in Fact

Trustee Guardian or Conservator

Trustee Guardian or Conservator

Other: _____

Other: _____

Signer Is Representing: _____

Signer Is Representing: _____

EXHIBIT A

LIST OF LEASES

<u>Name of Tenant</u>	<u>Commencement Date</u>	<u>Term Ends</u>	<u>Annual Rent</u>
1. Sutton Hill Properties, LLC	March 1, 1961	June 30, 2027	

Exhibit A-1

EXHIBIT B

Mortgaged Property Owned by Assignor and Subject to this Assignment of Rents and Leases (all as more fully described hereafter)

ALL that certain plot piece or parcel of land, situate, lying and being in the Borough of Manhattan, City of New York, County of New York, State of New York, bounded and described as follows:

BEGINNING at the point of the easterly side of Third Avenue, distant northerly 100 feet 4 inches from the corner formed by the intersection of the northerly side of 59 Street and the easterly side of Third Avenue;

RUNNING THENCE easterly parallel with the northerly side of 59th Street and part of the way through a party wall, 105 feet;

THENCE northerly parallel with Third Avenue, 75 feet 1/4 inch;

THENCE westerly parallel with 59th Street, 105 feet to the easterly side of Third Avenue; and

THENCE southerly along the easterly side of Third Avenue, 75 feet 1/4 inch to the point or place of BEGINNING.

Exhibit B-1

GUARANTY OF PAYMENT AND PERFORMANCE

GUARANTY OF PAYMENT AND PERFORMANCE (the “**Guaranty**”) dated March 13, 2020, made by **READING INTERNATIONAL, INC.**, a Nevada corporation, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (hereinafter referred to as the “**undersigned**” or the “**Guarantor**”), for the benefit of **VALLEY NATIONAL BANK**, a national banking association, having offices at 1455 Valley Road, Wayne, New Jersey 07470 (hereinafter referred to as “**Lender**”).

WITNESSETH:

WHEREAS, **SUTTON HILL PROPERTIES, LLC**, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 500 Citadel Drive, Suite 300, Commerce, California 90040 (hereinafter referred to as “**Borrower**”), has applied to Lender for a first mortgage loan in the original principal sum of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) (the “**Loan**”), which Loan is evidenced by the Note (described in Exhibit A hereto); and secured by the Mortgage (described in Exhibit A hereto) affecting the Premises (as hereinafter defined) identified in Exhibit A hereto; and

WHEREAS, Lender is willing to make the Loan to Borrower only if the Guarantor executes and delivers this Guaranty and guarantees to Lender payment and performance of the Obligations (as hereinafter defined) in the manner hereinafter provided.

NOW, THEREFORE, in consideration of Lender making the Loan to the Borrower and other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lender to make the Loan to Borrower, the Guarantor hereby covenants and agrees with Lender as follows:

1. Guarantor, jointly and severally, absolutely unconditionally and irrevocably undertakes and guarantees for the benefit of Lender and each and every present and future holder or holders of the Note and/or assignees of the Loan Documents (described in Exhibit A hereto):

(a) The punctual payment and performance when due, whether at stated maturity, any extended maturity, or by acceleration or otherwise, of all principal, interest, additional payments, and all other obligations of Borrower to Lender evidenced by the Note and secured by the Mortgage and any other amounts that may become owing by Borrower under the Loan Documents and all present or future obligations or liabilities of any kind of the Borrower to the Lender, whether incurred by Borrower as maker, endorser drawer, guarantor, accommodation party or otherwise, secured or unsecured, absolute or contingent, including, without limitation, the Obligations (as defined in the Mortgage), (all such indebtedness, obligations and other amounts are hereinafter collectively, referred to as the “**Payment Obligations**”);

(b) The performance of any and all other obligations of Borrower required by or under the Loan Documents, other than the Payment Obligations, including, but not limited to, the environmental obligations, indemnities, covenants, warranties and representations set forth in the ADA and Environmental Indemnity Agreement (referred to herein as the “**Performance Obligations**”). Guarantor shall cause the Performance

Obligations to be performed, completed and paid for in the manner and at the applicable times required to be so performed, completed and paid for by Borrower under the Loan Documents. The Payment Obligations, the Performance Obligations, together with all other payment and performance obligations of Guarantor under this Guaranty are referred to herein, collectively, as the “**Obligations**”; and

(c) Notwithstanding anything herein to the contrary, the maximum liability of the Guarantor under this Guaranty shall be \$1,500,000.00, plus any accrued interest, penalties and fees, including, without limitation, attorneys’ fees and expenses.

2. Guarantor’s obligations under this Guaranty are and shall be absolute, unconditional and irrevocable under any and all circumstances without regard to the legality, binding effect, validity, regularity, or enforceability of the Note, the Mortgage or any other Loan Documents executed in connection herewith or therewith, a true copy of each of which documents Guarantor hereby acknowledges having received, reviewed and approved. Guarantor agrees that Guarantor’s liabilities under this Guaranty shall be unaffected, regardless of whether notice or consideration is given or Guarantor’s further consent is obtained, by (i) any amendment, supplement, modification or other change in the Note, the Mortgage or any other Loan Documents or other instrument made to or with Lender by Borrower or any person or entity who succeeds Borrower as owner of the Premises, or any part thereof, (ii) any extension of time for the observance or performance required thereby, (iii) any sale, assignment or foreclosure of the Note or the Mortgage, or both, or any sale of the Premises, or any part thereof, (iv) exculpatory provisions in any of such instruments limiting Lender’s recourse to property encumbered by the Mortgage or any other security or limiting Lender’s rights to enforce a deficiency judgment against Borrower, (v) any release of Borrower or Guarantor or any other person or entity from performance or observance of any of the agreements, terms, covenants or conditions contained in any of such instruments whether by operation of law or otherwise, (vi) Lender’s failure to record the Mortgage or file any UCC-1 Financing Statements, or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Note, (vii) any accuracy or inaccuracy of any representations or warranties made by Borrower in the Mortgage or by Guarantor in this Guaranty, (viii) any bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement for the benefit of creditors, receivership, trusteeship or other law of like import affecting Borrower, the Premises, Guarantor or any of Guarantor’s successors and assigns, including, but not limited to, any automatic stay granted pursuant to any provision of a bankruptcy or similar law, (ix) notwithstanding any provision to the contrary contained or implied in the Mortgage or by law or in equity, any recovery as a result of the exercise of any of Lender’s rights or remedies under the Mortgage unless as a result thereof Lender received full payment and performance of the Obligations, (xi) any lack of validity or enforceability of the Loan Documents or any other documents evidencing the Obligations, (xii) any settlement or compromises with the Borrower or any other person of any of the Obligations hereby guaranteed, (xiii) any defense given to a guarantor or surety at law or in equity, unless Lender has received full, final and indefeasible payment and performance of the Obligations, or (xiv) as to obligations of the Borrower which survive foreclosure or repayment of the Loan, such foreclosure or repayment of the Loan.

3. The Guarantor agrees that, with or without notice or demand, the Guarantor, jointly and severally, will reimburse Lender for all costs and expenses (including, without limitation, attorneys’ fees) incurred by Lender in connection with the collection of the Obligations or any

portion thereof or in any action or proceeding brought by Lender to enforce the obligations of the Guarantor under this Guaranty.

4. All moneys available to Lender for application in payment or reduction of the Obligations may be applied by Lender in such manner and in such amounts and at such time or times and in such order, priority and proportions as Lender may elect.

5. The Guarantor hereby consents that from time to time, before or after any default by Borrower, with or without further notice to or assent from the Guarantor, any security at any time held by or available to Lender for any obligation of Borrower, or any security at any time held by or available to Lender for any obligation of any other person or party secondarily or otherwise liable for all or any portion of the Obligations, may be exchanged, surrendered or released and any obligation of Borrower, or of any such other person or party, may be changed, altered, modified, renewed, extended, continued, surrendered, compromised, waived or released in whole or in part, or any default with respect thereto waived, and Lender may fail to set off and may release, in whole or in part, any balance of any deposit account or credit on its books in favor of Borrower, or of any such other person or party, and may extend further credit in any manner whatsoever to Borrower, and generally deal with Borrower or any such security or other person or party as Lender may see fit; and the Guarantor shall remain bound under this Guaranty notwithstanding any such exchange, surrender, release, change, alteration, modification, renewal, extension, continuance, compromise, waiver, inaction, extension of further credit or other dealing.

6. The Guarantor hereby waives (a) notice of acceptance of this Guaranty and of the making of the Loan or any advance thereof by Lender to Borrower; (b) presentment and demand for payment of the Obligations or any portion thereof; (c) notice of any change, alteration, modification, renewal, extension, continuance, surrender compromise, waiver or release in whole or in part, of the Obligations; (d) protest and notice of dishonor or default to the Guarantor or to any other person or party with respect to the Obligations or any portion thereof; (e) all other notices to which the Guarantor might otherwise be entitled; and (f) any demand for payment under this Guaranty.

7. This is a guaranty of payment and not of collection and the Guarantor further waives any right to require that any action be brought against Borrower or any other person or party or to require that resort be had to any security or to any balance of any deposit account or credit on the books of Lender in favor of Borrower or any other person or party. Lender shall have the right to proceed against the Guarantor under this Guaranty either before or after proceeding against the Borrower or any collateral held by Lender as security for the payment or performance of the Obligations.

8. Each reference herein to Lender shall be deemed to include its successors and assigns, in whose favor the provisions of this Guaranty shall also inure. Each reference herein to the Guarantor shall be deemed to include the heirs, executors, administrators, legal representatives, successors and assigns of the Guarantor, all of whom shall be bound by the provisions of this Guaranty, provided, however, that the Guarantor shall in no event or under any circumstance have the right without obtaining the prior written consent of Lender to assign or transfer the obligations and liabilities of the Guarantor under this Guaranty, in whole or in part, to any other person, party or entity.

9. The term “undersigned” and “Guarantor” as used herein shall, if this Guaranty is signed by more than one party, mean the “undersigned and each of them” and “Guarantor and each of them” and each undertaking herein contained shall be their joint and several undertaking, provided, however, that the term “undersigned” and “Guarantor” shall mean the “undersigned or any of them” and “Guarantor and each of them”. If any party hereto shall be a partnership, the agreements and obligations on the part of the Guarantor herein contained shall remain in force and application notwithstanding any changes in the individuals composing the partnership and the term “undersigned” and “Guarantor” shall include any altered or successive partnerships but the predecessor partnerships and their partners shall not thereby be released from any obligations or liability hereunder.

10. No delay on the part of Lender in exercising any right or remedy under this Guaranty or failure to exercise the same shall operate as a waiver in whole or in part of any such right or remedy. No notice to or demand on the Guarantor shall be deemed to be a waiver of the obligation of the Guarantor or of the right of Lender to take further action without notice or demand as provided in this Guaranty.

11. This Guaranty may be modified, amended, changed or terminated only by an agreement in writing signed by Lender and the Guarantor. No waiver of any term, covenant or provision of this Guaranty shall be effective unless given in writing by Lender and if so given by Lender shall be effective only in the specific instance in which given.

12. The Guarantor acknowledges that this Guaranty and the obligations of the Guarantor under this Guaranty are and shall at all times continue to be absolute and unconditional in all respects, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to this Guaranty and the obligations of the Guarantor under this Guaranty or the obligations of any other person or party (including, without limitation, Borrower) relating to this Guaranty or otherwise with respect to the Loan. This Guaranty shall continue in force and effect as the joint and several obligation of all guarantors until payment and performance in full of the Obligations, and shall be unaffected by (a) any failure of one or more of the Guarantors to execute and deliver any reaffirmation of guaranty; (b) any failure of the Guarantors to execute and deliver any confirmation or consent to any modification, extension, renewal, waiver or compromise of any or all of the Obligations, (c) any release of collateral securing the Obligations or any failure to procure any consent thereto; (d) any action, omission, undertaking or agreement, affecting the rights to indemnity or contribution by or among guarantors or any failure to procure any consent thereto; (e) the payment by Borrower or Guarantors of any fees, charges or payments to Lender, including any payments made in respect of any change, alteration, modification, extension, renewal, continuance, surrender, compromise, waiver or release in whole or part, of the Payment Obligations and/or the Performance Obligations. All remedies afforded to Lender by reason of this Guaranty are separate and cumulative remedies and no one of such remedies, whether exercised by Lender or not, shall be deemed to be an exclusion of any of the other remedies available to Lender and shall not limit or prejudice any other legal or equitable remedy which Lender may have. This Guaranty sets forth the entire agreement and understanding of Lender and the Guarantor, and the Guarantor absolutely, unconditionally and irrevocably waive any and all right to assert any defense, setoff, counterclaim or cross claim of any nature whatsoever with respect to this Guaranty or the obligations of the Guarantor under this Guaranty or the obligations

of any other person or party (including, without limitation, Borrower) relating to this Guaranty or otherwise with respect to the Loan, or in any action or proceeding brought by Lender to collect the Obligations, or any portion thereof, or to enforce the obligations of the Guarantor under this Guaranty, with the exception of full payment and performance of the Obligations. The Guarantor acknowledges that no oral or other agreements, understandings, representations or warranties exist with respect to this Guaranty or with respect to the obligations of the Guarantor under this Guaranty, except those specifically set forth in this Guaranty.

13. The Guarantor hereby irrevocably and unconditionally waives, and Lender by its acceptance of this Guaranty irrevocably and unconditionally waives, any and all right to trial by jury in any action, suit or counterclaim arising in connection with, out of or otherwise relating to this Guaranty.

14. Notwithstanding any payments made by the Guarantor pursuant to the provisions of this Guaranty, the Guarantor shall have no right of subrogation in and to the Note or the Mortgage or any other security held by or available to Lender for the Obligations or the payment thereof until the Obligations has been paid in full to Lender and all preference periods have lapsed. The Guarantor agrees that if any payment made by the Borrower or the Guarantor to Lender or any portion of the Obligations is rescinded, recovered from or repaid by Lender, in whole or in part, in any bankruptcy, insolvency or similar proceeding instituted by or against the Borrower or Guarantor, this Guaranty shall continue to be fully applicable to such Obligations to the same extent as though the payment so recovered or repaid had never originally been made on such Obligations regardless of, and, without giving effect to, any discharge or release of the Guarantor's obligations hereunder granted by Lender after the date hereof. If Guarantor shall advance or become obligated to pay any sums with respect to this Guaranty, the Note, the Mortgage or the Loan, or for any other purpose in connection with the Premises, or any part thereof, or if for any reason whatsoever Borrower or any subsequent owner of the Premises, or any part thereof, is now, or shall hereafter become, indebted to Guarantor, Guarantor agrees that the amount of such sums and of such indebtedness and all interest thereon shall at all times be subordinate as to lien, time of payment and in all other respects to all sums, including principal, interest and other amounts at any time owing to Lender under the Loan or the obligations evidencing the same or the Note or the Mortgage and that Guarantor shall not be entitled to enforce or receive payment thereof until the Obligations are paid in full. If any amount shall be paid to the Guarantor on account of any claim of subrogation at any time when the Obligations shall not have been paid in full such amount shall be paid to the Lender to be credited and applied upon the Obligations, whether matured or unmatured, in accordance with this Guaranty.

15. Any notice, request or demand given or made under this Guaranty shall be in writing and shall be hand delivered or sent by Federal Express or other reputable courier service which maintains a tracking system or by postage prepaid registered or certified mail, return receipt requested, and shall be deemed given (a) when received at the addresses set forth at the head of this Guaranty if hand delivered or if sent by Federal Express or other reputable courier service, and (b) three (3) business days after being postmarked and addressed to the parties hereto at the addresses set forth at the head of this Guaranty. Each party to this Guaranty may designate a change of address by notice given to the other party fifteen (15) days prior to the date such change of address is to become effective. A copy of all such notices, requests and demands shall also be served, if to Lender, in like manner to Romer Debbas LLP, 275 Madison Avenue, Suite 801, New

16. This Guaranty is, and shall be deemed to be, a contract entered into under and pursuant to the laws of the State of New York and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York. No defense given or allowed by the laws of any other state or country shall be interposed in any action or proceeding hereon unless such defense is also given or allowed by the laws of the State of New York.

(a) The Guarantor agrees to submit to personal jurisdiction in the State of New York in any action or proceeding arising out of this Guaranty and, in furtherance of such agreement, the Guarantor hereby agrees and consents that without limiting other methods of obtaining jurisdiction, personal jurisdiction over the Guarantor in any such action or proceeding may be obtained within or without the jurisdiction of any court located in the State of New York, County of New York and that any process or notice of motion or other application to any such court in connection with any such action or proceeding may be served upon the Guarantor by registered or certified mail to or by personal service at the last known address of the Guarantor, whether such address be within or without the jurisdiction of any such court. SUBJECT TO THE REQUIREMENTS FOR A CASE TO BE HEARD IN THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, THE PARTIES AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, AND TO THE APPLICATION OF SAID COURT'S ACCELERATED PROCEDURES PURSUANT TO RULE 9 OF SECTION 202.70(G) OF THE UNIFORM RULES FOR NEW YORK STATE TRIAL COURTS.

17. The Guarantor hereby represents and warrants:

(a) That this Guaranty constitutes the legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, subject to any applicable bankruptcy, insolvency or other similar law now or hereinafter in effect;

(b) Neither this Guaranty nor any of the documents executed in connection with the Loan to which the Guarantor is a party will violate any provision of law, rule, or regulation or any order of any court or other governmental agency to which the Guarantor is subject, the organizational documents of Guarantor, if any, any provision of any agreement, indenture, credit agreement, mortgage, guaranty or other instrument to which the Guarantor is a party or by which the Guarantor or any of the Guarantor's properties or assets are bound, or be in conflict with, result in a breach of, or constitute a default under (with or without notice or lapse of time), any such agreement or instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any properties or assets of the Guarantor.

(c) No action or approval by or of and no filing or registration with any governmental or public body or authority, any subdivision thereof, nor the consent of any other person or entity, nor any other legal formality is required in connection with the

entering into, performance or enforcement of this Guaranty, except such as have been obtained or taken and with respect to which a copy or other satisfactory evidence thereof has been furnished to Lender.

(d) The most recent financial statements of Guarantor, copies having been furnished to Lender, fairly present the financial condition of Guarantor as of such date, and since the date of such financial statements, there have been no material adverse change in such condition.

(e) Neither this Guaranty nor any statement or certification as to facts previously furnished or required herein to be furnished to Lender by Guarantor, contains any material inaccuracy or untruth in any representation, covenant or warranty or omits to state a fact material.

(f) There are no actions, suits or proceedings pending or, to the knowledge of the Guarantors, threatened against or affecting Guarantor or the properties of the Guarantor before any court, governmental department, arbitrator, commission, board, bureau, agency or instrumentality, domestic or foreign, which, if determined adversely to Guarantor, would have a material adverse effect on the financial condition, business, properties or operations of Guarantor.

(g) Neither the business nor properties of Guarantor has been affected by a fire, explosion, strike, lockout, or other labor dispute, drought, storm, hail, earthquake, embargo, acts of God or of the public enemy or other casualty (whether or not covered by insurance) which would have a material adverse effect upon the financial condition, business, properties or operations of Guarantor.

(h) Guarantor has the full power, legal right, authority and requisite capacity to execute and deliver this Guaranty, and to observe, perform and fulfill the provisions hereof.

(i) As a principal or Affiliate (as defined in the Mortgage) of Borrower, Guarantor will derive substantial benefit, directly or indirectly, from the making of the Loan to Borrower and from making of this Guaranty by Guarantor.

18. Guarantor covenants that, until full performance of and compliance with all of the Obligations imposed upon Guarantor herein, Guarantor:

(a) shall promptly upon obtaining knowledge of any pending litigation in which Borrower or Guarantor has become a party defendant and in which the damages claimed exceed, or may exceed, Fifty Thousand (\$50,000) Dollars, give Lender written notice thereof;

(b) shall not transfer or dispose of any assets to any person or entity for less than fair market value; and

(c) shall not terminate or dissolve or suspend Guarantor's usual business activities, or convey, sell, lease, transfer or otherwise dispose all or a substantial part of the Guarantor's assets during the term of this Guaranty.

19. No exculpatory provisions contained in the Note or the Mortgage or in any extension, renewal or modification thereof, or in any other document or instrument executed and delivered in connection therewith or otherwise with respect to the Loan shall in any event or under any circumstance be deemed or construed to modify, qualify, or affect in any manner whatsoever the personal recourse obligations and liabilities of the Guarantor under this Guaranty.

20. If any of the provisions of this Guaranty, or the application thereto to any person or circumstances, shall to any extent, be invalid or unenforceable, the remainder of the Guaranty, or the application of such provision or provision to persons or circumstances other than those as to whom or which it is held invalid or enforceable, shall not be affected thereby, and every provision of this Guaranty shall be valid and enforceable to the fullest extent permitted by law.

21. Guarantor agrees to indemnify Lender against any loss, cost or expense in the nature of costs, expenses and attorneys' fees and expenses, paid or incurred in attempting to enforce this Guaranty. Guarantor waives any right or claim of right to cause a marshaling of Borrower's assets or to cause Lender to proceed against any security for the Note before proceeding against Guarantor. Guarantor agrees that any payments required to be made by Guarantor hereunder shall become due immediately upon the happening of any Event of Default under the Note and/or the Mortgage and without presentment of the Note to Borrower, demand for payment or protest thereof, or notice of nonpayment or protest thereof.

22. The obligations and liabilities of the Guarantor under this Guaranty are in addition to the obligations and liabilities of the Guarantor under the Other Guarantees (as hereinafter defined). The discharge of the obligations and liabilities of the Guarantor under any one or more of the Other Guarantees by the Guarantor or by reason of operation of law or otherwise shall in no event or under any circumstance constitute or be deemed to constitute a discharge, in whole or in part, of the obligations and liabilities of the Guarantor under this Guaranty. Conversely, the discharge of the obligations and liabilities of the Guarantor under this Guaranty by Lender or by reason of operation of law or otherwise shall in no event or under any circumstance constitute or be deemed to constitute a discharge, in whole or in part, of the obligations and liabilities of the Guarantor under any of the Other Guarantees. The term "**Other Guarantees**" as used herein shall mean any other guaranty of payment, guaranty of non-recourse exceptions, lease guaranty or indemnification agreement (other than this Guaranty) now or hereafter executed and delivered by the Guarantor to Lender in connection with the Loan.

23. The Lender is hereby authorized at any time and from time to time, without notice to the Guarantor (any such notice being expressly waived by the Guarantor), to set off and apply to any overdue and unpaid Obligations: (i) any amounts which the Lender from time to time may owe to the Guarantor with respect to the Loan, including any balance or share of any general or special deposit, certificate of deposit, savings certificate or other account (regardless of the source or intended use of any funds in such account), and (ii) any other property, tangible or intangible, owned by or in which the Guarantor has an interest which may be in the possession, in which accounts and other property the Guarantor hereby grants the Lender a security interest. This right is in addition to and not in limitation of any other rights, including rights of set-off, which the Lender may have by law.

[Signature Page Follows]

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty the day and year first above set forth.

GUARANTOR:

READING INTERNATIONAL, INC.,
a Nevada corporation

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial
Officer and Treasurer

State of)
) ss.:
County of)

On the ____ day of March in the year 2020 before me, the undersigned, personally appeared Gilbert Avanes personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual(s) made such appearance before the undersigned in the _____
(insert city or other political subdivision and state or country or other place the acknowledgment was taken).

(signature and office of individual taking acknowledgment)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of)

On _____ before me, /s/ Michael James Conroy “as Notary Public”,
Date Here Insert Name and Title of the Officer

personally appeared /s/ Gilbert Avanes
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature /s/ Michael James Conroy
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer’s Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer’s Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or

Conservator

Other: _____

Signer Is Representing: _____

EXHIBIT A

- Note:** The term “**Note**” as used in this Guaranty shall mean that certain Consolidated, Amended and Restated Mortgage Promissory Note in the original principal amount of **\$25,000,000.00** of even date herewith, given by Borrower to Lender.
- Mortgage:** The term “**Mortgage**” as used in this Guaranty shall mean that certain Mortgage Consolidation, Modification and Extension Agreement securing the Note in the original principal amount of **\$25,000,000.00** of even date herewith, executed by Borrower in favor of Lender constituting a first lien on the fee estate of Borrower in certain premises located in New York County, known as 1001-1007 Third Avenue, New York, New York, as such premises is more particularly described therein (the “**Premises**”), and intended to be duly recorded in the Office of the City Register of the City of New York, New York County (the “**Office**”).
- Loan Documents:** The term “**Loan Documents**” as used in this Guaranty shall mean the Note, the Mortgage, this Guaranty, that certain Carveout Guaranty executed by the Guarantor, of even date herewith, and all other documents delivered in connection with or to evidence or secure the Loan, whether presently existing or hereafter entered into, as the same may be amended, modified, consolidated and/or restated from time to time, and, where applicable shall include all underlying Notes and Mortgages which may have been so amended, modified, consolidated and/or restated and any assignments and endorsements thereof.

CARVEOUT GUARANTY

THIS CARVEOUT GUARANTY (this “**Guaranty**”) is dated March 13, 2020, by **SUTTON HILL PROPERTIES, LLC**, a Nevada limited liability company qualified to do business in New York, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (the “**Borrower**”) and **READING INTERNATIONAL, INC.**, a Nevada corporation, having its principal place of business at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230 (“**Reading**” and, together with Borrower, collectively referred to as the “**Guarantor**”), for the benefit of VALLEY NATIONAL BANK, a national bank with an address at 1455 Valley Road, Wayne, New Jersey 07470 (the “**Lender**”).

WITNESSETH:

WHEREAS, Lender is about to make a first mortgage loan to Borrower in the principal amount of TWENTY-FIVE MILLION AND 00/100 DOLLARS (\$25,000,000.00) (the “**Loan**”) to be evidenced by a Consolidated, Amended and Restated Mortgage Promissory Note of even date herewith (the “**Note**”), and secured by, among other things, (i) a Mortgage Consolidation, Extension and Modification Agreement of even date herewith (the “**Mortgage**”), encumbering certain land and improvements located at 1001-1007 Third Avenue, New York, New York (the “**Property**”), as more fully described in the Mortgage, and (ii) various other documents executed in connection with the Note and Mortgage (the Note, Mortgage, and such other agreements executed in connection therewith are hereinafter collectively referred to as, the “**Loan Documents**”); and

WHEREAS, Reading is the owner of direct or indirect interests in Borrower, and Reading will directly or indirectly and substantially benefit from the Lender making the Loan to Borrower.

NOW, THEREFORE, as an inducement to Lender to make the Loan to Borrower, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE I **DEFINITIONS**

1.1 **Definitions.** As used herein, the following terms shall have the following meanings:

(a) “**ADA and Environmental Indemnity**” means that certain ADA and Environmental Indemnity Agreement of even date herewith executed by Borrower and Reading in favor of Lender.

(b) “**Bankruptcy Code**” means Title 11 of the United States Code, as amended from time to time.

(c) “**Carveout Obligations**” means all losses incurred by Lender (such losses to include, without limitation, the failure to recover any or all Loan Obligations) resulting from any of the following:

- i. any fraud or intentional misrepresentation by Borrower in connection with the Loan;
- ii. any willful misconduct of Borrower (including, without limitation, any valid claim brought against Borrower under the Racketeer Influenced and Corrupt Organizations Act, (18 U.S.C. Sections 1961-1968), as such may be amended from time to time);
- iii. the breach in any material respect of any representation, warranty, or covenant in the ADA and Environmental Indemnity or in the Mortgage concerning Environmental Laws (as defined in the ADA and Environmental Indemnity), Hazardous Substances (as defined in the ADA and Environmental Indemnity) or asbestos, and any indemnification of Lender with respect thereto in either document;
- iv. the removal or disposal of any portion of the Property other than (1) obsolete property, (2) in the ordinary course of business of owning, operating or managing the Property, or (3) as otherwise permitted in the Loan Documents;
- v. the misapplication or conversion by Borrower of any monies, including (1) insurance proceeds paid by reason of any loss, damage or destruction to the Property, (2) awards or other amounts received in connection with the condemnation of all or a portion of the Property, (3) any Rents following an Event of Default, or (4) any funds that are to be disbursed into or from any accounts or lockbox established under the Loan Documents;
- vi. physical waste of any portion of the Property resulting from intentional or fraudulent acts or omissions by Borrower (other than physical waste resulting from insufficient cash flow from the Property);
- vii. any security deposits, advance deposits or any other deposits collected with respect to the Property which are not delivered to Lender, any receiver or any Person purchasing the Property in connection with a foreclosure or action in lieu thereof, except to the extent any such security deposits were applied in accordance with the terms and conditions of any of the Leases prior to the occurrence of the Event of Default that gave rise to such foreclosure or action in lieu thereof;
- viii. except as otherwise expressly provided under the Loan Documents, failure by Borrower to obtain Lender's prior written consent to any subordinate financing or other voluntary lien (other than Permitted Encumbrances);
- ix. intentionally omitted;

x. Borrower's failure to comply with the provisions of Section 5.10 of the Mortgage; and

xi. failure to comply with any legal requirements of any Governmental Authority (other than a failure resulting from the non-payment of money) resulting in a forfeiture by Borrower of the Property, or any material portion thereof.

(d) "**Event of Default**" means any default under this Guaranty or any of the Loan Documents and the continuance of such default beyond any applicable notice or grace period for such default contained herein or in the Loan Documents.

(e) "**Governmental Authority**" means any of the following: (i) the federal government, (ii) any state or local government or any political subdivision of any state or local government, or (iii) any agency, court or body of either the federal government, or any state or local government or any other political subdivision of any state or local government, exercising executive, legislative, judicial, regulatory or administrative functions.

(f) "**Guaranteed Obligations**" means the Loan Obligations and the Carveout Obligations.

(g) "**Guarantor Claims**" shall have the meaning set forth in Section 5.1 of this Guaranty.

(h) "**herein,**" "**hereof,**" "**hereunder,**" and "**herewith**" shall be deemed to refer to this entire Guaranty and not any particular provision of this Guaranty.

(i) "**Including**" or "**including**" means "**including, without limitation.**"

(j) "**Leases**" means all leases, licenses, concessions, occupancy agreements, and other agreements affecting the use or occupancy of the Property or any portion thereof, now or hereafter entered into and all guarantees of any of the foregoing.

(k) "**Loan Obligations**" means (i) the due and punctual payment of (1) principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loan or any other loans or other financial accommodations made to Borrower by Lender, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (2) all other monetary obligations, including fees, commissions, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of Borrower to Lender, or that are otherwise payable to Lender, under the Note, Mortgage and the other Loan Documents, and (ii) the due and punctual performance of all covenants, agreements, obligations and liabilities of Borrower to Lender under the Note, Mortgage and the other Loan Documents.

(l) **“Loan Obligations Trigger Event”** means any of the following: (i) a voluntary bankruptcy or insolvency proceeding is commenced by Borrower under the Bankruptcy Code or any other federal or state bankruptcy or insolvency law, (ii) the filing by a Person other than Lender of an involuntary bankruptcy or insolvency proceeding against Borrower under the Bankruptcy Code or any other federal or state bankruptcy or insolvency law provided that Borrower colludes in conjunction with filer, which proceeding remains undismissed for a period of sixty (60) days, (iii) Borrower filing an answer consenting to or otherwise acquiescing or joining in, or Borrower (or a Person on behalf of Borrower) soliciting (or causing to be solicited) petitioning creditors to commence or acquiesce or join in, any involuntary bankruptcy or insolvency proceeding filed against Borrower by any Person other than Lender under the Bankruptcy Code or any other federal or state bankruptcy or insolvency law, (iv) Borrower (or a Person on behalf of Borrower) consenting to or acquiescing in or joining in (or soliciting or causing to be solicited) petitioning creditors to consent to or acquiesce or join in) an application for the appointment of a custodian, receiver, trustee, or examiner for Borrower or any portion of the Property other than an application made by Lender, (v) Borrower making an assignment for the benefit of creditors, or admitting, in writing or in any legal proceeding, its insolvency or inability to pay its debts as they become due, and (vi) the intentional interference by Borrower (or a Person on behalf of Borrower) with Lender’s exercise of any of its enforcement rights or other remedies under the Loan Documents, including contesting foreclosure or asserting counterclaims in any action to foreclose or any other action.

(m) **“Permitted Encumbrances”** means any exceptions to title in that certain commitment of title insurance bearing Title No.: 19-31665 and issued by New York Metro Title Agency, Inc., as agent for Chicago Title Insurance Company, which insures the lien of the Mortgage.

(n) **“Person”** means an individual, corporation, partnership, limited liability partnership, limited liability company, trust, unincorporated association, government, governmental authority, or other entity.

(o) **“Rents”** means all rents, issues and profits of the Property or any part thereof

1.2 **Other Defined Terms.** Any capitalized term utilized herein shall have the meaning as specified in the Mortgage unless such term is otherwise specifically defined herein.

ARTICLE II

NATURE AND SCOPE OF GUARANTY

2.1 **Guaranty of Obligation.** Subject to the terms hereof, (a) effective immediately upon the occurrence of a Loan Obligations Trigger Event (and without any notice or further act or condition of any kind) and continuing at all times thereafter, Guarantor hereby irrevocably and unconditionally guarantees to Lender (and its successors and assigns with respect to any interest in the Loan) the payment and performance of all Loan Obligations then outstanding or at any time thereafter incurred, as and when the same shall be due and payable, whether by lapse of time, by acceleration of maturity or otherwise, and (b) effective immediately on the date hereof (and without any notice or further act or condition of any kind), Guarantor hereby irrevocably and unconditionally agrees that it shall be liable to Lender (and its successors and assigns of an interest

in the Loan) for the payment and performance of all Carveout Obligations. Guarantor hereby irrevocably and unconditionally covenants and agrees that it is liable for the Guaranteed Obligations as a primary obligor.

2.2 **Nature of Guaranty.** This Guaranty is an irrevocable, absolute, continuing guaranty of payment and performance, and is not a guaranty of collection. This Guaranty may not be revoked by Guarantor, and shall continue to be effective with respect to any Guaranteed Obligations arising or created after any attempted revocation by Guarantor and after Guarantor's dissolution (and in any such event, this Guaranty shall be binding upon such Guarantor's successors and assigns). The fact that, at any time, or from time to time, the Loan or the Guaranteed Obligations may be increased or reduced, shall not release or discharge the obligation of Guarantor to Lender with respect to the Guaranteed Obligations. This Guaranty may be enforced by Lender and any subsequent holder of the Note, and shall not be discharged by the assignment or negotiation of all or part of the Note. This Guaranty shall survive any reinstatement of the Loan.

2.3 **Guaranteed Obligations Not Reduced by Offset.** The Guaranteed Obligations, and the liabilities and obligations of Guarantor to Lender hereunder, shall not be reduced, discharged or released because, or by reason, of any existing or future offset, claim or defense of Borrower (other than the defense of payment) or any other Person against Lender or against payment of the Loan or the Guaranteed Obligations, whether such offset, claim or defense arises in connection with the Loan or the Guaranteed Obligations (or the transactions creating the Loan or the Guaranteed Obligations) or otherwise.

2.4 **Payment by Guarantor.** If all or any part of the Guaranteed Obligations shall not be punctually paid when due, whether at demand, maturity, acceleration or otherwise, Guarantor shall, upon demand by Lender and without presentment, protest, notice of protest, notice of non-payment, notice of intention to accelerate the maturity, notice of acceleration of the maturity or any other notice whatsoever, pay in lawful money of the United States of America, the amount then due on the Guaranteed Obligations, to Lender at Lender's address as set forth herein. Such demand(s) may be made at any time coincident with or after the time for payment of all or part of the Guaranteed Obligations pursuant to the terms of the Loan Documents. Such demand shall be deemed made, given and received in accordance with the notice provisions hereof.

2.5 **No Duty to Pursue Others.** It shall not be necessary for Lender (and Guarantor hereby waives any rights which Guarantor may have to require Lender), in order to enforce the obligations of Guarantor hereunder, first to (a) institute suit or exhaust its remedies against Borrower or others liable on the Loan or the Guaranteed Obligations or any other Person, (b) enforce Lender's rights against any collateral which shall ever have been given to secure the Loan or the Guaranteed Obligations, (c) enforce Lender's rights against any other guarantors of the Loan or the Guaranteed Obligations, (d) join Borrower or any other Person liable on the Loan or the Guaranteed Obligations in any action seeking to enforce this Guaranty, (e) exhaust any remedies available to Lender against any collateral which shall ever have been given to secure the Loan or the Guaranteed Obligations, or (f) resort to any other means of obtaining payment of the Loan or the Guaranteed Obligations. Lender shall not be required to mitigate damages or take any other action to reduce, collect or enforce the Loan or the Guaranteed Obligations.

2.6 **Waivers.** Guarantor agrees to the provisions of the Loan Documents, and hereby waives notice of (i) any loans or advances made by Lender to Borrower, (ii) acceptance of this Guaranty, (iii) any amendment, extension, increase, waiver, consent or other modification of the Note, Mortgage, or any other Loan Documents, (iv) the execution and delivery by Borrower and Lender of any other loan or credit agreement or of Borrower's execution and delivery of any promissory notes or other documents arising under the Loan Documents or in connection with the Loan or the Guaranteed Obligations, (v) the occurrence of any breach by Borrower or an Event of Default or Loan Obligations Trigger Event, (vi) Lender's transfer or disposition of the Loan or the Guaranteed Obligations, or any part thereof, (vii) sale or foreclosure (or posting or advertising for sale or foreclosure) of any collateral for the Loan or the Guaranteed Obligations, (viii) protest, proof of nonpayment or default by Borrower, or (ix) any other action at any time taken or omitted by Lender and, generally, except to the extent expressly required by the terms hereof, all demands and notices of every kind in connection with this Guaranty, the Loan Documents, any documents or agreements evidencing, securing or relating to any of the Loan or the Guaranteed Obligations.

2.7 **Payment of Expenses.** In the event that Guarantor should breach or fail to timely perform any provisions of this Guaranty, Guarantor shall, immediately upon demand by Lender, pay Lender all costs and expenses (including court costs and reasonable attorneys' fees and disbursements) incurred by Lender in the enforcement hereof or the preservation of Lender's rights hereunder. All costs and expenses will accrue interest at the highest default rate in any instrument evidencing the Loan Obligations until payment is actually received by the Lender. The covenant contained in this Section shall survive the payment and performance of the Guaranteed Obligations.

2.8 **Effect of Bankruptcy.** In the event that, pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law, or any judgment, order or decision thereunder, Lender must rescind or restore any payment or any part thereof received by Lender in satisfaction of the Loan or the Guaranteed Obligations, as set forth herein, then any prior release or discharge from the terms of this Guaranty, or credit, given to Guarantor by Lender shall be without effect and this Guaranty shall be restored and remain in full force and effect. It is the intention of Borrower and Guarantor that Guarantor's obligations hereunder shall not be discharged except by Borrower's indefeasible payment and performance in full of the Loan and, if and to the extent payable hereunder, the Guaranteed Obligations, or Guarantor's performance of such obligations, and then only to the extent of such performance; and that in the event of any such rescission or restoration by the Lender with respect to any payment as provided above in this paragraph, then to the extent of such rescission or restoration the Guaranteed Obligations shall also be restored and shall remain in effect.

2.9 **Waiver of Subrogation, Reimbursement and Contribution.** Notwithstanding anything to the contrary contained in this Guaranty, Guarantor hereby unconditionally and irrevocably defers, until the indefeasible payment in full of the Loan and, if and to the extent payable hereunder, the Guaranteed Obligations, all rights it may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating Guarantor to the rights of Lender), to assert any claim against or seek contribution, indemnification or any other form of reimbursement from Borrower, or any other Person liable for payment of any or all of the Guaranteed Obligations, for any payment made by Guarantor under or in connection with this Guaranty.

2.10 **Borrower**. The term “Borrower” as used herein shall include any new or successor corporation, association, partnership (general or limited), limited liability company, joint venture, trust or other individual or organization formed as a result of any merger, reorganization, sale, transfer, devise, gift or bequest of Borrower.

2.11 **Other Guaranties**. This Guaranty is separate, distinct and in addition to any liability or obligations that Borrower or any guarantor may have under any other guaranty or indemnity executed by Borrower or any guarantor in connection with the Loan.

**ARTICLE III
EVENTS AND CIRCUMSTANCES NOT REDUCING
OR DISCHARGING GUARANTORS OBLIGATIONS**

Guarantor hereby (i) consents and agrees to each of the following, and agrees that Guarantor’s obligations under this Guaranty shall not be released, diminished, impaired, reduced or adversely affected by any of the following, except to the extent expressly required by the terms hereof, and (ii) waives any common law, equitable, statutory or other rights (including without limitation, except to the extent required by the terms hereof, rights to notice) which Guarantor might otherwise have as a result of or in connection with any of the following:

3.1 **Modifications**. Any amendment, renewal, extension, increase, modification, alteration or rearrangement of all or any part of the Loan, the Loan Obligations, the Note, Mortgage, and the other Loan Documents or any other document, instrument, contract or understanding between Borrower and Lender or any other Person pertaining to the Loan or the Loan Obligations, or any failure of Lender to notify Guarantor of any such action.

3.2 **Adjustment**. Any adjustment, indulgence, forbearance or compromise that might be granted or given by Lender to Borrower.

3.3 **Condition of Borrower or Guarantor**. The insolvency, bankruptcy, arrangement, adjustment, composition, liquidation, disability, dissolution or lack of power of Borrower, Guarantor or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations; or any death or dissolution of Borrower or Guarantor or any sale, lease or transfer of any or all of the assets of Borrower or Guarantor or any changes in the shareholders, partners or members of Borrower or Guarantor; or any reorganization of Borrower or Guarantor.

3.4 **Invalidity of Guaranteed Obligations**. The invalidity, illegality or unenforceability against Borrower or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations or any document or agreement executed in connection with the Loan or the Guaranteed Obligations for any reason whatsoever, including, without limitation, the fact that (a) the Loan or the Guaranteed Obligations or any part thereof exceeds the amount permitted by law, (b) the act of creating the Loan or the Guaranteed Obligations or any part thereof is ultra vires, (c) the officers or representatives executing the Note, Mortgage, or the other Loan Documents or otherwise creating the Loan or the Guaranteed Obligations acted in excess of their authority, (d) the Loan or the Guaranteed Obligations violate applicable usury laws, (e) Borrower or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations has valid defenses (other than payment of the Guaranteed Obligations), claims or

offsets (whether at law, in equity or by agreement) which render the Loan or the Guaranteed Obligations wholly or partially unenforceable against or uncollectible from Borrower or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations, (f) the creation, performance or repayment of the Loan or the Guaranteed Obligations (or the execution, delivery and performance of any document or instrument representing part of the Loan or the Guaranteed Obligations or executed in connection with the Loan or the Guaranteed Obligations or given to secure the repayment of the Loan or the Guaranteed Obligations) is illegal, uncollectible or unenforceable, or (g) the Note, Mortgage or any of the other Loan Documents have been forged or otherwise are irregular or not genuine or authentic, it being agreed that Guarantor shall remain liable hereon regardless of whether Borrower or any other Person be found not liable on the Loan or the Guaranteed Obligations or any part thereof for any reason.

3.5 **Release of Obligors.** Any full or partial release of the liability of Borrower on the Loan or the Guaranteed Obligations or any part thereof, or of any co-guarantors, or any other Person now or hereafter liable, whether directly or indirectly, jointly, severally, or jointly and severally, to pay, perform, guarantee or assure the payment of the Loan or the Guaranteed Obligations, or any part thereof, it being recognized, acknowledged and agreed by Guarantor that Guarantor may be required to pay the Guaranteed Obligations in full without assistance or support of any other Person, and Guarantor has not been induced to enter into this Guaranty on the basis of a contemplation, belief, understanding or agreement that any other Person will be liable to pay or perform in the Loan or the Guaranteed Obligations, or that Lender will look to any other Person to pay or perform the Loan or the Guaranteed Obligations.

3.6 **Other Collateral.** The taking or accepting of any other security, collateral or guaranty, or other assurance of payment, for all or any part of the Loan or the Guaranteed Obligations.

3.7 **Release of Collateral.** Any release, surrender, exchange, subordination, deterioration, waste, loss or impairment (including without limitation negligent, willful, unreasonable or unjustifiable impairment) by any Person of any collateral, property or security at any time existing in connection with, or assuring or securing payment of, all or any part of the Loan or the Guaranteed Obligations.

3.8 **Care and Diligence.** The failure of Lender or any other Person to exercise diligence or reasonable care in the preservation, protection, enforcement, sale or other handling or treatment of all or any part of any collateral, property or security, including but not limited to any neglect, delay, omission, failure or refusal of Lender (a) to take or prosecute any action for the collection of any of the Loan or the Guaranteed Obligations, (b) to foreclose, or initiate any action to foreclose, or, once commenced, prosecute to completion any action to foreclose upon any security therefor, or (c) to take or prosecute any action in connection with any instrument or agreement evidencing or securing all or any part of the Loan or the Guaranteed Obligations.

3.9 **Unenforceability.** The fact that any collateral, security, security interest or lien contemplated or intended to be given, created or granted as security for the repayment of the Loan or the Guaranteed Obligations, or any part thereof, shall not be properly perfected or created, or shall prove to be unenforceable or subordinate to any other security interest or lien, it being recognized and agreed, as between Lender and Guarantor, that Guarantor is not entering into this

Guaranty in reliance on, or in contemplation of the benefits of, the validity, enforceability, collectability or value of any of the collateral for the Loan or the Guaranteed Obligations.

3.10 **Offset.** Any existing or future right of offset, claim or defense of Borrower (other than the defense of payment) against Lender, or any other Person, or against payment of the Loan or the Guaranteed Obligations, whether such right of offset, claim or defense arises in connection with the Loan or the Guaranteed Obligations (other than the indefeasible payment in full of the Loan and, if and to the extent payable hereunder, the Guaranteed Obligations and full satisfaction of all of the terms, provisions and conditions of Guarantor under this Guaranty) or the transactions creating the Loan and the Guaranteed Obligations.

3.11 **Merger.** The reorganization, merger or consolidation of Borrower into or with any other Person.

3.12 **Preference.** Any payment by Borrower to Lender that is returned, recovered or otherwise paid, in whole or in part, in settlement of a suit, claim or other demand seeking avoidance and recovery of such payment as a preference or fraudulent conveyance under bankruptcy laws or applicable state law, or if for any reason Lender is required to refund such payment or pay such amount to Borrower or any other Person.

3.13 **Other Actions Taken or Omitted.** Any other action taken or omitted to be taken with respect to the Loan Documents, the Guaranteed Obligations, or the security and collateral therefor, whether or not such action or omission prejudices Guarantor or increases the likelihood that Guarantor will be required to pay the Guaranteed Obligations pursuant to the terms hereof; and it is the unambiguous and unequivocal intention of Guarantor that Guarantor shall be obligated to pay the Guaranteed Obligations when due, notwithstanding any occurrence, circumstance, event, action, or omission whatsoever, whether contemplated or un contemplated, and whether or not otherwise or particularly described herein, which obligation shall be deemed satisfied only upon the indefeasible payment in full of the Loan and, if and to the extent payable hereunder, the Guaranteed Obligations.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

To induce Lender to enter into the Note, Mortgage and the other Loan Documents, and extend and maintain credit to Borrower, Guarantor represents and warrants to Lender as follows:

4.1 **Benefit.** Reading is an Affiliate of Borrower, and is the owner of direct or indirect interests in Borrower, and has received, or will receive, direct or indirect and substantial benefit from the Loan.

4.2 **Familiarity and Reliance.** Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of Borrower, and is familiar with the value of any and all collateral intended to be created as security for the payment of the Loan or Guaranteed Obligations; however, as between Lender and Guarantor, Guarantor is not relying on such information, or the financial condition of Borrower, the collateral or any other condition, as an inducement to enter into this Guaranty.

4.3 **No Representation by Lender.** Neither Lender, nor any other Person on Lender's behalf, has made any representation, warranty or statement to Guarantor in order to induce Guarantor to execute this Guaranty.

4.4 **Guarantor's Financial Condition.** As of the date hereof, and after giving effect to this Guaranty and the contingent obligation evidenced hereby, Guarantor is solvent and has, and will have, assets which, fairly valued, exceed its obligations, liabilities (including contingent liabilities fairly estimated) and debts, and has property and assets sufficient to satisfy and repay its obligations and liabilities, as and when the same become due.

4.5 **Legality; Due Authorization; Enforceability.** The execution, delivery and performance by Guarantor of this Guaranty, and the consummation of the transactions contemplated hereunder, do not and will not contravene or conflict with any law, statute or regulation whatsoever to which Guarantor is subject, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the breach of, any indenture, mortgage, charge, lien, or any contract, agreement or other instrument to which Guarantor is a party or which may be applicable to Guarantor. This Guaranty is a legal and binding obligation of Guarantor and is enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to the enforcement of creditors' rights and subject, as to enforceability, to general principals of equity regardless of whether enforcement is sought in a proceeding in equity or at law.

4.6 **Litigation.** There are no actions, suits or proceedings at law or in equity by or before any Governmental Authority or other agency now pending or, to Guarantor's knowledge, threatened, against or affecting Guarantor which would reasonably be expected to materially adversely affect the ability of Guarantor to perform its obligations under this Guaranty.

4.7 **Survival.** All representations and warranties made by Guarantor herein shall survive the execution hereof.

ARTICLE V SUBORDINATION OF CERTAIN INDEBTEDNESS

5.1 **Subordination of All Guarantor Claims.** As used herein, the term "Guarantor Claims" shall mean all debts and liabilities of Borrower to Guarantor, whether such debts and liabilities now exist or are hereafter incurred or arise, or whether the obligations of Borrower thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or liabilities be evidenced by note, contract, open account, or otherwise, and irrespective of any Person in whose favor such debts or liabilities may, at their inception, have been, or may hereafter be, created, or the manner in which they have been or may hereafter be acquired by Guarantor. The Guarantor Claims shall include, without limitation, all rights and claims of Guarantor against Borrower (arising as a result of subrogation or otherwise) as a result of Guarantor's payment of all or a portion of the Guaranteed Obligations. After the occurrence and during the existence of an Event of Default, or the occurrence of an event which would, with the giving of notice or the passage of time, or both, constitute an Event of Default, Guarantor shall not receive or collect, directly or indirectly, from Borrower or any other Person,

any amount upon the Guarantor Claims, until the indefeasible payment in full of the Loan and, if and to the extent payable hereunder, the Guaranteed Obligations.

5.2 **Claims in Bankruptcy.** In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings involving Borrower as debtor, Lender shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly, from the receiver, trustee or other court custodian, dividends and payments which would otherwise be payable upon Guarantor Claims. Guarantor hereby assigns such dividends and payments to Lender. Should Lender receive, for application against the Guaranteed Obligations, any dividend or payment which is otherwise payable to Guarantor, and which, as between Borrower and Guarantor, shall constitute a credit against the Guarantor Claims, then, upon the indefeasible payment and performance in full to Lender of the Loan and, if and to the extent payable hereunder, the Guaranteed Obligations, Guarantor shall become subrogated to the rights of Lender to the extent that such payments to Lender on the Guarantor Claims have contributed toward the liquidation of the Guaranteed Obligations, and such subrogation shall be with respect to that proportion of the Guaranteed Obligations which would have been unpaid if Lender had not received dividends or payments upon the Guarantor Claims.

5.3 **Payments Held in Trust.** In the event that, notwithstanding anything to the contrary in this Guaranty, Guarantor should receive any funds, payment, claim or distribution which is prohibited by this Guaranty, then Guarantor agrees to hold in trust for Lender an amount equal to the amount of all funds, payments, claims or distributions so received, and Guarantor further agrees that it shall have absolutely no dominion over (or equitable or beneficial ownership of) the amount of such funds, payments, claims or distributions so received, and Guarantor covenants promptly to pay the same to Lender.

5.4 **Liens Subordinate.** Guarantor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Guarantor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Loan or the Guaranteed Obligations, regardless of whether such liens, security interests, judgment liens, charges or other encumbrances in favor of Guarantor or Lender presently exist or are hereafter created or attach. Without the prior written consent of Lender, Guarantor shall not (i) exercise or enforce any right it may have against Borrower, or (ii) foreclose, repossess, sequester, or otherwise take steps, or institute any action or proceeding (judicial or otherwise, including, without limitation, the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding), to enforce any liens, mortgages, deeds of trust, security interests, collateral rights, judgments or other encumbrances on assets of Borrower securing payment of the Guarantor Claims held by Guarantor.

ARTICLE VI **COVENANTS**

6.1 **Financial Information.** The Guarantor hereby represents and warrants that all financial statements of the Guarantor heretofore delivered to the Lender by or on behalf of the Guarantor are true and correct in all material respects and fairly present the financial condition of the Guarantor as of the respective dates of such financial statements. No material adverse change

has occurred in any financial condition reflected in any such financial statement since the date of such financial statement. In addition, the Guarantor covenants that so long as the Loan Obligations remain outstanding and unpaid, then the Guarantor will furnish to the Lender, unless otherwise consented to in writing by the Lender:

(a) annually, a copy of Form 10-K annual report of Guarantor, including all schedules thereto, within 30 days after filing of same;

(b) a certificate signed by the CFO (as defined in the Mortgage) certifying on the date of such certificate that, to the CFO's actual knowledge, after due inquiry: (i) such financial statement is true, correct and complete, and (ii) no default, and no event which upon notice or lapse of time or both would constitute a default, has occurred under this Guaranty or, if such default exists, the nature thereof and the period of time it has existed (such certificate being called, a "Certification"); and

(c) within ten (10) days after request by the Lender, such further detailed financial and other information as may be requested by the Lender with respect to either the Guarantor, or any affiliate of, or entity controlled by the Guarantor, as of a date not earlier than that specified by the Lender in such request, together with a Certification with respect to such financial and other information.

(d) In the event Guarantor does not comply with any or all of the financial information reporting requirements set forth herein, in addition to any other remedy which the Lender may possess in connection with Guarantor's failure to comply with said reporting requirements, the Lender may impose a charge of Fifty and 00/100 (\$50.00) Dollars per day upon Guarantor which charge shall commence ten (10) days after notice to Guarantor that Guarantor is in default with respect to Guarantor's obligations to supply said financial reporting information to Lender.

ARTICLE VII **RIGHT OF SETOFF**

7.1 **Right of Setoff.** As further security for payment of the Guaranteed Obligations and any other obligations of Guarantor to the Lender, Guarantor hereby grants to the Lender a security interest in all money, securities and other property of Guarantor in the actual or constructive possession or control of the Lender or its affiliates including without limitation all deposits and other accounts owing at any time by the Lender or any of its affiliates in any capacity to Guarantor in any capacity (collectively, the "Accounts"). The Lender shall have the right to set off Guarantor's Accounts against any of Guarantor's obligations to the Lender, including, without limitation, the Guaranteed Obligations. Such set-off shall be deemed to have been exercised immediately at the time the Lender or such affiliate elect to do so. The Lender shall also have all of the rights and remedies of a secured party under the Uniform Commercial Code, as the same may be in effect in the State of New York, as amended from time to time, in addition to those under this Guaranty and other applicable law and agreements.

ARTICLE VIII
MISCELLANEOUS

8.1 **Waiver.** No failure to exercise, and no delay in exercising, on the part of Lender, any right hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights of Lender hereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision of this Guaranty, nor any consent to departure therefrom, shall be effective unless in writing, and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand except to the extent such a notice or demand is required by the terms hereof.

8.2 **Notices.** All notices, consents, approvals and requests required or permitted hereunder shall be in writing, and shall be either hand delivered or sent, by (a) certified or registered U.S. mail, Return Receipt Requested, first class postage prepaid, or (b) expedited prepaid delivery service, either commercial (e.g., Federal Express or comparable national courier) or U.S. Postal Service, with proof of attempted delivery. All notices to any party shall be addressed to such party at its following address:

If to Lender:

Valley National Bank
1455 Valley Road
Wayne, New Jersey 07470
Attention: Commercial Loan Department

With a copy to:

Romer Debbas LLP
275 Madison Avenue, Suite 801
New York, New York 10016
Attention: Hugh P. Finnegan, Esq.

If to the Guarantor.

Sutton Hill Properties, LLC
500 Citadel Drive, Suite 300
Commerce, California 90040

Reading International, Inc.
6100 Center Drive
Los Angeles, California 90045

With a copy to:

Marcus Rosenberg & Diamond LLP
488 Madison Avenue, 17th Floor
New York, New York 10022
Attention: Jeffrey M. Diamond, Esq.

Any party may give notice, in the manner permitted by this Section, designating a new address in the United States for all notices to such party pursuant to this Section, and such notice shall become effective upon receipt of such notice by the other party or parties to this Guaranty.

8.3 Governing Law; Submission to Jurisdiction. THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE SUBSTANTIVE LAWS OF THE STATE OF NEW YORK AND THE APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR GUARANTOR ARISING OUT OF OR RELATING TO THIS GUARANTY MAY BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED IN, AND EACH OF LENDER (BY ITS ACCEPTANCE HEREOF) AND GUARANTOR WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND EACH OF LENDER (BY ITS ACCEPTANCE HEREOF) AND GUARANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING. FURTHERMORE, THE GUARANTOR AGREES AND CONSENTS THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING REFERRED TO ABOVE MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, DIRECTED TO GUARANTOR AT THE ADDRESS INDICATED IN THIS GUARANTY FOR SUCH PARTY, AND SERVICE SO MADE SHALL BE COMPLETE AND FOR ALL PURPOSES DEEMED BY THE GUARANTOR TO BE GOOD AND SUFFICIENT SERVICE FIVE DAYS AFTER THE SAME SHALL HAVE BEEN SO MAILED. SUBJECT TO THE REQUIREMENTS FOR A CASE TO BE HEARD IN THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, THE PARTIES AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, AND TO THE APPLICATION OF SAID COURT'S ACCELERATED PROCEDURES PURSUANT TO RULE 9 OF SECTION 202.70(G) OF THE UNIFORM RULES FOR NEW YORK STATE TRIAL COURTS.

8.4 Invalid Provisions. If any provision of this Guaranty is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Guaranty, then such provision shall be fully severable, and this Guaranty shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Guaranty, and the remaining provisions of this Guaranty shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Guaranty.

8.5 Amendments and Waivers. No term or provision of this Guaranty may be amended, waived or otherwise modified except pursuant an instrument in writing executed by the party (or an authorized representative of the party) against whom enforcement of such amendment, waiver or modification is sought.

8.6 Parties Bound; Assignment; Joint and Several. This Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however, that Guarantor may not, without the prior written consent of

Lender, assign any of its rights, powers, duties or obligations hereunder. If Guarantor consists of more than one Person, the obligations and liabilities of each such Person shall be joint and several.

8.7 **Headings.** Section headings are for convenience of reference only and shall in no way affect the interpretation of this Guaranty.

8.8 **Recitals.** The “WHEREAS” introductory paragraphs hereof are a part hereof, form a basis for this Guaranty and shall be deemed to be represented and warranted by the Guarantor as prima facie evidence of the facts and documents referred to therein.

8.9 **Counterparts.** To facilitate execution, this Guaranty may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all Persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary, in making proof of this Guaranty, to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart, without impairing the legal effect of the signatures thereon, and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

8.10 **Rights and Remedies.** If Guarantor becomes liable for any indebtedness owing by Borrower to Lender, by endorsement or otherwise, other than under this Guaranty, then such liability shall not be in any manner impaired or affected hereby, and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may ever have against Guarantor. The exercise by Lender of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

8.11 **Entirety.** THIS GUARANTY EMBODIES THE FINAL, ENTIRE AGREEMENT OF GUARANTOR AND LENDER WITH RESPECT TO GUARANTOR’S GUARANTY OF THE GUARANTEED OBLIGATIONS AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF, EXCEPT AS PROVIDED IN THE LOAN DOCUMENTS. THIS GUARANTY IS INTENDED BY GUARANTOR AND LENDER AS A FINAL AND COMPLETE EXPRESSION OF THE TERMS OF THE GUARANTY, AND NO COURSE OF DEALING BETWEEN GUARANTOR AND LENDER, NO COURSE OF PERFORMANCE, NO TRADE PRACTICES, AND NO EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OR OTHER EXTRINSIC EVIDENCE OF ANY NATURE SHALL BE USED TO CONTRADICT, VARY, SUPPLEMENT OR MODIFY ANY TERM OF THIS GUARANTY AGREEMENT. THERE ARE NO ORAL AGREEMENTS BETWEEN GUARANTOR AND LENDER RELATING TO THE GUARANTEED OBLIGATIONS.

8.12 **Waiver of Right To Trial By Jury.** GUARANTOR, AND BY ITS ACCEPTANCE HEREOF, LENDER, EACH HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS GUARANTY OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS

WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH OF LENDER AND GUARANTOR, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH PARTY IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER.

8.13 **No Third Party Beneficiaries.** This Guaranty is solely between the Guarantor and the Lender, and solely for the benefit of the Lender and any subsequent holder or holders of the Note, and nothing in this Guaranty, whether express or implied, shall be construed to give any other Person any legal or equitable right, remedy or claim under or in respect of this Guaranty.

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty as of the date above set forth.

SUTTON HILL PROPERTIES, LLC,
a Nevada limited liability company
Qualified to do business in New York

By: Citadel Cinemas, Inc.,
a Nevada corporation,
its Manager

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer and Treasurer

READING INTERNATIONAL, INC.,
A Nevada corporation

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer and Treasurer

[acknowledgment page to follow]

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], not Notary)

Signature of Document Signer No. 1 _____ Signature of Document Signer No. 2 (if any) _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles _____

Subscribed and sworn to (or affirmed) before me
on this 11th day of March, 2020,
Date Month Year

by
(1) Gilbert Avanes _____
(and (2) _____).
Name(s) of Signer(s)

Seal
Place Notary Seal Above

Proved to me on the basis of satisfactory evidence
to be the person(s) who appeared before me.

Signature /s/ Michael James Conroy _____
Signature of Notary Public

_____ **OPTIONAL** _____

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

GUARANTY

THIS GUARANTY (this "**Guaranty**") is dated March 13, 2020, by READING INTERNATIONAL, INC., a Nevada corporation having an address at 6100 Center Drive, Suite 900, Los Angeles, California 90045 (the "**Guarantor**"), for the benefit of SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company having an address c/o Reading International, Inc., a Nevada corporation having an address at 5995 Sepulveda Boulevard, Suite 300, Culver City, California 90230, as landlord under the Lease (as defined below) (the "**Landlord**") and sometimes the "**Borrower**").

WITNESSETH:

WHEREAS, VALLEY NATIONAL BANK, a national banking association having an office at 1455 Valley Road, Wayne, New Jersey 07470 (the "**Lender**") is about to make a first mortgage loan to Borrower, in the principal amount of \$25,000,000.00 (the "**Loan**") to be evidenced by an Amended, Restated and Consolidated Promissory Note of even date herewith (the "**Note**"), and secured by, among other things, (i) a Mortgage Consolidation, Extension and Modification Agreement of even date herewith (the "**Mortgage**"), encumbering the property commonly known as and located at 1001-1007 Third Avenue, New York, New York (as more fully described in the Mortgage, collectively, the "**Property**"), and (ii) various other documents executed in connection with the Note and Mortgage (the Note, Mortgage, and any and all other documents, instruments and agreements executed and delivered in connection therewith are hereinafter collectively referred to as, the "**Loan Documents**");

WHEREAS, Landlord has leased the entire Property to SUTTON HILL PROPERTIES, LLC, a Nevada limited liability company qualified to do business in New York, having an address c/o Reading International, Inc., a Nevada corporation having an address at 6100 Center Drive, Suite 900, Los Angeles, California 90045, as tenant (the "**Tenant**") under that certain lease dated February 9, 1961, made between Andrew C. Mayer, et al., as landlord, and Turtle Bay Theatre Corporation, as tenant, a memorandum of which was recorded in the Office of the City Register, New York County, on August 14, 1961, in Liber 5159, CP 151, as amended to date, and as thereafter assigned by various mesne assignments to Landlord and Tenant (collectively, the "**Lease**"); and

WHEREAS, Guarantor is the owner of direct or indirect interests in Landlord and Tenant, and Guarantor will directly or indirectly and substantially benefit from the Lender making the Loan to Borrower.

NOW, THEREFORE, as an inducement to Lender to make the Loan to Borrower, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE I **DEFINITIONS**

1.1. **Definitions.** As used herein, the following terms shall have the following meanings:

(a) “**Bankruptcy Code**” means Title 11 of the United States Code, as amended from time to time.

(b) “**Event of Default**” means any default under the Lease and the continuance of such default beyond any applicable notice and/or grace period for such default contained in the Lease.

(c) “**Governmental Authority**” means any of the following: (i) the federal government, (ii) any state or local government or any political subdivision of any state or local government, or (iii) any agency, court or body of either the federal government, or any state or local government or any other political subdivision of any state or local government, exercising executive, legislative, judicial, regulatory or administrative functions.

(d) “**Guaranteed Obligations**” means the due and punctual payment of any and all Rents (hereinafter defined) and any and all other monetary obligations, including fees, commissions, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) of Tenant under the Lease.

(e) “**Guarantor Claims**” shall have the meaning set forth in Section 5.1 of this Guaranty.

(f) “**herein**,” “**hereof**,” “**hereunder**,” and “**herewith**” shall be deemed to refer to this entire Guaranty and not any particular provision of this Guaranty.

(g) “**Including**” or “**including**” means “including, without limitation.”

(h) “**Person**” means an individual, corporation, partnership, limited liability partnership, limited liability company, trust, unincorporated association, government, governmental authority, or other entity.

(i) “**Rents**” means all rents, issues and profits of the Property or any part thereof.

1.2. **Other Defined Terms.** Any capitalized term utilized herein shall have the meaning as specified in the Mortgage unless such term is otherwise specifically defined herein.

ARTICLE II

NATURE AND SCOPE OF GUARANTY

2.1. **Guaranty of Obligation.** Guarantor hereby irrevocably and unconditionally guarantees to Landlord (and its successors and assigns) the payment of all Guaranteed Obligations, as and when the same shall be due and payable, whether by lapse of time, by acceleration or otherwise. Notwithstanding anything to the contrary herein, the liability of Guarantor under this Guaranty with respect to the Guaranteed Obligations shall be released and this Guaranty shall

terminate and become of no force and effect upon the indefeasible payment in full of the Loan and the Guaranteed Obligations and the full satisfaction of all Obligations under the Loan and of the terms, provisions and conditions of Guarantor under this Guaranty, as evidenced by the execution and delivery by Lender of a satisfaction or assignment of the Mortgage, in accordance with the terms thereof

2.2. **Nature of Guaranty.** Except as otherwise expressly set forth herein, this Guaranty is irrevocable, absolute and continuing, and the liability of Guarantor is coextensive with that of Tenant. This Guaranty may not be revoked by Guarantor, and shall continue to be effective with respect to any Guaranteed Obligations arising or created after any attempted revocation by Guarantor and after Guarantor's dissolution (and in any such event, this Guaranty shall be binding upon such Guarantor's successors and assigns). The fact that, at any time, or from time to time, the Loan or the Guaranteed Obligations may be increased or reduced, shall not release or discharge the obligation of Guarantor to Landlord with respect to the Guaranteed Obligations.

2.3. **Guaranteed Obligations Not Reduced.** The Guaranteed Obligations, and the liabilities and obligations of Guarantor to Landlord hereunder, shall not be reduced, discharged or released because, or by reason, of (a) any existing or future offset, claim or defense of Borrower or any other Person against Lender or against payment of the Loan or the Guaranteed Obligations, whether such offset, claim or defense arises in connection with the Loan or the Guaranteed Obligations (or the transactions creating the Loan or the Guaranteed Obligations) or otherwise, (b) the assertion or the failure to assert by Landlord against Tenant of any of the rights or remedies reserved to Landlord pursuant to the terms, covenants and conditions of the Lease; or (c) any non-liability of Tenant under the Lease, whether by insolvency, discharge in bankruptcy, or any other defect or defense which may now or hereafter exist in favor of Tenant.

2.4. **Payment by Guarantor.** If all or any part of the Guaranteed Obligations shall not be punctually paid when due, whether at demand, maturity, acceleration or otherwise, Guarantor shall, upon demand by Landlord and without the necessity of any suit or proceeding on the part of Landlord of any kind or nature whatsoever against Tenant and without the necessity of any notice of nonpayment, nonperformance or non-observance or any other notice whatsoever, all of which Guarantor hereby expressly waives, pay, in lawful money of the United States of America, the amount then due on the Guaranteed Obligations, to Landlord (or its successors or assigns) at Landlord's address as set forth herein or as otherwise directed. Such demand(s) may be made at any time after the time for payment of all or part of the Guaranteed Obligations pursuant to the terms of the Lease. Such demand shall be deemed made, given and received in accordance with the notice provisions hereof.

2.5. **No Duty to Pursue Others.** It shall not be necessary for Landlord (and Guarantor hereby waives any rights which Guarantor may have to require Landlord), in order to enforce the obligations of Guarantor hereunder, first to (a) institute suit or exhaust its remedies against Tenant or others liable on the Lease or the Guaranteed Obligations or any other Person, (b) enforce Landlord's rights against any security deposit, letter of credit or other collateral which shall ever have been given to secure the Tenant's obligations under the Lease, (c) enforce Landlord's rights against any guarantor of the Lease, (d) join Tenant or any other Person liable on the Lease in any action seeking to enforce this Guaranty, (e) exhaust any remedies available to Landlord against any collateral which shall ever have been given to secure Tenant's obligations under the Lease, or

(f) resort to any other means of obtaining payment of the Guaranteed Obligations. Landlord shall not be required to mitigate damages or take any other action to reduce, collect or enforce the Guaranteed Obligations.

2.6. **Waivers.** Guarantor agrees to the provisions of the Lease and the Loan Documents, and hereby expressly waives notice of (i) any loans or advances made by Lender to Borrower, (ii) acceptance of this Guaranty, (iii) any amendment, extension, increase, waiver, consent or other modification of the Lease, the Note, the Mortgage, or any other Loan Documents, (iv) the execution and delivery by Borrower and Lender of any other loan or credit agreement or of Borrower's execution and delivery of any promissory notes or other documents arising under the Loan Documents or in connection with the Loan or the Guaranteed Obligations, (v) the occurrence of any breach by Borrower or an Event of Default, (vi) Lender's transfer or disposition of the Loan or the Guaranteed Obligations, or any part thereof, (vii) sale or foreclosure (or posting or advertising for sale or foreclosure) of any collateral for the Loan or the Guaranteed Obligations, (viii) protest, proof of nonpayment or default by Borrower, or (ix) any other action at any time taken or omitted by Landlord or Lender and, generally, except to the extent expressly required by the terms hereof, all demands and notices of every kind in connection with this Guaranty, the Lease, the Loan Documents, any documents or agreements evidencing, securing or relating to any of the Lease, the Loan or the Guaranteed Obligations.

2.7. **Payment of Expenses.** In the event that Guarantor should breach or fail to timely perform any provisions of this Guaranty, Guarantor shall, immediately upon demand by Landlord, pay to Landlord all costs and expenses (including court costs and reasonable attorneys' fees and disbursements) incurred by Landlord in the enforcement hereof or the preservation of Landlord's rights hereunder. All costs and expenses will accrue interest at the highest default rate in any instrument evidencing the Guaranteed Obligations until payment is actually received by the Landlord. The covenant contained in this Section shall survive the payment and performance of the Guaranteed Obligations.

2.8. **Effect of Bankruptcy.** In the event that, pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law, or any judgment, order or decision thereunder, Landlord must rescind or restore any payment or any part thereof received by Landlord in satisfaction of the Guaranteed Obligations, as set forth herein, then any prior release or discharge from the terms of this Guaranty, or credit, given to Guarantor by Landlord shall be without effect and this Guaranty shall be restored and remain in full force and effect. It is the intention of Landlord and Guarantor that Guarantor's obligations hereunder shall not be discharged except by Borrower's indefeasible payment and performance in full of the Loan and the Guaranteed Obligations, or Guarantor's performance of such obligations, and then only to the extent of such performance; and that in the event of any such rescission or restoration by the Landlord with respect to any payment as provided above in this paragraph, then to the extent of such rescission or restoration the Guaranteed Obligations shall also be restored and shall remain in effect.

2.9. **Waiver of Subrogation, Reimbursement and Contribution.** Notwithstanding anything to the contrary contained in this Guaranty, Guarantor hereby unconditionally and irrevocably defers, until the indefeasible payment in full of the Loan and the Guaranteed Obligations, all rights it may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating Guarantor to the rights of Landlord), to assert

any claim against or seek contribution, indemnification or any other form of reimbursement from Tenant, or any other Person liable for payment of any or all of the Guaranteed Obligations, for any payment made by Guarantor under or in connection with this Guaranty.

2.10. **Tenant.** The term “**Tenant**” as used herein shall include any new or successor corporation, association, partnership (general or limited), limited liability company, joint venture, trust or other individual or organization formed as a result of any merger, reorganization, sale, transfer, devise, gift or bequest of Tenant or any interest in Tenant.

2.11. **Other Guaranties.** This Guaranty is separate, distinct and in addition to any liability or obligations that Tenant or any guarantor may have under any other guaranty or indemnity executed by Tenant or any guarantor in connection with the Lease.

ARTICLE III
EVENTS AND CIRCUMSTANCES NOT REDUCING
OR DISCHARGING GUARANTORS OBLIGATIONS

Guarantor hereby (i) consents and agrees to each of the following, and agrees that Guarantor’s obligations under this Guaranty shall not be released, diminished, impaired, reduced or adversely affected by any of the following, except to the extent expressly required by the terms hereof, and (ii) waives any common law, equitable, statutory or other rights (including without limitation, except to the extent required by the terms hereof, rights to notice) which Guarantor might otherwise have as a result of or in connection with any of the following:

3.1. **Modifications.** (a) any assignment, renewal, modification, amendment or extension of the Lease; (b) any modification or waiver of or change in any of the terms, covenants and conditions of the Lease; (c) any extension of time that may be granted by Landlord to Tenant; (d) any consent, release, indulgence or other action, inaction or omission under or in respect of the Lease; (e) any dealings or transactions or matter or thing occurring between Landlord and Tenant; (f) any bankruptcy, insolvency, reorganization, liquidation, arrangement, assignment for the benefit of creditors, receivership, trusteeship or similar proceeding affecting Tenant, whether or not notice thereof or of any thereof is given to Guarantor; or (g) any amendment, renewal, extension, increase, modification, alteration or rearrangement of all or any part of the Loan, the Guaranteed Obligations, the Note, Mortgage, and the other Loan Documents or any other document, instrument, contract or understanding between Borrower and Lender or any other Person pertaining to the Loan or the Guaranteed Obligations, or any failure of Lender to notify Guarantor of any such action.

3.2. **Adjustment.** Any adjustment, indulgence, forbearance or compromise that might be granted or given by Landlord to Tenant or by Lender to Borrower.

3.3. **Condition of Tenant, Borrower or Guarantor.** The insolvency, bankruptcy, arrangement, adjustment, composition, liquidation, disability, dissolution or lack of power of Tenant, Borrower, Guarantor or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations; or any death or dissolution of Tenant, Borrower or Guarantor or any sale, lease or transfer of any or all of the assets of Tenant, Borrower or Guarantor

or any changes in the shareholders, partners or members of Tenant, Borrower or Guarantor; or any reorganization of Tenant, Borrower or Guarantor.

3.4. **Invalidity of Guaranteed Obligations.** The invalidity, illegality or unenforceability against Tenant, Borrower or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations, of the Lease or any document or agreement executed in connection with the Loan or the Guaranteed Obligations, or of any of the provisions thereof, for any reason whatsoever, including, without limitation, the fact that (a) the Loan or the Guaranteed Obligations or any part thereof exceeds the amount permitted by law, (b) the act of creating the Loan or the Guaranteed Obligations or any part thereof is *ultra vires*, (c) the officers or representatives executing the Lease, the Note, the Mortgage, or the other Loan Documents or otherwise creating the Loan or the Guaranteed Obligations acted in excess of their authority, (d) the Loan or the Guaranteed Obligations violate applicable usury laws, (e) Tenant, Borrower or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations has valid defenses (other than payment in full of the Guaranteed Obligations), claims or offsets (whether at law, in equity or by agreement) which render the Loan or the Guaranteed Obligations wholly or partially unenforceable against or uncollectible from Tenant, Borrower or any other Person at any time liable for the payment of all or part of the Loan or the Guaranteed Obligations, (f) the creation, performance or repayment of the Loan or the Guaranteed Obligations (or the execution, delivery and performance of the Lease or any document or instrument representing part of the Loan or the Guaranteed Obligations or executed in connection with the Loan or the Guaranteed Obligations or given to secure the repayment of the Loan or the Guaranteed Obligations) is illegal, uncollectible or unenforceable, or (g) the Lease, the Note, the Mortgage or any of the other Loan Documents have been forged or otherwise are irregular or not genuine or authentic, it being agreed that Guarantor shall remain liable hereon regardless of whether Tenant, Borrower or any other Person be found not liable on the Loan or the Guaranteed Obligations or any part thereof for any reason.

3.5. **Release of Obligors.** Except as otherwise expressly set forth herein, any full or partial release of the liability of Tenant under the Lease or of Borrower on the Loan or the Guaranteed Obligations or any part thereof, or of any co-guarantors, or any other Person now or hereafter liable, whether directly or indirectly, jointly, severally, or jointly and severally, to pay, perform, guarantee or assure the payment of the Loan or the Guaranteed Obligations, or any part thereof, it being recognized, acknowledged and agreed by Guarantor that Guarantor may be required to pay the Guaranteed Obligations in full without assistance or support of any other Person, and Guarantor has not been induced to enter into this Guaranty on the basis of a contemplation, belief, understanding or agreement that any other Person will be liable to pay or perform the Lease, the Loan or the Guaranteed Obligations, or that Landlord will look to any other Person to pay or perform the Guaranteed Obligations.

3.6. **Other Collateral.** The taking or accepting of any other security, collateral or guaranty, or other assurance of payment, for all or any part of the Lease or the Guaranteed Obligations.

3.7. **Release of Collateral.** Any release, surrender, exchange, subordination, deterioration, waste, loss or impairment (including without limitation negligent, willful, unreasonable or unjustifiable impairment) by any Person of any collateral, property or security at

any time existing in connection with, or assuring or securing payment of, all or any part of the Lease or the Guaranteed Obligations.

3.8. **Care and Diligence.** The failure of Landlord or any other Person to exercise diligence or reasonable care in the preservation, protection, enforcement, sale or other handling or treatment of all or any part of any collateral, property or security, including but not limited to any neglect, delay, omission, failure or refusal of Landlord (a) to take or prosecute any action for the collection of any of the Guaranteed Obligations, or (b) to take or prosecute any action in connection with any default under the Lease.

3.9. **Unenforceability.** The fact that any collateral, security, security interest or lien contemplated or intended to be given, created or granted as security for the repayment of the Guaranteed Obligations, or any part thereof, shall not be properly perfected or created, or shall prove to be unenforceable or subordinate to any other security interest or lien, it being recognized and agreed that Guarantor is not entering into this Guaranty in reliance on, or in contemplation of the benefits of, the validity, enforceability, collectability or value of any of the collateral for the Guaranteed Obligations.

3.10. **Offset.** Any existing or future right of offset, claim or defense of Tenant against Landlord, or any other Person, or against payment of the Guaranteed Obligations, whether such right of offset, claim or defense arises in connection with the Lease or the Guaranteed Obligations (other than the indefeasible payment in full of the Loan and the Guaranteed Obligations and full satisfaction of all of the terms, provisions and conditions of Guarantor under this Guaranty) or the transactions creating the Loan and the Guaranteed Obligations.

3.11. **Merger.** The reorganization, merger or consolidation of Tenant into or with any other Person.

3.12. **Preference.** Any payment by Tenant to Landlord that is returned, recovered or otherwise paid, in whole or in part, in settlement of a suit, claim or other demand seeking avoidance and recovery of such payment as a preference or fraudulent conveyance under bankruptcy laws or applicable state law, or if for any reason Landlord is required to refund such payment or pay such amount to Tenant or any other Person.

3.13. **Other Actions Taken or Omitted.** Any other action taken or omitted to be taken with respect to the Lease, the Guaranteed Obligations, or the security and collateral therefor, whether or not such action or omission prejudices Guarantor or increases the likelihood that Guarantor will be required to pay the Guaranteed Obligations pursuant to the terms hereof; and it is the unambiguous and unequivocal intention of Guarantor that Guarantor shall be obligated to pay the Guaranteed Obligations when due, notwithstanding any occurrence, circumstance, event, action, or omission whatsoever, whether contemplated or un contemplated, and whether or not otherwise or particularly described herein, which obligation shall be deemed satisfied only upon the indefeasible payment in full of the Loan and the Guaranteed Obligations.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

To induce Lender to enter into the Note, Mortgage and the other Loan Documents, and extend and maintain credit to Borrower, Guarantor represents and warrants to Landlord as follows:

4.1. **Benefit.** Guarantor is an Affiliate of Borrower, and is the owner of direct or indirect interests in Borrower, and has received, or will receive, direct or indirect and substantial benefit from the Loan.

4.2. **Familiarity and Reliance.** Guarantor is familiar with, and has independently reviewed books and records regarding, the financial condition of Borrower, and is familiar with the value of any and all collateral intended to be created as security for the payment of the Loan or Guaranteed Obligations; however, Guarantor is not relying on such information, or the financial condition of Borrower, the collateral or any other condition, as an inducement to enter into this Guaranty.

4.3. **No Representation by Lender.** Neither Landlord, Tenant, Lender, nor any other Person on Landlord's, Tenant's or Lender's behalf, respectively, has made any representation, warranty or statement to Guarantor in order to induce Guarantor to execute this Guaranty.

4.4. **Guarantor's Financial Condition.** As of the date hereof, and after giving effect to this Guaranty and the contingent obligation evidenced hereby, Guarantor is solvent and has, and will have, assets which, fairly valued, exceed its obligations, liabilities (including contingent liabilities fairly estimated) and debts, and has property and assets sufficient to satisfy and repay its obligations and liabilities, as and when the same become due.

4.5. **Legality; Due Authorization; Enforceability.** The execution, delivery and performance by Guarantor of this Guaranty, and the consummation of the transactions contemplated hereunder, do not and will not contravene or conflict with Guarantor's certificate or articles of incorporation, by-laws or other governing documents or any law, statute or regulation whatsoever to which Guarantor is subject, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the breach of, any indenture, mortgage, charge, lien, or any contract, agreement or other instrument to which Guarantor is a party or which may be applicable to Guarantor. This Guaranty is a legal and binding obligation of Guarantor and is enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to the enforcement of creditors' rights and subject, as to enforceability, to general principals of equity regardless of whether enforcement is sought in a proceeding in equity or at law.

4.6. **Litigation.** There are no actions, suits or proceedings at law or in equity by or before any Governmental Authority or other agency now pending or, to Guarantor's knowledge, threatened, against or affecting Guarantor which would reasonably be expected to materially adversely affect the ability of Guarantor to perform its obligations under this Guaranty.

4.7. **Survival.** All representations and warranties made by Guarantor herein shall survive the execution hereof.

ARTICLE V
SUBORDINATION OF CERTAIN INDEBTEDNESS

5.1. **Subordination of All Guarantor Claims.** As used herein, the term “**Guarantor Claims**” shall mean all debts and liabilities of Tenant to Guarantor, whether such debts and liabilities now exist or are hereafter incurred or arise, or whether the obligations of Tenant thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or liabilities be evidenced by note, contract, open account, or otherwise, and irrespective of any Person in whose favor such debts or liabilities may, at their inception, have been, or may hereafter be, created, or the manner in which they have been or may hereafter be acquired by Guarantor. The Guarantor Claims shall include, without limitation, all rights and claims of Guarantor against Tenant (arising as a result of subrogation or otherwise) as a result of Guarantor’s payment of all or a portion of the Guaranteed Obligations. After the occurrence and during the existence of an Event of Default, or the occurrence of an event which would, with the giving of notice or the passage of time, or both, constitute an Event of Default, Guarantor shall not receive or collect, directly or indirectly, from Tenant or any other Person, any amount upon the Guarantor Claims, until the indefeasible payment in full of the Loan and the Guaranteed Obligations.

5.2. **Claims in Bankruptcy.** In the event of receivership, bankruptcy, reorganization, arrangement, debtor’s relief, or other insolvency proceedings involving Tenant as debtor, Landlord shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly, from the receiver, trustee or other court custodian, dividends and payments which would otherwise be payable upon Guarantor Claims. Guarantor hereby assigns such dividends and payments to Landlord. Should Landlord receive, for application against the Guaranteed Obligations, any dividend or payment which is otherwise payable to Guarantor, and which, as between Tenant and Guarantor, shall constitute a credit against the Guarantor Claims, then, upon the indefeasible payment and performance in full to Lender of the Loan and the Guaranteed Obligations, Guarantor shall become subrogated to the rights of Landlord to the extent that such payments to Landlord on the Guarantor Claims have contributed toward the liquidation of the Guaranteed Obligations, and such subrogation shall be with respect to that proportion of the Guaranteed Obligations which would have been unpaid if Landlord had not received dividends or payments, upon the Guarantor Claims.

5.3. **Payments Held in Trust.** In the event that, notwithstanding anything to the contrary in this Guaranty, Guarantor should receive any funds, payment, claim or distribution which is prohibited by this Guaranty, then Guarantor agrees to hold in trust for Landlord an amount equal to the amount of all funds, payments, claims or distributions so received, and Guarantor further agrees that it shall have absolutely no dominion over (or equitable or beneficial ownership of) the amount of such funds, payments, claims or distributions so received, and Guarantor covenants promptly to pay the same to Landlord.

5.4. **Liens Subordinate.** Guarantor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon Tenant’s assets securing payment of the Guarantor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon Tenant’s assets securing payment of the Guaranteed

Obligations, regardless of whether such liens, security interests, judgment liens, charges or other encumbrances in favor of Guarantor or Landlord presently exist or are hereafter created or attach. Without the prior written consent of Landlord, while this Guaranty is in effect, Guarantor shall not (i) exercise or enforce any right it may have against Tenant, or (ii) foreclose, repossess, sequester, or otherwise take steps, or institute any action or proceeding (judicial or otherwise, including, without limitation, the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding), to enforce any liens, mortgages, deeds of trust, security interests, collateral rights, judgments or other encumbrances on assets of Tenant securing payment of the Guarantor Claims held by Guarantor.

ARTICLE VI COVENANTS

6.1. **Financial Information.** The Guarantor hereby represents and warrants that all financial statements of the Guarantor heretofore delivered to the Lender by or on behalf of the Guarantor are true and correct in all material respects and fairly present the financial condition of the Guarantor as of the respective dates of such financial statements. No material adverse change has occurred in any financial condition reflected in any such financial statement since the date of such financial statement.

6.2. **Certificates.** The Guarantor hereby covenants and agrees that Guarantor shall, at any time and from time to time, within fifteen (15) days following written request by Landlord, execute, acknowledge and deliver to Landlord a statement certifying that this Guaranty is unmodified and in full force and effect (or if there has been any modification, that the same is in full force and effect as modified and stating such modification) and containing such other information as Landlord may reasonably request. Guarantor agrees that such certificate may be relied on by anyone holding or proposing to acquire any interest in the Property from or through Landlord or by any mortgagee or prospective mortgagee of the Property of any interest therein.

ARTICLE VII INTENTIONALLY OMITTED

ARTICLE VIII MISCELLANEOUS

8.1. **Waiver.** No failure to exercise, and no delay in exercising, on the part of Landlord, any right hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights of Landlord hereunder shall be in addition to all other rights provided by law. No modification or waiver of any provision of this Guaranty, nor any consent to departure therefrom, shall be effective unless in writing, and no such consent or waiver shall extend beyond the particular case and purpose involved. No notice or demand given in any case shall constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand except to the extent such a notice or demand is required by the terms hereof.

8.2. **Notices.** All notices, consents, approvals and requests required or permitted hereunder shall be in writing, and shall be either hand delivered or sent, by (a) certified or registered U.S. mail, Return Receipt Requested, first class postage prepaid, or (b) expedited prepaid delivery service, either commercial (e.g., Federal Express or comparable national courier) or U.S. Postal Service, with proof of attempted delivery. All notices to any party shall be addressed to such party at its address set forth hereinabove. Any party may give notice, in the manner permitted by this Section, designating a new address in the United States for all notices to such party pursuant to this Section, and such notice shall become effective upon receipt of such notice by the other party or parties to this Guaranty.

8.3. **Governing Law; Submission to Jurisdiction.** THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE SUBSTANTIVE LAWS OF THE STATE OF NEW YORK AND THE APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LANDLORD OR GUARANTOR ARISING OUT OF OR RELATING TO THIS GUARANTY MAY BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED IN, AND EACH OF LANDLORD (BY ITS ACCEPTANCE HEREOF) AND GUARANTOR WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND EACH OF LENDER (BY ITS ACCEPTANCE HEREOF) AND GUARANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING. FURTHERMORE, THE GUARANTOR AGREES AND CONSENTS THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING REFERRED TO ABOVE MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, DIRECTED TO GUARANTOR AT THE ADDRESS INDICATED IN THIS GUARANTY FOR SUCH PARTY, AND SERVICE SO MADE SHALL BE COMPLETE AND FOR ALL PURPOSES DEEMED BY THE GUARANTOR TO BE GOOD AND SUFFICIENT SERVICE FIVE DAYS AFTER THE SAME SHALL HAVE BEEN SO MAILED. SUBJECT TO THE REQUIREMENTS FOR A CASE TO BE HEARD IN THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, THE PARTIES AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COMMERCIAL DIVISION OF THE NEW YORK STATE SUPREME COURT, AND TO THE APPLICATION OF SAID COURT'S ACCELERATED PROCEDURES PURSUANT TO RULE 9 OF SECTION 202.70(G) OF THE UNIFORM RULES FOR NEW YORK STATE TRIAL COURTS.

8.4. **Invalid Provisions.** If any provision of this Guaranty is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Guaranty, then such provision shall be fully severable, and this Guaranty shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Guaranty, and the remaining provisions of this Guaranty shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Guaranty.

8.5. **Amendments and Waivers.** No term or provision of this Guaranty may be amended, waived or otherwise modified except pursuant an instrument in writing executed by the

party (or an authorized representative of the party) against whom enforcement of such amendment, waiver or modification is sought.

8.6. **Parties Bound; Assignment; Joint and Several.** This Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; *provided, however,* that Guarantor may not, without the prior written consent of Landlord, assign any of its rights, powers, duties or obligations hereunder. If Guarantor consists of more than one Person, the obligations and liabilities of each such Person shall be joint and several.

8.7. **Headings.** Section headings are for convenience of reference only and shall in no way affect the interpretation of this Guaranty.

8.8. **Recitals.** The “WHEREAS” introductory paragraphs hereof are a part hereof, form a basis for this Guaranty and shall be deemed to be represented and warranted by the Guarantor as prima facie evidence of the facts and documents referred to therein.

8.9. **Counterparts.** To facilitate execution, this Guaranty may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all Persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary, in making proof of this Guaranty, to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart, without impairing the legal effect of the signatures thereon, and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

8.10. **Rights and Remedies.** If Guarantor becomes liable for any indebtedness owing by Tenant to Landlord, by endorsement or otherwise, other than under this Guaranty, then such liability shall not be in any manner impaired or affected hereby, and the rights of Landlord hereunder shall be cumulative of any and all other rights that Landlord may ever have against Guarantor. The exercise by Landlord of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

8.11. **Entirety.** THIS GUARANTY EMBODIES THE FINAL, ENTIRE AGREEMENT OF GUARANTOR AND LANDLORD WITH RESPECT TO GUARANTOR’S GUARANTY OF THE GUARANTEED OBLIGATIONS AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE LEASE. THIS GUARANTY IS INTENDED BY GUARANTOR AND LANDLORD AS A FINAL AND COMPLETE EXPRESSION OF THE TERMS OF THE GUARANTY, AND NO COURSE OF DEALING BETWEEN GUARANTOR AND LANDLORD, NO COURSE OF PERFORMANCE, NO TRADE PRACTICES, AND NO EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OR OTHER EXTRINSIC EVIDENCE OF ANY NATURE SHALL BE USED TO CONTRADICT,

VARY, SUPPLEMENT OR MODIFY ANY TERM OF THIS GUARANTY AGREEMENT. THERE ARE NO ORAL AGREEMENTS BETWEEN GUARANTOR AND LANDLORD RELATING TO THE GUARANTEED OBLIGATIONS.

8.12. **Waiver of Right To Trial By Jury.** GUARANTOR, AND BY ITS ACCEPTANCE HEREOF, LANDLORD, EACH HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS GUARANTY OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH OF LANDLORD AND GUARANTOR, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH PARTY IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER.

8.13. **No Third Party Beneficiaries.** This Guaranty is solely between the Guarantor and the Landlord, and solely for the benefit of the Lender and any subsequent holder or holders of the Note, and nothing in this Guaranty, whether express or implied, shall be construed to give any other Person any legal or equitable right, remedy or claim under or in respect of this Guaranty.

8.14. Notwithstanding anything to the contrary set forth in this Guaranty, (a) so long as Borrower is not in default in payment of any sum(s) due under the Mortgage after notice and expiration of any applicable grace period, Guarantor shall have no obligation or liability under this Guaranty; and (b) Guarantor's obligations and liabilities under this Guaranty shall terminate upon any final, non-appealable foreclosure of the Property or Lender's acceptance of a deed-in-lieu of foreclosure.

[signature page to follow]

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty as of the date above set forth..

READING INTERNATIONAL, INC.,
a Nevada corporation

By: /s/ Gilbert Avanes
Name: Gilbert Avanes
Title: EVP, Chief Financial Officer
and Treasurer

UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT
(Outside of New York State)

State, District of Columbia, Territory, Possession, or Foreign Country

State of)
) ss.:
County of)

On the ____ day of March in the year 2020 before me, the undersigned, personally appeared Gilbert Avanes personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual(s) made such appearance before the undersigned in the

(insert city or other political subdivision and state or country or other place the acknowledgment was taken).

(signature and office of individual taking acknowledgment)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of)

On _____ before me, /s/ Michael James Conroy "as Notary Public",
Date Here Insert Name and Title of the Officer

personally appeared /s/ Gilbert Avanes
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature /s/ Michael James Conroy
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or
Conservator
 Other: _____
Signer Is Representing: _____