UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2026

OR

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

For the transition period from to

Commission File Number 1-8957

ALASKA AIR GROUP, INC.

Delaware	**91-1292054**
(State of Incorporation)	(I.R.S. Employer Identification No.)

19300 International Boulevard, Seattle, WA 98188

Telephone: (206) 392-5040

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

Title of each class	**Ticker Symbol**	**Name of each exchange on which registered**
Common stock, $0.01 par value	ALK	New York Stock Exchange

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer (Do not check if a smaller reporting company)	☐	Smaller reporting company	☐	Emerging growth company	☐

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

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

The registrant had 111,603,120 common shares, par value $0.01, outstanding at July 31, 2026.

This document is also available on our website at https://investor.alaskaair.com.

ALASKA AIR GROUP, INC.
FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2026

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As used in this Form 10-Q, the terms "Air Group," the "Company," "our," "we," and "us" refer to Alaska Air Group, Inc. and its subsidiaries, unless the context indicates otherwise. Alaska Airlines, Inc., Hawaiian Holdings, Inc., and Horizon Air Industries, Inc. are referred to as "Alaska," "Hawaiian," and "Horizon" and together as our "airlines."

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to historical information, this Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from historical experience or the Company's present expectations.

You should not place undue reliance on our forward-looking statements because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond our control. Our forward-looking statements are based on the information currently available to us and speak only as of the date on which this report was filed with the SEC. Other than as required by law, we expressly disclaim any obligation to issue any updates or revisions to our forward-looking statements, even if subsequent events cause our expectations to change regarding the matters discussed in those statements. For a discussion of risks and uncertainties that may cause our forward-looking statements to differ materially, see Item 1A. "Risk Factors" within the Company's Annual Report on Form 10-K for the year ended December 31, 2025. Some of these risks include competition; labor costs, relations, and availability; general economic conditions; increases in operating costs, including fuel; uncertainties regarding the ability to successfully integrate operations following the acquisition of Hawaiian Holdings, Inc., and the ability to realize anticipated cost savings, synergies, or growth from the acquisition; inability to meet cost reduction and other strategic goals; seasonal fluctuations in demand and financial results; supply chain risks; events that negatively impact aviation safety and security; cybersecurity risks; and changes in laws and regulations that impact our business. Please consider our forward-looking statements in light of those risks as you read this report.

PART I

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ALASKA AIR GROUP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS *(unaudited)*

(in millions, except share amounts)	June 30, 2026	December 31, 2025
ASSETS		
Cash and cash equivalents	**$ 1,064**	$ 627
Restricted cash	**33**	28
Marketable securities	**1,598**	1,496
Receivables - net	**681**	565
Inventories and supplies - net	**253**	203
Prepaid expenses	**261**	278
Other current assets	**46**	69
Total Current Assets	**3,936**	3,266
Property and equipment - net of accumulated depreciation and amortization of $5,205 and $4,945	**12,009**	11,857
Operating lease assets	**1,345**	1,268
Goodwill	**2,723**	2,723
Intangible assets - net of accumulated amortization of $102 and $74	**787**	815
Other noncurrent assets	**446**	432
Total Noncurrent Assets	**17,310**	17,095
Total Assets	**$ 21,246**	$ 20,361
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	**$ 403**	$ 324
Accrued wages, vacation and payroll taxes	**727**	881
Air traffic liability	**2,398**	1,689
Other accrued liabilities	**1,217**	1,055
Deferred revenue	**1,778**	1,722
Current portion of long-term debt and finance leases	**452**	721
Current portion of operating lease liabilities	**217**	197
Total Current Liabilities	**7,192**	6,589
Long-term debt and finance leases, net of current portion	**5,783**	4,834
Operating lease liabilities, net of current portion	**1,164**	1,141
Deferred income taxes	**739**	1,004
Deferred revenue	**1,752**	1,711
Obligation for pension and post-retirement medical benefits	**349**	369
Other liabilities	**597**	595
Total Noncurrent Liabilities	**10,384**	9,654
Commitments and Contingencies (Note 6)		
Shareholders' Equity		
Preferred stock, $0.01 par value, Authorized: 5,000,000 shares, none issued or outstanding	**—**	—
Common stock, $0.01 par value, Authorized: 400,000,000 shares, Issued: 2026 - 147,087,872 shares; 2025 - 145,115,659 shares, Outstanding: 2026 - 111,566,970 shares; 2025 - 115,530,889 shares	**1**	1
Capital in excess of par value	**1,034**	961
Treasury stock (common), at cost: 2026 - 35,520,902 shares; 2025 - 29,584,770 shares	**(1,951)**	(1,701)
Accumulated other comprehensive loss	**(175)**	(173)
Retained earnings	**4,761**	5,030
Total Shareholders' Equity	**3,670**	4,118
Total Liabilities and Shareholders' Equity	**$ 21,246**	$ 20,361

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS *(unaudited)*

(in millions, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Operating Revenue				
Passenger revenue	**$ 3,644**	$ 3,355	**$ 6,564**	$ 6,163
Loyalty program other revenue	**258**	210	**485**	417
Cargo and other revenue	**163**	139	**316**	261
Total Operating Revenue	**4,065**	3,704	**7,365**	6,841
Operating Expenses				
Wages and benefits	**1,239**	1,165	**2,481**	2,292
Variable incentive pay	**65**	61	**95**	123
Aircraft fuel	**1,305**	700	**2,101**	1,381
Aircraft maintenance	**256**	240	**472**	460
Aircraft rent	**64**	64	**125**	126
Landing fees and other rentals	**305**	278	**596**	520
Contracted services	**158**	146	**309**	291
Selling expenses	**115**	105	**214**	205
Depreciation and amortization	**207**	199	**411**	393
Food and beverage service	**107**	97	**202**	182
Third-party regional carrier expense	**68**	69	**124**	133
Other	**302**	247	**605**	508
Special items - operating	**42**	56	**77**	147
Total Operating Expenses	**4,233**	3,427	**7,812**	6,761
Operating Income (Loss)	**(168)**	277	**(447)**	80
Non-operating Income (Expense)				
Interest income	**21**	22	**40**	48
Interest expense	**(86)**	(66)	**(162)**	(132)
Interest capitalized	**13**	9	**23**	21
Other - net	**6**	(4)	**15**	(12)
Total Non-operating Expense	**(46)**	(39)	**(84)**	(75)
Income (Loss) Before Income Tax	**(214)**	238	**(531)**	5
Income tax expense (benefit)	**(138)**	66	**(262)**	(1)
Net Income (Loss)	**$ (76)**	$ 172	**$ (269)**	$ 6
Basic Earnings (Loss) Per Share:	**$ (0.68)**	$ 1.45	**$ (2.39)**	$ 0.05
Diluted Earnings (Loss) Per Share:	**$ (0.68)**	$ 1.42	**$ (2.39)**	$ 0.05
Weighted Average Shares Outstanding used for computation:				
Basic	**111.127**	118.847	**112.702**	120.979
Diluted	**111.127**	120.930	**112.702**	123.183

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE OPERATIONS *(unaudited)*

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Net Income (Loss)	**$ (76)**	$ 172	**$ (269)**	$ 6
Other comprehensive income (loss), net of tax				
Marketable securities	**(3)**	6	**(9)**	15
Employee benefit plans	**—**	2	**—**	4
Interest rate derivative instruments	**4**	(2)	**7**	(8)
Total other comprehensive income (loss), net of tax	**$ 1**	$ 6	**$ (2)**	$ 11
Total Comprehensive Income (Loss), Net of Tax	**$ (75)**	$ 178	**$ (271)**	$ 17

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY *(unaudited)*

(in millions)	*Common Stock Outstanding*	Common Stock	Capital in Excess of Par Value	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at December 31, 2025	*115.531*	$ 1	$ 961	$ (1,701)	$ (173)	$ 5,030	$ 4,118
Net loss	—	—	—	—	—	(193)	(193)
Other comprehensive loss	—	—	—	—	(3)	—	(3)
Common stock repurchase	*(4.687)*	—	—	(203)	—	—	(203)
Stock-based compensation	—	—	24	—	—	—	24
Stock issued under stock plans	*0.516*	—	(12)	—	—	—	(12)
Balance at March 31, 2026	***111.360***	**$ 1**	**$ 973**	**$ (1,904)**	**$ (176)**	**$ 4,837**	**$ 3,731**
Net loss	—	—	—	—	—	(76)	(76)
Other comprehensive income	—	—	—	—	1	—	1
Common stock repurchase	*(1.249)*	—	—	(47)	—	—	(47)
Stock-based compensation	*0.033*	—	20	—	—	—	20
Stock issued for employee stock purchase plan	*1.310*	—	43	—	—	—	43
Stock issued under stock plans	*0.113*	—	(2)	—	—	—	(2)
Balance at June 30, 2026	***111.567***	**$ 1**	**$ 1,034**	**$ (1,951)**	**$ (175)**	**$ 4,761**	**$ 3,670**

(in millions)	*Common Stock Outstanding*	Common Stock	Capital in Excess of Par Value	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at December 31, 2024	*123.119*	$ 1	$ 811	$ (1,131)	$ (239)	$ 4,930	$ 4,372
Net loss	—	—	—	—	—	(166)	(166)
Other comprehensive income	—	—	—	—	5	—	5
Common stock repurchase	*(1.766)*	—	—	(107)	—	—	(107)
Stock-based compensation	*0.005*	—	22	—	—	—	22
CARES Act warrant issuance	*0.810*	—	—	—	—	—	—
Stock issued under stock plans	*0.717*	—	11	—	—	—	11
Balance at March 31, 2025	***122.885***	**$ 1**	**$ 844**	**$ (1,238)**	**$ (234)**	**$ 4,764**	**$ 4,137**
Net income	—	—	—	—	—	172	172
Other comprehensive income	—	—	—	—	6	—	6
Common stock repurchase	*(8.721)*	—	—	(428)	—	—	(428)
Stock-based compensation	*0.009*	—	17	—	—	—	17
Stock issued for employee stock purchase plan	*1.023*	—	39	—	—	—	39
Stock issued under stock plans	*0.080*	—	(1)	—	—	—	(1)
Balance at June 30, 2025	***115.276***	**$ 1**	**$ 899**	**$ (1,666)**	**$ (228)**	**$ 4,936**	**$ 3,942**

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS *(unaudited)*

(in millions)	Six Months Ended June 30, 2026	2025
Cash Flows from Operating Activities:		
Net Income (Loss)	**$ (269)**	$ 6
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	**411**	393
Stock-based compensation and other	**42**	10
Non-cash special items	**—**	52
Changes in certain assets and liabilities:		
Changes in deferred income taxes	**(262)**	1
Increase in accounts receivable	**(119)**	(171)
Increase in air traffic liability	**709**	415
Increase in deferred revenue	**97**	216
Other - net	**(3)**	(87)
Net cash provided by operating activities	**606**	835
Cash Flows from Investing Activities:		
Property and equipment additions		
Aircraft, aircraft purchase deposits, and other flight equipment	**(415)**	(613)
Other property and equipment	**(108)**	(128)
Purchases of marketable securities	**(872)**	(844)
Sales and maturities of marketable securities	**761**	765
Other investing activities	**(1)**	73
Net cash used in investing activities	**(635)**	(747)
Cash Flows from Financing Activities:		
Proceeds from issuance of long-term debt, net of issuance costs	**1,099**	168
Long-term debt payments	**(405)**	(236)
Common stock repurchases	**(250)**	(535)
Other financing activities	**28**	59
Net cash provided by (used in) financing activities	**472**	(544)
Net increase (decrease) in cash and cash equivalents	**443**	(456)
Cash, cash equivalents, and restricted cash at beginning of period	**684**	1,257
Cash, cash equivalents, and restricted cash at end of period	**$ 1,127**	$ 801
Supplemental disclosure:		
Cash paid during the period for:		
Interest, net of amount capitalized	**$ 114**	$ 108
Non-cash transactions:		
Right-of-use assets acquired through operating leases	**$ 174**	$ 74
Property and equipment acquired through the issuance of debt	**$ 48**	$ 69
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	**$ 1,064**	$ 750
Restricted cash	**33**	28
Restricted cash included in Other noncurrent assets	**30**	23
Total cash, cash equivalents, and restricted cash at end of period	**$ 1,127**	$ 801

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(unaudited)*

NOTE 1. GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and basis of presentation

The unaudited condensed consolidated financial statements include the accounts of Alaska Air Group (Air Group, or "the Company"), and its primary subsidiaries, Alaska Airlines, Inc. (Alaska), Horizon Air Industries, Inc. (Horizon), and Hawaiian Holdings, Inc. (Hawaiian). The unaudited condensed consolidated financial statements also include McGee Air Services (McGee), a ground services subsidiary of Alaska, and other immaterial business units. All intercompany balances and transactions have been eliminated. These financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information. Consistent with these requirements, this Form 10-Q does not include all the information required by GAAP for complete financial statements. It should be read in conjunction with the consolidated financial statements and accompanying notes in the Form 10-K for the year ended December 31, 2025. In the opinion of management, all adjustments have been made that are necessary to fairly present the Company's financial position and results of operations for the interim periods presented. Such adjustments were of a normal recurring nature. Certain rows, columns, figures, or percentages may not recalculate due to rounding.

In preparing these statements, the Company is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities, as well as the reported amounts of revenue and expenses, including impairment charges. Due to seasonal variations in the demand for air travel, the volatility of aircraft fuel prices, changes in global economic conditions, changes in the competitive environment, and other factors, operating results for the three and six months ended June 30, 2026 are not necessarily indicative of operating results for the entire year.

Segment reporting

Operating segments are defined as components of an enterprise for which separate financial information is available and regularly reviewed by the chief operating decision maker (CODM) in deciding how to allocate resources and in assessing performance. During the first quarter of 2026, the Company's reportable segments changed because of changes in the business, organizational structure, and financial information reviewed by the CODM.

In the second half of 2025, several integration milestones were completed which resulted in the combination of a significant portion of Alaska and Hawaiian teams, technology, and processes. Additionally, changes were made in the Company's leadership structure to support the integration of the businesses. As a result, changes were made to financial information reviewed by the CODM in the first quarter of 2026, which now reflects a single consolidated segment.

Air Group's CODM is its President and CEO. Air Group's operating subsidiaries operate Boeing, Airbus, and Embraer aircraft to provide domestic and international service to destinations in North America, Latin America, Asia, the Pacific, and beginning in 2026, Europe. The comprehensive network, scheduling system, and fleets are managed in an integrated manner, enabling the Company to maximize the value of the route network and consolidated financial results. When making decisions about the route network, the CODM evaluates flight profitability data, which considers aircraft type and route economics. The CODM assesses business performance and makes resource allocation decisions based on net income as reported in the Company's consolidated statement of operations. Within the consolidated statement of operations, Other expenses include miscellaneous personnel, software, and services costs. The measure of segment assets is reported on the consolidated balance sheets as Total assets.

Recent accounting pronouncements

In May 2026, the FASB issued ASU 2026-02, Environmental Credits and Environmental Credit Obligations (Topic 818), which provides specific authoritative guidance for the recognition, measurement, presentation, and disclosure of environmental credits and environmental credit obligations. ASU 2026-02 is effective for fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of ASU 2026-02.

NOTE 2. REVENUE

Ticket revenue is recorded as Passenger revenue, and represents the primary source of the Company's revenue. Also included in Passenger revenue is passenger ancillary revenue such as bag fees, on-board food and beverage, and certain revenue from the Atmos™ Rewards loyalty program. Loyalty program other revenue includes brand and marketing revenue from the Atmos Rewards co-branded credit cards and other partners, and certain interline loyalty program revenue, net of commissions. Cargo

and other revenue consists of freight and mail revenue, services provided to Amazon under the Air Transportation Services Agreement (ATSA), and to a lesser extent, other ancillary revenue products such as lounge membership and certain commissions.

In the first quarter of 2026, Alaska entered into a multi-year extension and expanded partnership with its co-branded credit card bank partner, Bank of America, and amended its ATSA with Amazon. Performance obligations under the amended agreements are consistent with prior arrangements.

The level of detail within the Company's condensed consolidated statements of operations and in this note depict the nature, amount, timing, and uncertainty of revenue, and how cash flows are affected by economic and other factors. Certain prior period amounts in this note have been revised by an immaterial amount.

Passenger Revenue

Passenger revenue recognized in the condensed consolidated statements of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2026**	**2025**	**2026**	**2025**
Passenger ticket revenue, net of taxes and fees	**$ 3,079**	$ 2,832	**$ 5,505**	$ 5,184
Passenger ancillary revenue	**177**	162	**324**	302
Loyalty program passenger revenue	**388**	361	**735**	677
Total Passenger revenue	**$ 3,644**	$ 3,355	**$ 6,564**	$ 6,163

The table below presents the Company's passenger revenue by principal geographic region (as defined by the U.S. Department of Transportation). Domestic passenger revenue includes operations in the U.S. and Canada. Latin America passenger revenue includes operations in Mexico, Costa Rica, Guatemala, and Belize. Pacific passenger revenue includes operations in the South Pacific, Australia, and Asia. Atlantic passenger revenue includes operations in Europe beginning in the second quarter of 2026.

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2026**	**2025**	**2026**	**2025**
Domestic	**$ 3,336**	$ 3,061	**$ 5,935**	$ 5,523
Latin America	**131**	166	**318**	380
Pacific	**137**	128	**271**	260
Atlantic	**40**	—	**40**	—
Total Passenger revenue	**$ 3,644**	$ 3,355	**$ 6,564**	$ 6,163

Loyalty Program Revenue

Loyalty program revenue included in the condensed consolidated statements of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2026**	**2025**	**2026**	**2025**
Loyalty program passenger revenue	**$ 388**	$ 361	**$ 735**	$ 677
Loyalty program other revenue	**258**	210	**485**	417
Total Loyalty program revenue	**$ 646**	$ 571	**$ 1,220**	$ 1,094

Cargo and Other Revenue

Cargo and other revenue included in the condensed consolidated statements of operations:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Cargo revenue	**$ 77**	$ 67	**$ 136**	$ 124
Other revenue	**86**	72	**180**	137
Total Cargo and other revenue	**$ 163**	$ 139	**$ 316**	$ 261

Air Traffic Liability and Deferred Revenue

Passenger ticket and ancillary services liabilities

The Company recognized Passenger revenue of $207 million and $211 million from the prior year-end air traffic liability balance for the three months ended June 30, 2026 and 2025, and $991 million and $1.1 billion from the prior year-end air traffic liability balance for the six months ended June 30, 2026 and 2025.

Loyalty program assets and liabilities

The Company records a receivable for amounts due from affinity card partners and from other partners as loyalty points are sold until the payments are collected. The Company had $168 million of such receivables as of June 30, 2026 and $154 million as of December 31, 2025.

The table below presents a roll forward of the total loyalty program liability. A HawaiianMiles transfer program with American Express was active in the first six months of 2025 and terminated on June 30, 2025.

(in millions)	Six Months Ended June 30,	
	2026	**2025**
Total Deferred Revenue balance at January 1	**$ 3,433**	$ 3,256
Loyalty points and companion certificate redemption - Passenger revenue	**(656)**	(655)
Loyalty points redeemed on partner airlines - Loyalty program other revenue	**(106)**	(119)
Increase in liability for loyalty points issued	**859**	990
Total Deferred Revenue balance at June 30	**$ 3,530**	$ 3,472

NOTE 3. FAIR VALUE MEASUREMENTS

In determining fair value, there is a three-level hierarchy based on the reliability of the inputs used.

Level 1 refers to fair values based on quoted prices for identical instruments in active markets.

Level 2 refers to fair values estimated using significant other observable inputs such as similar instruments in active markets or quoted prices for identical or similar instrument in markets that are not active. Fair values for Level 2 instruments are determined using standard valuation models that incorporate inputs such as quoted prices for similar assets, interest rates, benchmark curves, credit ratings, and other observable inputs or market data.

Level 3 refers to fair values estimated using significant unobservable inputs for which there is little or no market data and that are significant to the fair value of the assets. Fair values for Level 3 instruments are determined using future cash flows and discount rates, which include information obtained from third-party valuation sources and other market sources, including recent offers from potential buyers.

Fair value of financial instruments measured on a recurring basis

As of June 30, 2026, cost basis and fair value for marketable securities were $1.6 billion. Differences in cost basis and fair value of marketable securities are primarily a result of changes in interest rates and general market conditions. The Company

does not believe any unrealized losses are the result of credit quality based on its evaluation of industry and duration exposure, credit ratings of the securities, liquidity profiles, and other observable information as of June 30, 2026.

Fair values of financial instruments on the condensed consolidated balance sheets:

	June 30, 2026		
(in millions)	**Level 1**	**Level 2**	**Total**
Marketable securities			
U.S. government and agency securities	$ 347	$ —	$ 347
Asset-backed securities	—	238	238
Mortgage-backed securities	—	192	192
Corporate notes and bonds	—	802	802
Other	10	9	19
Total Marketable securities	$ 357	$ 1,241	$ 1,598

	December 31, 2025		
(in millions)	**Level 1**	**Level 2**	**Total**
Marketable securities			
U.S. government and agency securities	$ 371	$ —	$ 371
Asset-backed securities	—	231	231
Mortgage-backed securities	—	211	211
Corporate notes and bonds	—	663	663
Other	8	12	20
Total Marketable securities	$ 379	$ 1,117	$ 1,496

The fair value of interest rate swaps on the balance sheet was not material as of June 30, 2026 and December 31, 2025.

Activity and maturities for marketable securities

Maturities for marketable securities:

June 30, 2026 *(in millions)*	**Cost Basis**	**Fair Value**
Due in one year or less	$ 498	$ 497
Due after one year through five years	945	940
Due after five years through ten years	152	150
Due after ten years	1	1
No maturity date	5	10
Total	$ 1,601	$ 1,598

Fair value of other financial instruments

The Company uses the following methods and assumptions to determine the fair value of financial instruments that are not recognized at fair value as described below.

Debt: The estimated fair value of substantially all fixed-rate debt and certain variable-rate debt is classified as Level 2. The estimated fair value of $729 million of certain variable-rate and fixed-rate debt, including Payroll Support Program (PSP) notes payable and Japanese Yen denominated debt, is classified as Level 3.

Fixed-rate debt on the condensed consolidated balance sheets and the estimated fair value of long-term fixed-rate debt:

(in millions)	**June 30, 2026**	**December 31, 2025**
Fixed-rate debt	**$ 2,556**	$ 2,761
Estimated fair value	**$ 2,543**	$ 2,756

Assets and liabilities measured at fair value on a nonrecurring basis

Certain assets and liabilities are recognized or disclosed at fair value on a nonrecurring basis, including property, plant and equipment, operating and finance lease assets, goodwill, and intangible assets. These assets are subject to fair valuation when there is evidence of impairment. No material impairments were recorded during the three and six months ended June 30, 2026.

Equity method and other investments

Air Group, through its Alaska Star Ventures entity, has made investments in funds and companies related to aviation innovation and sustainability. We account for investments under the equity method if we are able to exercise significant influence over the investee. We record our share of our equity method investees' financial results within the non-operating expense section of the consolidated statements of operations. Investments in which we do not have significant influence are recorded at fair value or at cost, adjusted for any changes in price or impairments, if the fair value is not readily determinable. As of June 30, 2026 and December 31, 2025, the combined carrying value of these investments included in Other noncurrent assets in the consolidated balance sheets was $81 million and $74 million.

NOTE 4. DEBT

Debt obligations on the condensed consolidated balance sheets:

(in millions)	June 30, 2026	December 31, 2025
Fixed-rate notes payable due through 2038	**$ 212**	$ 115
Fixed-rate PSP notes payable due through 2031	**—**	630
Fixed-rate EETCs payable due through 2027	**549**	715
Fixed-rate Japanese Yen denominated notes payable due through 2031	**45**	51
Fixed-rate unsecured notes payable due through 2031	**500**	—
Variable-rate Japanese Yen denominated notes payable due through 2033	**136**	149
Variable-rate PSP notes payable due through 2031	**683**	62
Variable-rate notes payable due through 2038	**1,489**	1,639
Loyalty financing, variable-rate term loan facility due through 2033	**1,239**	743
Loyalty financing, fixed-rate notes due through 2031	**1,250**	1,250
Less debt issuance costs	**(55)**	(45)
Total debt	**6,048**	5,309
Less current portion	**324**	540
Long-term debt, less current portion	**$ 5,724**	$ 4,769
Weighted-average fixed-interest rate	**5.2 %**	3.9 %
Weighted-average variable-interest rate	**5.3 %**	5.2 %

Approximately $610 million of the Company's total variable-rate notes payable are effectively fixed via interest rate swaps, resulting in an effective weighted-average interest rate for the full debt portfolio of 5.3%. As of June 30, 2026, all PSP debt was adjusted from a fixed-rate to a variable-rate, in accordance with the terms of the loan agreement.

Senior notes

In the second quarter, the Company issued $500 million of unsecured senior notes due 2031, bearing an interest rate of 6.5%, which are fully and unconditionally guaranteed by Alaska Air Group, Inc.

Term loan facility

In the second quarter, the Company entered into an amendment to its existing term loan credit agreement and incurred an additional $500 million senior secured term loan facility. The facility is secured by assets associated with the Atmos Rewards loyalty program and bears interest at a variable rate equal to SOFR plus a specified margin.

Other financing

In addition to the senior notes and term loan financing described above, the Company incurred debt of $159 million in the first six months of 2026. New debt includes proceeds of $111 million, secured by aircraft, and $48 million which was incurred as part of an agreement to finance certain E175 deliveries. Debt from the E175 financing is reflected as a non-cash transaction within the supplemental disclosures in the unaudited condensed consolidated statements of cash flows.

The Company made scheduled debt payments of $292 million and prepayments of $113 million during the six months ended June 30, 2026.

Debt maturity

At June 30, 2026, debt principal payments for the next five years and thereafter are as follows:

(in millions)	Total
Remainder of 2026	$ 171
2027	780
2028	345
2029	893
2030	284
Thereafter	3,650
Total Principal Payments[(a)]	$ 6,123

(a) The Company recognized the long-term debt assumed in the Hawaiian acquisition at fair value as of the acquisition date. As a result, the amount in the condensed consolidated balance sheets will not equal the total balance of remaining principal payments presented in this table.

Bank lines of credit

Alaska has a revolving credit facility, which is secured by a combination of Alaska and Hawaiian aircraft, slots, gates, routes, and other eligible assets. In the second quarter, the Company exercised the facility's accordion feature, increasing the aggregate commitment amount from $850 million to $1.1 billion. The facility has a variable interest rate based on SOFR plus a specified margin and expires in September 2029. As of June 30, 2026, the Company had no outstanding borrowing under this facility.

Alaska has a second credit facility for $106 million, expiring in June 2027, which is secured by aircraft. Alaska has secured letters of credit against this facility.

Covenants

Certain debt agreements and credit facilities contain customary financial covenants, including compliance with certain debt service coverage ratios and minimum liquidity requirements. The Company and its subsidiaries were in compliance with these covenants as of June 30, 2026.

NOTE 5. EMPLOYEE BENEFIT PLANS

Net periodic benefit costs for qualified pension plans include the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2026	2025	2026	2025
Service cost	**$ 7**	$ 7	**$ 14**	$ 14
Pension expense included in Wages and benefits	**7**	7	**14**	14
Interest cost	**29**	32	**59**	65
Expected return on assets	**(37)**	(37)	**(75)**	(74)
Recognized actuarial loss	**1**	3	**2**	6
Pension expense included in Non-operating Expense	**$ (7)**	$ (2)	**$ (14)**	$ (3)

NOTE 6. COMMITMENTS AND CONTINGENCIES

Aircraft commitments

Alaska and Hawaiian have contractual commitments for aircraft with Boeing. Horizon has contractual commitments for aircraft with Embraer. The amounts disclosed below reflect commitments for firm aircraft. Option deliveries are excluded until exercise.

Boeing continues to experience aircraft delivery delays attributable to supplier availability, production challenges, and regulatory approval processes. These factors represent known uncertainties that may continue to affect the timing of aircraft deliveries. The table below reflects Boeing's most recent communications and management's current estimates.

Details for contractual aircraft delivery commitments as of June 30, 2026:

	Firm Orders	Options and Other Rights
Aircraft Type	**2026-2035**	**2028-2035**
B737	168	71
B787	12	—
E175	1	—
Total	181	71

Capacity purchase agreement (CPA) commitments

Alaska has obligations associated with its CPA with SkyWest. The amounts disclosed below consider certain assumptions regarding the level of flying performed by the carrier on behalf of Alaska and exclude lease costs associated with the CPA.

A summary of aircraft and capacity purchase agreement commitments as of June 30, 2026:

(in millions)	Aircraft	Capacity Purchase Agreements
Remainder of 2026	$ 626	$ 105
2027	1,614	215
2028	1,666	221
2029	1,168	227
2030	1,050	153
Thereafter	4,264	160
Total	$ 10,388	$ 1,081

Contingencies

The Company is a party to routine litigation matters incidental to its business and with respect to which no material liability is expected. Liabilities for litigation related contingencies are recorded when a loss is determined to be probable and estimable.

As part of the 2016 acquisition of Virgin America, Alaska assumed responsibility for the Virgin trademark license agreement with the Virgin Group. In 2019, pursuant to that agreement's venue provision, the Virgin Group sued Alaska in England, alleging that the agreement requires Alaska to pay $8 million per year as a minimum annual royalty through 2039, adjusted annually for inflation and irrespective of Alaska's actual use (or non-use) of the mark. Alaska stopped making royalty payments in 2019 after ending all use of the Virgin brand. On February 16, 2023, the commercial court issued a ruling adopting Virgin Group's interpretation of the license agreement. Alaska appealed the decision. On June 11, 2024, the appellate court issued a final decision affirming the lower court ruling in favor of the Virgin Group. Alaska also commenced a separate claim for breach of the agreement against the Virgin Group that may affect Alaska's total liability in the matter. In 2025, Alaska was ordered to pay Virgin Group $32 million, representing past due royalties through September 2022, when Alaska commenced its separate claim against Virgin Group. Alaska holds an accrual for $43 million in Other accrued liabilities in the condensed consolidated balance sheets, representing the expenses associated with the trademark license agreement incurred through June 30, 2026, and management's current estimate of the amount due to the Virgin Group.

Credit card agreements

Alaska and Hawaiian have agreements with certain credit card companies to process the sale of tickets and other services. Under these agreements, there are material adverse change clauses that, if triggered, could result in the credit card companies holding back a reserve of up to 100% of the credit card receivable balance associated with that processor, which would result in a restriction of cash. For example, certain agreements require Alaska to maintain a reserve if Air Group's credit rating is downgraded to or below a rating specified by the agreement or if its cash and marketable securities balance fell below $500 million. The Company is not currently required to maintain any reserve under these agreements. If Air Group were unable to obtain a waiver of, or otherwise mitigate the increase in the restriction of cash, it could have a material impact on the Company's operations, business or financial condition.

NOTE 7. SHAREHOLDERS' EQUITY

Common stock repurchase

In December 2024, the Board of Directors authorized a $1 billion share repurchase program. Under this program, the Company repurchased 5.9 million shares for $250 million during the six months ended June 30, 2026 and 10.5 million shares for $535 million during the six months ended June 30, 2025. As of June 30, 2026, $180 million remained available for repurchase under the program.

CARES Act warrant issuances

Under the CARES Act Payroll Support Program and loan provisions, the Company issued a total of 1,882,517 warrants to the U.S. government in 2020. The warrants were valued using a Black-Scholes model and recorded in stockholders' equity at issuance. In 2024, the warrants were sold by the U.S. government to a third-party investor. In the first quarter of 2025, 1,660,705 warrants were exercised through net share settlement, resulting in the issuance of 809,768 shares of common stock. The remaining warrants expired unexercised in the second quarter of 2026, with no impact to the Company's balance sheet.

NOTE 8. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share and diluted loss per share are calculated by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by dividing net income by the weighted average number of common shares outstanding, including the dilutive effect of outstanding share-based instruments such as employee stock awards and warrants.

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per share amounts)	**2026**	**2025**	**2026**	**2025**
Net income (loss)	**$ (76)**	$ 172	**$ (269)**	$ 6
Basic weighted average shares outstanding	**111.127**	118.847	**112.702**	120.979
Dilutive effect of stock awards and stock warrants	—	2.083	—	2.204
Diluted weighted average shares outstanding	**111.127**	120.930	**112.702**	123.183
Basic earnings (loss) per share	**$ (0.68)**	$ 1.45	**$ (2.39)**	$ 0.05
Diluted earnings (loss) per share	**$ (0.68)**	$ 1.42	**$ (2.39)**	$ 0.05
Antidilutive amounts excluded from calculation:				
Employee stock awards and warrants	**3.0**	1.3	**3.2**	1.1

NOTE 9. ACCUMULATED OTHER COMPREHENSIVE LOSS

A roll forward of the amounts included in accumulated other comprehensive loss is shown below for the three and six months ended June 30, 2026 and 2025:

(in millions)	Marketable Securities	Employee Benefit Plan	Interest Rate Derivatives	Tax Effect	Total
Balance at March 31, 2026	$ —	$ (233)	$ 1	$ 56	$ (176)
Change in value	(5)	—	5	1	1
Reclassifications into earnings	—	—	—	—	—
Balance at June 30, 2026	**$ (5)**	**$ (233)**	**$ 6**	**$ 57**	**$ (175)**
Balance at December 31, 2025	$ 8	$ (234)	$ (3)	$ 56	$ (173)
Change in value	(12)	—	9	1	(2)
Reclassifications into earnings	(1)	1	—	—	—
Balance at June 30, 2026	**$ (5)**	**$ (233)**	**$ 6**	**$ 57**	**$ (175)**

(in millions)	Marketable Securities	Employee Benefit Plan	Interest Rate Derivatives	Tax Effect	Total
Balance at March 31, 2025	$ (9)	$ (302)	$ 1	$ 76	$ (234)
Change in value	6	—	(3)	(1)	2
Reclassifications into earnings	2	3	—	(1)	4
Balance at June 30, 2025	$ (1)	$ (299)	$ (2)	$ 74	$ (228)
Balance at December 31, 2024	$ (21)	$ (305)	$ 9	$ 78	$ (239)
Change in value	16	—	(11)	(2)	3
Reclassifications into earnings	4	6	—	(2)	8
Balance at June 30, 2025	$ (1)	$ (299)	$ (2)	$ 74	$ (228)

NOTE 10. SPECIAL ITEMS

The Company has classified certain operating activities as special items due to their unusual or infrequently occurring nature. Disclosing information about these items separately may assist with comparable year-over-year analysis and allow stakeholders to better understand Air Group's results of operations.

Special items for the three and six months ended June 30, 2026 were $42 million and $77 million, respectively, and were primarily associated with the integration of Hawaiian Airlines. Expenses consisted of employee-related costs, technology costs, including those in support of the transition to a single passenger service system, and other merger costs. Special items for the three and six months ended June 30, 2025 were $56 million and $147 million, respectively, and were associated with the integration of Hawaiian Airlines, as well as changes to Alaska flight attendants' sick leave benefits pursuant to a collective bargaining agreement ratified in the first quarter of 2025.

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

OVERVIEW

The following Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to help the reader understand our company and the present business environment. MD&A is provided as a supplement to, and should be read in conjunction with, our unaudited condensed consolidated financial statements and the accompanying notes. All statements in the following discussion that are not statements of historical information or descriptions of current accounting policy are forward-looking statements. Please consider our forward-looking statements in light of the risks referred to in this report's introductory cautionary note and the risks mentioned in Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025. This overview summarizes the MD&A, which includes the following sections:

- *Second Quarter Review* - highlights from the second quarter of 2026 outlining some of the major events that occurred during the period.
- *Results of Operations* - an in-depth analysis of our financial and operational results for the three and six months ended June 30, 2026.
- *Liquidity and Capital Resources* - an overview of our financial position, analysis of cash flows, and relevant material cash commitments.
- *GAAP to Non-GAAP Reconciliations* - reconciliations of reported non-GAAP financial measures to their most directly comparable financial measures reported on a GAAP basis.

Dollar amounts in the MD&A are generally rounded to the nearest million. As a result, a manual recalculation of certain figures using these rounded amounts may not agree directly to our actual figures presented in the tables below.

SECOND QUARTER REVIEW

We reported a $214 million loss before income tax under GAAP for the second quarter of 2026, compared to a $238 million profit for the second quarter of 2025. Refer below for a more detailed discussion of the items impacting these results.

Second quarter results were adversely impacted by elevated fuel prices, which increased 85% year-over-year. However, a portion of the incremental fuel expense was offset by strong underlying demand trends that remained resilient throughout the quarter. Revenue increased 9.7% year-over-year, driven by an 8.6% increase in RASM, continued strength in our premium and loyalty products, managed corporate travel, and network optimization initiatives. CASMex increased 6.5%, reflecting higher labor and operating costs associated with continued growth, the absence of a $25 million gain recognized in the prior-year period from the sale of four B737-900 aircraft, and a one-time employee recognition award related to the successful implementation of a single passenger service system.

During the quarter, we achieved a significant integration milestone with the successful implementation of a single passenger service system, while continuing to execute our Alaska Accelerate initiatives. Additionally, we expanded the fleet with the delivery of six B737-8 aircraft at Alaska and two E175 aircraft at Horizon, and launched our first transatlantic routes from Seattle to Rome, London Heathrow, and Reykjavik.

Subsequent to quarter-end, Alaska executed leases for four B737-800 freighter aircraft, to support the continued expansion of our cargo business in Alaska and Hawai'i. The aircraft are expected to enter service in the first half of 2027.

RESULTS OF OPERATIONS

OPERATING STATISTICS

Below are operating statistics we use to measure operating performance. We often refer to unit revenue and adjusted unit costs, which are non-GAAP measures.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	**2025**	**Change**	**2026**	**2025**	**Change**
Revenue passengers (000)	**15,056**	15,234	(1.2)%	**28,388**	28,393	—%
RPMs (000,000) "traffic"	**20,011**	20,179	(0.8)%	**37,311**	37,436	(0.3)%
ASMs (000,000) "capacity"	**24,306**	24,058	1.0%	**45,876**	45,277	1.3%
Load factor	**82.3%**	83.9%	(1.6) pts	**81.3%**	82.7%	(1.4) pts
Yield	**18.21¢**	16.62¢	9.6%	**17.59¢**	16.46¢	6.9%
PRASM	**14.99¢**	13.94¢	7.5%	**14.31¢**	13.61¢	5.1%
RASM	**16.72¢**	15.39¢	8.6%	**16.06¢**	15.11¢	6.3%
CASMex	**11.40¢**	10.70¢	6.5%	**11.85¢**	11.14¢	6.4%
Fuel cost per gallon	**$4.43**	$2.39	85.4%	**$3.74**	$2.49	50.2%
Fuel gallons (000,000)	**295**	293	0.7%	**562**	556	1.1%
ASMs per gallon	**82.4**	82.0	0.5%	**81.6**	81.5	0.1%
Departures (000)	**139.0**	139.6	(0.4)%	**264.5**	263.5	0.4%
Average full-time equivalent employees (FTEs)	**31,726**	31,299	1.4%	**31,596**	30,536	3.5%
Operating fleet	**422**	409	13 a/c	**422**	409	13 a/c

COMPARISON OF THREE MONTHS ENDED JUNE 30, 2026 TO THREE MONTHS ENDED JUNE 30, 2025

OPERATING REVENUE

Total operating revenue increased $361 million, or 10%. The changes are summarized in the following table:

	Three Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Passenger revenue	**$ 3,644**	$ 3,355	9 %
Loyalty program other revenue	**258**	210	23 %
Cargo and other revenue	**163**	139	17 %
Total Operating Revenue	**$ 4,065**	$ 3,704	10 %

The table below presents total operating revenue by principal geographic region (as defined by the U.S. Department of Transportation) and the percentage of change of certain operational results for the three months ended June 30, 2026.

	Three Months Ended June 30, 2026	% Change vs. Prior Year				
(in millions)	**Total Operating Revenue**	**Passenger Revenue**	**RPMs**	**ASMs**	**Yield**	**RASM**
Domestic	**$ 3,704**	9%	(1)%	1%	10%	9%
Latin America	**145**	(21)%	(27)%	(28)%	9%	9%
Pacific	**170**	7%	4%	(2)%	3%	16%
Atlantic	**46**	n/a	n/a	n/a	n/a	n/a
Total	**$ 4,065**	9%	(1)%	1%	10%	9%

Passenger revenue

Passenger revenue increased by $289 million, or 9%, primarily driven by higher yields supported by increased premium revenue, loyalty program award redemption on our airlines, and managed corporate travel. Premium revenue reflected strong demand, the completion of cabin retrofits that added additional first and premium class seats, and additional revenue from newly launched transatlantic service from Seattle to Rome, London Heathrow, and Reykjavik. These increases were partially offset by softer demand in certain leisure markets, including Hawai'i, where significant rainfall earlier in the year impacted spring break and peak summer bookings in the second quarter.

Loyalty program other revenue

Loyalty program other revenue increased by $48 million, or 23%, primarily due to the launch of the Summit Visa Infinite premium credit card and the Atmos Rewards program in August 2025. The launch drove higher commission revenue from bank card and third-party partners, supported by growth in total active members and higher consumer spend. The increase also reflected continued benefits from the extension and expansion of Alaska's co-branded credit card agreement with Bank of America, executed in the first quarter of 2026.

Cargo and other revenue

Cargo and other revenue increased by $24 million, or 17%, primarily driven by improved economics under Alaska's ATSA with Amazon resulting from the amended agreement executed in the first quarter of 2026. Growth in international cargo volumes supported by expanded long-haul service and increased cargo connectivity across the combined network also contributed to the increase.

OPERATING EXPENSES

Total operating expenses increased by $806 million, or 24%. We believe it is useful to summarize operating expenses as follows, which is consistent with the way expenses are reported internally and evaluated by management:

	Three Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Aircraft fuel	**$ 1,305**	$ 700	86 %
Non-fuel operating expenses, excluding special items	**2,886**	2,671	8 %
Special items - operating	**42**	56	(25)%
Total Operating Expenses	**$ 4,233**	$ 3,427	24 %

Aircraft fuel

Aircraft fuel expense consists primarily of raw fuel expense, which generally reflects the "into-plane" price paid at the airport, as well as other taxes and fees. Raw fuel prices are influenced by global crude oil prices and refining costs, which can vary by region in the U.S. We primarily purchase fuel based on U.S. West Coast and Singapore jet fuel prices.

	Three Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Crude oil	**$ 684**	$ 453	51 %
Refining margins	**517**	164	215 %
Other[(a)]	**104**	83	25 %
Aircraft fuel	**$ 1,305**	$ 700	86 %
Fuel gallons	**295**	293	1 %
Fuel cost per gallon	**$ 4.43**	$ 2.39	85 %

(a) Includes taxes and other into-plane costs.

Aircraft fuel expense increased $605 million, or 86%, due to higher per gallon fuel costs driven by elevated refining margins and crude oil prices.

Future fuel cost expectations are highly sensitive to disruption in crude oil supplies and refineries, which have been significantly impacted by recent geopolitical events. We expect that fuel costs will remain elevated and volatile until these disruptions are resolved.

Non-fuel expenses

The table below summarizes our operating expense line items, excluding fuel and other special items. Generally, we expect these expenses to increase in line with capacity, fleet size, and growth of the Company's operations. Significant or unusual changes compared to 2025 are more fully described below.

	Three Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Wages and benefits	**$ 1,239**	$ 1,165	6 %
Variable incentive pay	**65**	61	7 %
Aircraft maintenance	**256**	240	7 %
Aircraft rent	**64**	64	— %
Landing fees and other rentals	**305**	278	10 %
Contracted services	**158**	146	8 %
Selling expenses	**115**	105	10 %
Depreciation and amortization	**207**	199	4 %
Food and beverage service	**107**	97	10 %
Third-party regional carrier expense	**68**	69	(1)%
Other	**302**	247	22 %
Total non-fuel operating expenses, excluding special items	**$ 2,886**	$ 2,671	8 %

Wages and benefits

Wages and benefits increased by $74 million, or 6%. The primary components of Wages and benefits are shown in the following table:

	Three Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Wages	**$ 927**	$ 888	4 %
Payroll taxes	**75**	61	23 %
Medical and other benefits	**138**	124	11 %
Defined contribution plans	**92**	85	8 %
Pension - Defined benefit plans	**7**	7	— %
Total Wages and benefits	**$ 1,239**	$ 1,165	6 %

Wages increased $39 million, or 4%, driven by higher wage rates across multiple labor groups. Payroll taxes increased due to higher wages and payroll tax expense associated with a one-time employee recognition award. Medical and other benefits increased $14 million, or 11%, driven by higher claim volume and large value claims.

Landing fees and other rentals

Landing fees and other rentals increased by $27 million, or 10%, primarily driven by higher terminal rents resulting from rate increases and growth across the network. Landing fees increased primarily due to higher landed weights.

Selling expenses

Selling expenses increased by $10 million, or 10%, primarily driven by higher credit card commissions and distribution costs associated with increased bookings and higher fares. The increase was partially offset by improved rates on credit card vendor rebates.

Food and beverage services

Food and beverage services increased by $10 million, or 10%, driven by additional onboard offerings and higher costs for food, food service supplies, and transportation.

Other expense

Other expense increased by $55 million, or 22%, due to a $25 million nonrecurring gain recognized in 2025 from the sale of four B737-900 aircraft, a $20 million one-time employee recognition award, and increased software costs.

Special items - operating

In the second quarter of 2026, we recorded $42 million of operating special items compared to $56 million in the same period in 2025. Refer to Note 10 to the condensed consolidated financial statements for details.

COMPARISON OF SIX MONTHS ENDED JUNE 30, 2026 TO SIX MONTHS ENDED JUNE 30, 2025

OPERATING REVENUE

Total operating revenue increased by $524 million, or 8%. The changes are summarized in the following table.

	Six Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Passenger revenue	**$ 6,564**	$ 6,163	7 %
Loyalty program other revenue	**485**	417	16 %
Cargo and other revenue	**316**	261	21 %
Total Operating Revenue	**$ 7,365**	$ 6,841	8 %

The table below presents total operating revenue by principal geographic region (as defined by the U.S. Department of Transportation) and the percentage of change of certain operational results for the six months ended June 30, 2026.

	Six Months Ended June 30, 2026	**% Change vs. Prior Year**				
(in millions)	**Total Operating Revenue**	**Passenger Revenue**	**RPMs**	**ASMs**	**Yield**	**RASM**
Domestic	**$ 6,635**	7%	—%	2%	7%	6%
Latin America	**362**	(16)%	(23)%	(21)%	8%	8%
Pacific	**322**	4%	8%	4%	(3)%	3%
Atlantic	**46**	n/a	n/a	n/a	n/a	n/a
Total	**$ 7,365**	7%	—%	1%	7%	6%

Passenger revenue

Passenger revenue increased by $401 million, or 7%, primarily driven by higher yields supported by increased premium revenue, loyalty program award redemption on our airlines, and managed corporate travel. Premium revenue reflected strong demand, the completion of cabin retrofits that added additional first and premium class seats, and additional revenue from newly launched transatlantic service from Seattle to Rome, London Heathrow, and Reykjavik. These increases were partially offset by softer demand in certain leisure markets, including Puerto Vallarta and Hawai'i, during spring break and peak summer travel in 2026.

Loyalty program other revenue

Loyalty program other revenue increased by $68 million, or 16%, primarily due to the launch of the Summit Visa Infinite premium credit card and the Atmos Rewards program in August 2025. The launch drove higher commission revenue from bank card and third-party partners, supported by growth in total active members and higher consumer spend. In addition, Alaska extended and expanded its co-branded credit card agreement with Bank of America in 2026, which also contributed to the increase.

Cargo and other revenue

Cargo and other revenue increased by $55 million, or 21%, primarily driven by improved economics under Alaska's ATSA with Amazon resulting from the amended agreement executed in 2026. Growth in international cargo volumes supported by expanded long-haul service and increased cargo connectivity across the combined network also contributed to the increase.

OPERATING EXPENSES

Total operating expenses increased by $1.1 billion, or 16%. We believe it is useful to summarize operating expenses as follows, which is consistent with the way expenses are reported internally and evaluated by management:

	Six Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Aircraft fuel	**$ 2,101**	$ 1,381	52 %
Non-fuel operating expenses, excluding special items	**5,634**	5,233	8 %
Special items - operating	**77**	147	(48)%
Total Operating Expenses	**$ 7,812**	$ 6,761	16 %

Aircraft fuel

Aircraft fuel expense increased by $720 million, or 52%, due to higher per gallon fuel costs driven by elevated refining margins and crude oil prices. The elements of the change are illustrated in the table:

	Six Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Crude oil	**$ 1,153**	$ 905	27 %
Refining margins	**771**	316	144 %
Other[(a)]	**177**	160	11 %
Aircraft fuel	**$ 2,101**	$ 1,381	52 %
Fuel gallons	**562**	556	1 %
Fuel cost per gallon	**$ 3.74**	$ 2.49	50 %

(a) Includes taxes and other into-plane costs.

Non-fuel expenses

The table below summarizes our operating expense line items, excluding fuel and other special items. Generally, we expect these expenses to increase in line with capacity, fleet size, and growth of the Company's operations. Significant or unusual changes compared to 2025 are discussed in more detail below.

	Six Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Wages and benefits	**$ 2,481**	$ 2,292	8 %
Variable incentive pay	**95**	123	(23)%
Aircraft maintenance	**472**	460	3 %
Aircraft rent	**125**	126	(1)%
Landing fees and other rentals	**596**	520	15 %
Contracted services	**309**	291	6 %
Selling expenses	**214**	205	4 %
Depreciation and amortization	**411**	393	5 %
Food and beverage service	**202**	182	11 %
Third-party regional carrier expense	**124**	133	(7)%
Other	**605**	508	19 %
Total non-fuel operating expenses, excluding special items	**$ 5,634**	$ 5,233	8 %

Wages and benefits

Wages and benefits increased by $189 million, or 8%. The primary components of wages and benefits are shown in the following table:

	Six Months Ended June 30,		
(in millions)	**2026**	**2025**	**% Change**
Wages	**$ 1,856**	$ 1,735	7 %
Payroll taxes	**140**	126	11 %
Medical and other benefits	**284**	246	15 %
Defined contribution plans	**187**	171	9 %
Pension - Defined benefit plans	**14**	14	— %
Total Wages and benefits	**$ 2,481**	$ 2,292	8 %

Wages increased by $121 million, or 7%, driven by higher wage rates across multiple labor groups. Payroll taxes increased due to higher wages and payroll tax expense associated with a one-time employee recognition award. Medical and other benefits increased $38 million, or 15%, driven by higher claim volume and large value claims. Defined contribution plans increased $16 million, or 9%, consistent with wage increases.

Variable incentive pay

Variable incentive pay decreased by $28 million, or 23%, primarily driven by a lower expected payout under the Company's Performance-Based Pay program, reflecting lower profitability driven by elevated fuel prices in the first half of 2026. The decrease was also due to a pause in the Company's Operational Performance Rewards program for 2026. These effects were partially offset by a higher wage base in 2026.

Landing fees and other rentals

Landing fees and other rentals increased by $76 million, or 15%, primarily driven by higher terminal rents resulting from rate increases and growth across the network. Landing fees increased primarily due to higher landed weights. Nonrecurring favorable settlements received from certain airports in 2025 also contributed to the year-over-year increase.

Food and beverage service

Food and beverage service increased by $20 million, or 11%, driven by additional onboard offerings and higher costs for food, food service supplies, and transportation.

Other expense

Other expense increased by $97 million, or 19%, due to a $25 million nonrecurring gain recognized in 2025 from the sale of four B737-900 aircraft, a $20 million one-time employee recognition award, and increased software costs.

Special items - operating

In the first six months of 2026, we recorded $77 million of operating special items, compared to $147 million in the same period in 2025. Refer to Note 10 to the consolidated financial statements for details.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2026, we held $3.8 billion in available liquidity, including unrestricted cash, marketable securities, and an undrawn credit facility. In the first six months of 2026, the Company obtained approximately $1.1 billion in new financing and exercised the accordion feature of its revolving credit facility, increasing the aggregate commitment amount from $850 million to $1.1 billion. As of June 30, 2026, we also had approximately $20 billion of unencumbered assets, including 131 aircraft and the unencumbered portion of our loyalty program assets. We expect our current unrestricted cash and marketable securities balance, combined with our available sources of liquidity, to be sufficient to fund our liquidity needs for the next 12 months. We expect to meet our liquidity needs for the foreseeable future using cash flows from our operations, our available sources of liquidity, and future financing arrangements. We discuss our sources and uses of cash in more detail below.

Operating cash flows

Cash provided by ticket sales and from our co-branded credit card agreements are the primary sources of our operating cash flow. Our primary use of operating cash flow is for operating expenses, including payments for employee wages and benefits, aircraft fuel, payments to suppliers for goods and services, payments to lessors and airport authorities for leased aircraft, rents, and landing fees, and interest expense for our debt obligations. Operating cash flow also includes payments to, or refunds from, federal, state, and local taxing authorities.

Cash provided by operating activities was $606 million during the first six months of 2026, compared to $835 million during the first six months of 2025. The $229 million decrease was primarily driven by higher fuel prices throughout the year, partially offset by increased cash collected from advance ticket sales and other favorable working capital changes.

Investing cash flows

Capital expenditures to acquire aircraft, flight equipment, and other property and equipment are the primary use of our investing cash flow. In 2026, we plan to incur approximately $1.4 billion to $1.5 billion in capital expenditures. We discuss our aircraft-related commitments in more detail below.

Cash used in investing activities was $635 million during the first six months of 2026, compared to $747 million during the first six months of 2025. The $112 million decrease in cash used was primarily driven by $218 million in reduced property and equipment expenditures, due to fewer aircraft deliveries in 2026 and the schedule of Alaska's advance deposit payments with Boeing. This activity was partially offset by $32 million in incremental cash outflows related to marketable securities activity and proceeds of $53 million in 2025 from the sale of four B737-900 aircraft.

Financing cash flows

Cash provided by new financing arrangements is the primary source of our financing cash flow. Our primary uses of financing cash flow are payments of our debt and finance lease obligations, as well as share repurchases. Refer to Note 4 to the condensed consolidated financial statements for a detailed discussion of our debt balances, including a schedule outlining future payments.

Cash provided by financing activities was $472 million during the first six months of 2026, compared to cash used in financing activities of $544 million during the first six months of 2025. The $1.0 billion increase was primarily attributable to $1.1 billion of proceeds from new financing agreements and $285 million in reduced share repurchases, partially offset by $169 million in incremental debt repayments.

Indicators of financial condition and liquidity

The table below presents the major indicators of financial condition and liquidity:

(in millions)	June 30, 2026	December 31, 2025	Change
Unrestricted cash, marketable securities, and unused line of credit	**$ 3,762**	$ 2,973	27%
Trailing twelve months' revenue[(a)]	**$ 14,763**	$ 14,239	4%
Liquidity as a percentage of trailing twelve months' revenue	**25%**	21%	4 pts
Long-term debt and finance leases, net of current portion	**$ 5,783**	$ 4,834	20%
Shareholders' equity	**$ 3,670**	$ 4,118	(11)%

(a) Trailing twelve months' revenue as of June 30, 2026 can be reconciled using the most recent four quarters as filed with the SEC.

Debt-to-capitalization, including leases

(in millions)	June 30, 2026	December 31, 2025	Change
Long-term debt and finance leases, net of current portion	**$ 5,783**	$ 4,834	20%
Operating lease liabilities, net of current portion	**1,164**	1,141	2%
Adjusted debt, net of current portion	**$ 6,947**	$ 5,975	16%
Shareholders' equity	**3,670**	4,118	(11)%
Total Invested Capital	**$ 10,617**	$ 10,093	5%
Debt-to-capitalization ratio	**65%**	59%	6 pts

Material cash commitments

We have various contractual obligations that require material future outlays of cash. These obligations include the purchase of aircraft and other flight equipment, payments for Alaska's CPA with SkyWest, debt service payments, lease payments for aircraft and other property and equipment, costs for aircraft and engine maintenance, sponsorship and license agreements, and other miscellaneous agreements for services associated with operating and marketing our airlines. We also anticipate we may have material cash outlays associated with new technologies for the future of the business. Currently, Alaska has agreements to purchase sustainable aviation fuel (SAF) to be delivered in the coming years. These agreements are dependent on suppliers' ability to obtain all required governmental and regulatory approvals, achieve commercial operation, and produce sufficient quantities of SAF. We expect to satisfy these obligations using cash flows from our operations, our available sources of liquidity, and future financing arrangements.

Within the notes accompanying our condensed consolidated financial statements, refer to Note 4 for discussion of scheduled debt obligations and Note 6 for discussion of aircraft purchase commitments and CPA obligations.

As of June 30, 2026, Alaska had firm orders to purchase 168 B737 aircraft with deliveries expected between 2027 and 2035, and firm orders to purchase 12 B787 aircraft with deliveries expected between 2026 and 2032. Alaska also had rights for 71 additional B737 aircraft through 2035. Horizon had a firm order to purchase one E175 aircraft with delivery in 2026. Subsequent to the quarter, Alaska executed lease agreements for four B737-800 freighters, with deliveries in 2026.

Boeing continues to experience aircraft delivery delays attributable to supplier availability, production challenges, and regulatory approval processes. These factors represent known uncertainties that may continue to affect the timing of aircraft deliveries. The table below reflects Boeing’s most recent communications and management’s current estimates.

Aircraft	Actual Fleet June 30, 2026	Anticipated Fleet Activity 2026 Changes	Dec 31, 2026	2027 Changes	Dec 31, 2027	2028 Changes	Dec 31, 2028
Mainline Fleet:							
B737-700 Freighters	3	—	3	—	3	—	3
B737-800 Freighters	2	4	6	—	6	—	6
A330-300 Freighters[(a)]	10	1	11	—	11	—	11
A321-200neo	18	—	18	—	18	—	18
A330-200	24	—	24	—	24	(4)	20
B717-200[(b)]	19	—	19	—	19	—	19
B737-700	11	—	11	—	11	—	11
B737-800	59	—	59	—	59	—	59
B737-900ER	79	—	79	—	79	—	79
B737-8	20	—	20	5	25	—	25
B737-9	80	—	80	—	80	—	80
B737-10	—	—	—	25	25	25	50
B787-9	5	1	6	1	7	—	7
B787-10	—	—	—	—	—	4	4
Total Mainline Fleet	**330**	**6**	**336**	**31**	**367**	**25**	**392**
Regional Fleet:							
E175 operated by Horizon	49	1	50	—	50	—	50
E175 operated by third party	43	—	43	—	43	—	43
Total Regional Fleet	**92**	**1**	**93**	**—**	**93**	**—**	**93**
Total Air Group Fleet	**422**	**7**	**429**	**31**	**460**	**25**	**485**

(a) A330-300 freighter aircraft utilized under the ATSA with Amazon.
(b) Retirement of the B717-200 aircraft is expected to begin in 2028 as part of the planned transition of Neighbor Island operations to Boeing 737-800 aircraft.

GAAP TO NON-GAAP RECONCILIATIONS

Reconciliations of certain reported non-GAAP financial measures to their most directly comparable financial measures reported on a GAAP basis are provided below. Consideration of these non-GAAP financial measures may be important to users of the financial statements. Although these non-GAAP figures are presented below, they should not be considered a substitute for or superior to GAAP figures.

- Pretax income (loss), net income (loss), and earnings (loss) per share are presented on an adjusted basis. Adjustments are made for special charges that are unusual or nonrecurring in nature, as well as for gains and losses on foreign debt, as these adjustments enhance comparability of our core operations to prior periods and to the rest of the airline industry.

- CASMex is a key measure used by management and the Air Group Board of Directors to evaluate cost performance. It is also commonly used by industry analysts to compare airlines. Because U.S. carriers are generally similarly affected by changes in jet fuel prices over the long run, aircraft fuel costs are excluded to focus on more controllable, company-specific cost drivers. Costs related to freighter aircraft operations, including those incurred under the ATSA with Amazon, are excluded to enhance comparability with carriers that do not operate freighter aircraft. Performance-Based Pay (PBP) expense is excluded as it is dependent on the Company's achievement of annually established financial and operational goals. Certain special charges are excluded as they are unusual or nonrecurring in nature.

- Adjusted capital expenditures includes certain amounts that are not classified as investing cash outflows within our consolidated statements of cash flows, but are viewed by management and other stakeholders as significant long-term investments in the business. Management believes these adjustments provide a more complete view of capital expenditures during the year.

Pretax Income (Loss), Net Income (Loss), and Earnings (Loss) per Share, adjusted

	Three Months Ended June 30,							
	2026				2025			
(in millions, except per share amounts)	Loss Before Income Tax	Income Tax	Net Loss	Per Share	Income Before Income Tax	Income Tax	Net Income	Per Share
GAAP	**$ (214)**	**$ (138)**	**$ (76)**	**$ (0.68)**	**$ 238**	**$ 66**	**$ 172**	**$ 1.42**
Adjusted for:								
Losses (gains) on foreign debt and other	(4)				1			
Special items - operating	42				56			
Total adjustments	$ 38	$ 64	$ (26)	$ (0.24)	$ 57	$ 14	$ 43	$ 0.36
Adjusted	**$ (176)**	**$ (74)**	**$ (102)**	**$ (0.92)**	**$ 295**	**$ 80**	**$ 215**	**$ 1.78**
GAAP pretax margin	(5.3)%				6.4%			
Adjusted pretax margin	(4.3)%				8.0%			

	Six Months Ended June 30,							
	2026				2025			
(in millions, except per share amounts)	Loss Before Income Tax	Income Tax	Net Loss	Per Share	Income Before Income Tax	Income Tax	Net Income	Per Share
GAAP	**$ (531)**	**$ (262)**	**$ (269)**	**$ (2.39)**	**$ 5**	**$ (1)**	**$ 6**	**$ 0.05**
Adjusted for:								
Losses (gains) on foreign debt and other	(7)				3			
Special items - operating	77				147			
Total adjustments	$ 70	$ 95	$ (25)	$ (0.22)	$ 150	$ 36	$ 114	$ 0.92
Adjusted	**$ (461)**	**$ (167)**	**$ (294)**	**$ (2.61)**	**$ 155**	**$ 35**	**$ 120**	**$ 0.97**
GAAP pretax margin	(7.2)%				0.1%			
Adjusted pretax margin	(6.3)%				2.3%			

CASMex Reconciliation

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except unit metrics)	2026	2025	2026	2025
Total operating expenses	**$ 4,233**	$ 3,427	**$ 7,812**	$ 6,761
Less the following components:				
Aircraft fuel	**1,305**	700	**2,101**	1,381
Freighter costs	**52**	48	**104**	89
Performance-based pay	**64**	49	**92**	101
Special items - operating	**42**	56	**77**	147
Adjusted operating expenses	**$ 2,770**	$ 2,574	**$ 5,438**	$ 5,043
ASMs	**24,306**	24,058	**45,876**	45,277
CASMex	**11.40¢**	10.70¢	**11.85¢**	11.14¢

Adjusted Capital Expenditures Reconciliation

(in millions)	Six Months Ended June 30, 2026	2025
Aircraft, aircraft purchase deposits and other flight equipment	**$ 415**	$ 613
Other property and equipment	**108**	128
Capital expenditures	**523**	741
Adjusted for:		
Property and equipment acquired through the issuance of debt	**48**	69
Proceeds from sales of aircraft and other equipment	**(7)**	(62)
Adjusted capital expenditures	**$ 564**	$ 748

CRITICAL ACCOUNTING ESTIMATES

There have been no material changes to our critical accounting estimates during the three and six months ended June 30, 2026. For information regarding our critical accounting estimates, see Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the year ended December 31, 2025.

GLOSSARY OF TERMS

Adjusted debt - long-term debt, plus operating and finance lease liabilities.

Adjusted net debt - long-term debt, plus operating and finance lease liabilities, less unrestricted cash and marketable securities.

ASMs - available seat miles, or “capacity”; represents total seats available across the fleet multiplied by the number of miles flown.

CASMex - operating costs excluding fuel, freighter costs, Performance-Based Pay (PBP), and special items per ASM, or "unit cost."

Debt-to-capitalization ratio - represents adjusted debt, net of current portion, divided by total equity plus adjusted debt, net of current portion.

Diluted Earnings per Share - represents earnings per share (EPS) using fully diluted shares outstanding.

Diluted Shares - represents the total number of shares that would be outstanding if all possible sources of conversion, such as stock options, were exercised.

Freighter Costs - operating expenses directly attributable to the operation of B737 freighter aircraft and A330-300 freighter aircraft exclusively performing cargo missions.

Load Factor - RPMs as a percentage of ASMs; represents the number of available seats that were filled with revenue passengers.

PRASM - passenger revenue per ASM, or "passenger unit revenue."

RASM - operating revenue per ASMs, or "unit revenue"; operating revenue includes all passenger revenue, freight & mail, loyalty program revenue, and other ancillary revenue; represents the average total revenue for flying one seat one mile.

RPMs - revenue passenger miles, or "traffic"; represents the number of seats that were filled with revenue passengers; one passenger traveling one mile is one RPM.

Yield - passenger revenue per RPM; represents the average passenger revenue for flying one passenger one mile.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

There have been no material changes in market risk from the information provided in Item 7A. “Quantitative and Qualitative Disclosure About Market Risk” in our Annual Report on Form 10-K for the year ended December 31, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of June 30, 2026, management, including the Company's chief executive officer and chief financial officer, evaluated the Company's disclosure controls and procedures and concluded that they were effective as of that date.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal controls over financial reporting during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Our internal control over financial reporting is based on the 2013 framework in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO Framework).

PART II

ITEM 1. LEGAL PROCEEDINGS

See Note 6 to the unaudited condensed consolidated financial statements within Part I, Item 1 of this document for a discussion of the Company's ongoing legal proceedings.

ITEM 1A. RISK FACTORS

See Part I, Item 1A. "Risk Factors," in our 2025 Form 10-K for a detailed discussion of risk factors affecting Alaska Air Group.

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

The below table provides certain information with respect to our purchases of shares of our common stock during the second quarter of 2026. The shares were purchased pursuant to a $1 billion repurchase plan authorized by the Board of Directors in December 2024.

	Total Number of Shares Purchased	Average Price Paid per Share	Maximum remaining dollar value of shares that can be purchased under the plan *(in millions)*
April 1, 2026 - April 30, 2026	1,249,451	$ 37.79	
May 1, 2026 - May 31, 2026	—	—	
June 1, 2026 - June 30, 2026	—	—	
Total	1,249,451	$ 37.79	$ 180

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

During the three months ended June 30, 2026, no director or officer of Alaska Air Group adopted, modified, or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement, as such terms are defined in Item 408(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934.

ITEM 6. EXHIBITS

The following documents are filed as part of this report:

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Form	Date of First Filing	Exhibit Number
3.1	Amended and Restated Certificate of Incorporation of Registrant	8-K	May 14, 2025	3.3
3.2	Amended and Restated Bylaws of Registrant	8-K	May 14, 2025	3.4
10.1*†	Alaska Air Group Performance Based Pay Plan, Amended and Restated May 12, 2026	10-Q		
10.2*†	Alaska Air Group, Inc. Employee Stock Purchase Plan, as Amended for the Offering Period Commencing May 1, 2026	10-Q		
10.3#†	Indenture Providing for Issuance of Debt Securities, dated as of May 12, 2026, by and between Alaska Airlines, Inc., as issuer, and U.S. Bank Trust Company, National Association, as trustee	10-Q		
10.4#†	First Supplemental Indenture Providing for Issuance of Debt Securities, dated as of May 12, 2026, by and among Alaska Airlines, Inc., as issuer, Alaska Air Group, Inc., as guarantor, and U.S. Bank Trust Company, National Association, as trustee	10-Q		
10.5#†	Second Amendment to Term Loan Credit and Guaranty Agreement, dated as of May 12, 2026, by and among AS Mileage Plan IP Ltd., as borrower, Alaska Air Group, Inc., Alaska Airlines, Inc., and AS Mileage Plan Holdings Ltd., as guarantors, and Bank of America, N.A., as administrative agent and designated lender	10-Q		
10.6#†	First Amendment to Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2026, among Alaska Airlines, Inc., as borrower, Alaska Air Group, Inc. and Hawaiian Airlines, Inc., as guarantors, Citibank, N.A. as administrative agent, and the consenting lenders	10-Q		
31.1†	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	10-Q		
31.2†	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	10-Q		
32.1†	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	10-Q		
32.2†	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	10-Q		
101.INS†	XBRL Instance Document - The instance document does not appear in the interactive data file because XBRL tags are embedded within the inline XBRL document.			
101.SCH†	XBRL Taxonomy Extension Schema Document			
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document			
101.DEF†	XBRL Taxonomy Extension Definition Linkbase Document			
101.LAB†	XBRL Taxonomy Extension Label Linkbase Document			
101.PRE†	XBRL Taxonomy Extension Presentation Linkbase Document			
104†	Cover Page Interactive Data File - The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.			

†	Filed herewith
*	Indicates management contract or compensatory plan or arrangement.
#	Certain portions of this document that constitute confidential information have been redacted in accordance with Regulation S-K Item 601(b)(10).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ALASKA AIR GROUP, INC.

/s/ EMILY HALVERSON

Emily Halverson

Vice President Finance, Controller, and Treasurer

August 4, 2026

ALASKA AIR GROUP PERFORMANCE BASED PAY PLAN
(Amended and Restated May 12, 2026)

The Board of Directors (the "Board") of Alaska Air Group, Inc. (the "Company") has adopted the Performance Based Pay Plan (the "Plan") to reward eligible employees of its wholly-owned airline subsidiaries (each, a "Subsidiary"). The Board has delegated authority to the Compensation and Leadership Development Committee (the "Committee") to administer the Plan. The Performance Based Pay Award ("Award") of each eligible Plan Participant will depend upon the degree to which the Company and the Subsidiaries achieve the applicable performance goals and, if applicable, an award modifier, set by the Committee for each calendar year (a "Plan Year") and upon the discretion of the Committee as explained below.

This Amended and Restated Plan is effective beginning with the 2025 Plan Year and each year thereafter until amended, restated or terminated, pursuant to Paragraph 8. For the terms of Awards granted for any earlier Plan Year, refer to the version of the Plan in effect for the applicable Plan Year.

1. ELIGIBILITY

Eligibility to participate in the Plan during a Plan Year is limited to all regular, temporary variable time and temporary pool U.S. and Canadian employees, and Mexico management employees, of the Subsidiaries ("Eligible Employees") who:

(a) are employed by a Subsidiary on December 31 of the Plan Year for which the Award is being paid, or

(b) were employed by a Subsidiary for less than the full Plan Year because their employment ended before December 31 of the Plan Year due to retirement, disability or death.

For the sake of clarity, "Eligible Employees" shall not include temporary employees (other than variable time and temporary pool employees) or Mexico non-management employees of the Subsidiaries, or any employees of McGee Air Services, Inc.

Employees who are on temporary medical leave, military leave, furlough, or company-approved leave of absence as of December 31 of the Plan Year are Eligible Employees under the Plan.

Unless otherwise provided in a separate agreement, an individual whose employment with a Subsidiary ends prior to December 31 of the Plan Year for any reason not set forth above, for example, resignation or termination (with or without cause), is ineligible for any Award under this Plan. In addition, an employee whose employment is terminated for cause (including employees who would have been terminated for cause had they not resigned or retired before the employer's investigation into potentially terminable misconduct concluded and employees who retire following a termination for cause) during the Plan Year or prior to payment under the Plan, as determined by such employee's Subsidiary, shall forfeit any Award under this Plan, regardless of employment status on the last day of the Plan Year.

Notwithstanding the foregoing, contract employees or independent contractors as classified by a Subsidiary, shall not be Eligible Employees, regardless of whether an agency or court subsequently re-classifies such individuals as employees of a Subsidiary.

An Eligible Employee who meets all the requirements for an Award is a "Plan Participant" for such Plan Year. Participation in the Plan does not guarantee that any Award will be paid if applicable performance goals specified for the Plan Year are not achieved for the year.

2. CALCULATION OF THE AWARD

The size of the Award earned for a Plan Year will depend upon the extent to which the performance goals and, if applicable, an award modifier has been achieved during that Plan Year, and upon the discretion of the Committee. Separate performance weighting has been established for each performance goal.

A Plan Participant's Award is determined by the following formula: Eligible Earnings X Participation Rate X Payout Award Percentage.

"Eligible Earnings" means the aggregate wages or salary paid during the Plan Year to the Plan Participant for services performed for a Subsidiary, ***including*** cash received for vacation payouts in connection with the Plan Participant's transfer of employment from one Subsidiary to another, or in connection with the employee's retirement, death or disability; amounts that the Plan Participant could have received in cash had the Plan Participant not elected to contribute the amount to an employee benefit plan maintained by the Company or a Subsidiary, and any other voluntary payment the Plan Participant made which reduced his/her cash compensation (such as the Plan Participant's voluntary contribution to an Internal Revenue Code ("Code") Section 401(k) Plan, Code Section 125 medical account, dependent day care spending account, or charitable gift), but ***excluding*** commissions, back-pay awards, bonuses (including any payment received under this Plan), and all other forms of incentive or other supplemental pay, employee benefits paid by the employer (such as employer contributions to a Code Section 401(k) Plan), worker's compensation payments, disability payments, cash and non-cash fringe benefits and perquisites (such as per diems, auto expense reimbursement, relocation reimbursement or travel reimbursement).

"Participation Rate" shall mean the percentage value or range communicated to each Eligible Employee or class of Eligible Employee.

"Payout Award Percentage" means the sum of the weighted payout of each performance goal, calculated in the manner specified by Paragraph 3, herein. Awards shall be paid in cash only.

All calculations will be performed by the Company's internal auditors and will be subject to approval by the Committee. Once approved by the Committee, such calculations shall be conclusively presumed to be accurate.

3. PERFORMANCE WEIGHTING

In order for any Award to be payable as to a particular performance goal, a "Threshold" performance level for that goal must be achieved. The payout percentage for a particular performance goal will be 50% if the "Threshold" level is reached, 100% if the "Target" level is reached, and 200% if the "Maximum" level is achieved. This determination applies to each goal individually. If performance for a particular goal is between the Threshold and Target levels, or between the Target and Maximum levels, the payout percentage for that goal will be determined by linear interpolation between those two levels. The payout percentage for each goal as so determined will then be multiplied by the weighting factor for that goal, as specified in Annex 1 Performance-Based Pay Plan Goals and Measures described in Paragraph 4 for the applicable Plan Year (the "weighted payout percentages").

4. PERFORMANCE GOALS AND APPLICABLE PERFORMANCE WEIGHTING FACTORS

The Committee will establish the performance goals and, if applicable, an award modifier for each Plan Year during the life of this Plan, and will annually approve an Annex 1 Performance-Based Pay Plan Goals and Measures to this Plan that outlines the performance goals, award modifiers and the weighting factors and an Annex 2 Performance-Based Pay Plan Participation Rates.

5. DISCRETIONARY FACTOR

In the case of a Plan Participant described in Paragraph 1 who retired, separated from employment due to disability, or died during the year, or a Plan Participant who took a leave of absence or worked a reduced schedule during any portion of the year, the Committee retains absolute discretionary authority to adjust the Award to such Plan Participant based upon the Committee's determination of such Plan Participant's contribution to the Company, or any other factors as the Committee may determine appropriate. The Committee also retains discretion based upon any factors the Committee deems appropriate to confirm a specific Participation Rate when approving the Award to a Plan Participant whose Participation Rate falls within a range set forth in Annex 2. Further, the Committee may set different Participation Rates within the specified range for different Plan Participants within the same class of Eligible Employees and may adjust the Participation Rate within the specified range for any Plan Participant from one Plan Year to the next.

6. TIMING OF AWARDS

Payment of Awards for a Plan Year will be made no later than March 15 of the following year. A deceased Plan Participant's Award will be paid to the Participant's estate.

7. PLAN PARTICIPANT TRANSFERS

If a Plan Participant transfers employment between Subsidiaries during the Plan Year, the Plan Participant's Award under this Plan, and any payment in respect of such Award, shall be separately determined by the Committee based on Eligible Earnings, Participation Rate and Payout Award Percentage attributable to the employment period at each Subsidiary. This will result in a separate Award based on service and performance while employed at one Subsidiary, and a separate Award based on service and performance while employed at another Subsidiary, as applicable.

8. AMENDMENT

The Board, acting on its own or through the Committee, retains the right to modify the Plan at any time in any manner that it deems appropriate, provided that (a) no amendment that adversely affects the rights of Plan Participants or their beneficiaries shall be effective for a Plan Year that ended prior to the Plan Year in which the amendment was adopted, and (b) it will not terminate the Plan for any Plan Year during that Plan Year unless it is clear that Plan Participants will not receive any payment with respect to Awards granted for that Plan Year.

9. CLAWBACK POLICY.

The Award is subject to the terms of the Company's recoupment, clawback or similar policy as it may be in effect from time to time, as well as any similar provisions of applicable law, any of which could in certain circumstances require forfeiture of the Award and repayment or forfeiture of any cash received with respect to the Award.

10. MISCELLANEOUS

a. This Plan, including its attachments, constitutes the entire understanding relating to any Award that may be earned by employees of the Subsidiaries, and supersedes all prior oral or written agreements, representations or commitments relating to such Awards.

b. This Plan is not a commitment of the Company or any Subsidiary to any officer or employee of such company to continue that individual in its employ in order to qualify for an Award. Nothing contained in this Plan may be considered to be a promise of continued employment. Any employee who files suit against his or her employer for wrongful termination shall automatically cease to be an Eligible Employee under the Plan.

c. This Plan and the rights and obligations provided for herein shall be construed and interpreted in accordance with the law of the state of Washington, excluding its conflicts of law rules.

d. No unpaid Award will be subject to the debts, liabilities, contracts or engagements of any Plan Participant, and may not be alienated, pledged, garnished or sold, and any attempt to do so shall be void.

e. All Awards are subject to applicable federal, state, and local deductions.

f. This Plan is intended to be an exception to, or otherwise be in compliance with, Section 409A of the Internal Revenue Code of 1986, as amended. This Plan shall be interpreted to comply with Section 409A.

ALASKA AIR GROUP, INC. EMPLOYEE STOCK PURCHASE PLAN

(As amended by the Board on May 13, 2026
for Offering Periods commencing on or after November 1, 2026)

1. PURPOSE

The purpose of this Plan is to assist Eligible Employees in acquiring a stock ownership interest in the Company, at a favorable price and upon favorable terms, pursuant to a plan which is intended to qualify as an "employee stock purchase plan" under Section 423 of the Code. This Plan is also intended to encourage Eligible Employees to remain in the employ of the Company or a Participating Subsidiary and to provide them with an additional incentive to advance the best interests of the Company.

2. DEFINITIONS

Capitalized terms used herein which are not otherwise defined shall have the following meanings.

(a) "**Account**" means the bookkeeping account maintained by the Company, or by a record keeper on behalf of the Company, for a Participant pursuant to Section 7(a).

(b) "**Board**" means the Board of Directors of the Company, as defined below.

(c) "**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

(d) "**Commission**" means the U.S. Securities and Exchange Commission.

(e) "**Committee**" means the committee appointed by the Board to administer the Plan pursuant to Section 12.

(f) "**Common Stock**" means the common stock, par value $0.01 per share, of the Company, and such other securities or property as may become the subject of Options pursuant to an adjustment made under Section 17.

(a) "**Company**" means Alaska Air Group, Inc., a Delaware corporation, and its successors.

(b) "**Compensation**" means an Eligible Employee's base pay, inclusive of overtime and any employer paid leave. Compensation also includes any amounts contributed as salary reduction contributions to a plan qualifying under Section 401(k), 125, or 129 of the Code. Any other form of remuneration is excluded from Compensation, including (but not limited to) the following: cash bonuses, severance pay, hiring bonuses, prizes, awards, relocation or housing allowances, stock option exercises, stock appreciation right payments, the vesting or grant of restricted stock, the payment of stock units, performance awards, auto allowances, tuition reimbursement, perquisites, non-cash compensation and other forms of imputed income. Notwithstanding the foregoing, Compensation shall not include any amounts deferred under or paid from any nonqualified deferred compensation plan maintained by the Company or any Subsidiary (including, without limitation, the Company's Nonqualified Deferred Compensation Plan).

(c) "**Contributions**" means the bookkeeping amounts credited to the Account of the Participant pursuant to this Plan, equal in amount to the amount of Compensation that the Participant has elected to contribute for the purchase of Common Stock under and in accordance with this Plan.

(g) "**Effective Date**" means March 11, 2010, the date on which this Plan was initially adopted by the Board.

(h) "**Eligible Employee**" means, subject to Section 3, any person employed by the Company or any Subsidiary which has been designated in writing by the Committee as a "Participating Subsidiary"; provided, however, that "Eligible Employee" shall not include any employee

whose customary employment is for less than five (5) months in a calendar year.

(i) "**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended from time to time.

(j) "**Exercise Date**" means, with respect to an Offering Period, the last day of that Offering Period.

(k) "**Fair Market Value**" on any date means:

(1) if the Common Stock is listed or admitted to trade on a national securities exchange, the closing price of a share of Common Stock on such date on the principal national securities exchange on which the Common Stock is so listed or admitted to trade, or, if there is no trading of the Common Stock on such date, then the closing price of a share of Common Stock on such exchange on the next preceding date on which there was trading in the shares of Common Stock; or

(2) in the absence of exchange data required to determine Fair Market Value pursuant to the foregoing, the value as established by the Committee as of the relevant time for purposes of this Plan.

(l) "**Grant Date**" means, with respect to an Offering Period, the first day of that Offering Period.

(m) "**Individual Limit**" has the meaning given to such term in Section 4(b).

(n) "**Offering Period**" means the six (6) month period commencing on each Grant Date; provided, however, the Committee may declare, as it deems appropriate and in advance of the applicable Offering Period, a shorter (not to be less than three months) Offering Period or a longer (not to exceed 27 months) Offering Period. Unless otherwise expressly provided by the Committee in advance of a particular Offering Period, the Grant Date for that Offering Period may not occur on or before the Exercise Date for the immediately preceding Offering Period.

(o) "**Option**" means the option to acquire shares of Common Stock granted to a Participant pursuant to Section 8.

(p) "**Option Price**" means the per share exercise price of an Option as determined in accordance with Section 8(b).

(q) "**Parent**" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company in which each corporation (other than the Company) owns stock possessing 50% or more of the total combined voting power of all classes of stock in one or more of the other corporations in the chain.

(r) "**Participant**" means an Eligible Employee who has elected to participate in this Plan and who has filed a valid and effective Subscription Agreement to make Contributions pursuant to Section 6.

(s) "**Participating Subsidiary**" shall have the meaning given to such term in Section 19(c).

(t) "**Plan**" means this Alaska Air Group, Inc. Employee Stock Purchase Plan, as it may be amended or restated from time to time.

(u) "**Subscription Agreement**" means the written agreement or applicable electronic form of agreement filed by an Eligible Employee with the Company pursuant to Section 6 to participate in this Plan.

(v) "**Subsidiary**" means any corporation (other than the Company) in an unbroken chain of corporations (beginning with the Company) in which each corporation (other than the last

corporation) owns stock possessing 50% or more of the total combined voting power of all classes of stock in one or more of the other corporations in the chain.

3. ELIGIBILITY

Any person employed as an Eligible Employee as of a Grant Date may participate in this Plan during the Offering Period in which such Grant Date occurs, subject to the Eligible Employee satisfying the requirements of Section 6; provided, however, that the Committee, in its sole discretion, may impose a requirement, prior to the start of an Offering Period, that an individual shall not be eligible to participate in such Offering Period if (a) the individual has been employed with the Company or a Participating Subsidiary for a specified period of time (which shall be less than two years) prior to the applicable Grant Date; (b) the individual's customary employment with the Company and its Participating Subsidiaries is for less than a minimum number of hours per week (but not to exceed a minimum of 20 hours); and /or (c) the individual is a citizen or resident of a foreign jurisdiction and the grant of a right to purchase Common Stock under the Plan to such individual would be prohibited under the laws of such foreign jurisdiction or the grant of a right to purchase Common Stock under the Plan to such individual in compliance with the laws of such foreign jurisdiction would cause the Plan to violate the requirements of Code Section 423.

4. STOCK SUBJECT TO THIS PLAN; SHARE LIMITATIONS

(a) ***Aggregate Share Limit***. Subject to the provisions of Section 17, the capital stock that may be delivered under this Plan will be shares of the Company's authorized but unissued Common Stock. The maximum number of shares of Common Stock that may be delivered pursuant to Options granted under this Plan is 20,500,000 shares, subject to adjustments pursuant to Section 17.

(b) ***Individual Share Limit***. The maximum number of shares of Common Stock that any one individual may acquire upon exercise of his or her Option with respect to any one Offering Period is 8,000, subject to adjustments pursuant to Section 17 (the "**Individual Limit**"). The Committee may amend the Individual Limit, effective no earlier than the first Offering Period commencing after the adoption of such amendment, without stockholder approval.

(c) ***Shares Not Actually Delivered***. Shares that are subject to or underlie Options, which for any reason are cancelled, terminated, forfeited, fail to vest, or for any other reason are not paid or delivered under this Plan shall again, except to the extent prohibited by law, be available for subsequent Options under this Plan.

5. OFFERING PERIODS

During the term of this Plan, the Company will grant Options to purchase shares of Common Stock in each Offering Period to all Participants in that Offering Period. Unless otherwise specified by the Committee in advance of the Offering Period, Offering Periods will be of approximately six (6) months duration and will commence on November 1 and May 1 each year and will end on the following April 30 and October 31, respectively; provided that there will be an Offering Period of approximately eight (8) months commencing on September 1, 2019 and ending on April 30, 2020. Each Option shall become effective on the Grant Date of the Offering Period with respect to which the Option is granted. The term of each Option shall be the duration of the related Offering Period and shall end on the Exercise Date of that Offering Period. The first Offering Period shall commence as of a date determined by the Board or Committee, but no earlier than the Effective Date. Offering Periods shall continue until this Plan is terminated in accordance with Section 18 or 19, or, if earlier, until no shares of Common Stock remain available for Options pursuant to Section 4.

6. PARTICIPATION

(a) ***Enrollment***. An Eligible Employee may become a Participant in this Plan by completing a Subscription Agreement on a form approved by and in a manner prescribed by the Committee (or its delegate). To become effective, a Subscription Agreement must be

signed by the Eligible Employee and be filed with the Company at the time specified by the Committee, but in all cases prior to the start of the Offering Period with respect to which it is to become effective, and must set forth a whole percentage (or, if the Committee so requires, a stated amount) of the Eligible Employee's Compensation to be credited to the Participant's Account as Contributions each pay period.

(b) ***Contribution Limits***. Notwithstanding the foregoing, a Participant may not elect to contribute less than one percent (1%) nor more than ten percent (10%) (or such other limit as the Committee may establish prior to the start of the applicable Offering Period) of his or her Compensation during any one pay period as Plan Contributions. The Committee also may prescribe other limits, rules or procedures for Contributions.

(c) ***Content and Duration of Subscription Agreements***. Subscription Agreements shall contain the Eligible Employee's authorization and consent to the Company's withholding from his or her Compensation the amount of his or her Contributions. An Eligible Employee's Subscription Agreement, and his or her participation election and withholding consent thereon, shall remain valid for all Offering Periods until (1) the Eligible Employee's participation terminates pursuant to the terms hereof, (2) the Eligible Employee files a new Subscription Agreement that becomes effective, or (3) the Committee requires that a new Subscription Agreement be executed and filed with the Company.

(d) **Non U.S. Employees.** In order to facilitate participation in the Plan, the Committee may provide for such special terms applicable to Participants who are citizens or residents of a foreign jurisdiction, or who are employed by a Participating Subsidiary outside of the United States, as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Such special terms may not be more favorable than the terms or rights granted under the Plan to Eligible Employees who are residents of the United States. Moreover, the Committee may approve such supplements to, or amendments, restatements or alternative versions of, this Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of this Plan as in effect for any other purpose.

7. METHOD OF PAYMENT OF CONTRIBUTIONS

(a) ***Participation Accounts***. The Company shall maintain on its books, or cause to be maintained by a record keeper, an Account in the name of each Participant. The percentage of Compensation elected to be applied as Contributions by a Participant shall be deducted from such Participant's Compensation on each payday during the period for payroll deductions set forth below and such payroll deductions shall be credited to that Participant's Account as soon as administratively practicable after such date. A Participant may not make any additional payments to his or her Account. A Participant's Account shall be reduced by any amounts used to pay the Option Price of shares acquired, or by any other amounts distributed pursuant to the terms hereof.

(b) ***Payroll Deductions***. Subject to such other rules as the Committee may adopt, payroll deductions with respect to an Offering Period shall commence as of the first day of the payroll period which coincides with or immediately follows the applicable Grant Date and shall end on the last date of the payroll period which coincides with or immediately precedes the applicable Exercise Date, unless sooner terminated by the Participant as provided in Section 7(d) or until his or her participation terminates pursuant to Section 11.

(c) ***Changes in Contribution Elections for Next Offering Period; One-Time Reduction Permitted During an Offering Period***. A Participant may discontinue, increase, or decrease the level of his or her Contributions (within the Plan limits) by completing and filing with the Company, on such terms as the Committee (or its delegate) may prescribe, a new

Subscription Agreement which indicates such election. Subject to any other timing requirements that the Committee may impose, an election pursuant to this Section 7(c) shall be effective with the first Offering Period that commences after the Company's receipt of such election , provided that a Participant may, on one occasion only during an Offering Period, elect to decrease (but not increase) the level of his or her Contributions (subject to Section 6(b)) by filing a new Subscription Agreement with the Company indicating such election, which election shall be effective as soon as administratively practicable following its receipt by the Company. Except as contemplated by the foregoing proviso and Section 7(d) and 7(e), changes in Contribution levels may not take effect during an Offering Period. Other modifications or suspensions of Subscription Agreements are not permitted.

(d) ***Withdrawal During an Offering Period***. A Participant may terminate his or her Contributions during an Offering Period (and receive a distribution of the balance of his or her Account in accordance with Section 11) by completing and filing with the Company, in such form and on such terms as the Committee (or its delegate) may prescribe, a written withdrawal form or applicable electronic withdrawal form which shall be signed by the Participant. Such termination shall be effective as soon as administratively practicable after its receipt by the Company. A withdrawal election pursuant to this Section 7(d) with respect to an Offering Period shall only be effective, however, if it is received by the Company prior to the Exercise Date of the Offering Period (or such earlier deadline that the Committee may reasonably require to process the withdrawal prior to the applicable Exercise Date). Partial withdrawals of Accounts are not permitted.

(e) ***Discontinuance of Contributions During an Offering Period***. A Participant may discontinue his or her Contributions at any time during an Offering Period by completing and filing with the Company, on such terms as the Committee (or its delegate) may prescribe, a new Subscription Agreement which indicates such election. If a Participant elects to discontinue his or her Contributions pursuant to this Section 7(e), the Contributions previously credited to the Participant's Account for that Offering Period shall be used to exercise the Participant's Option as of the applicable Exercise Date in accordance with Section 9 (unless the Participant makes a timely withdrawal election in accordance with Section 7(d), in which case such Participant's Account shall be paid to him or her in cash in accordance with Section 11(a)).

8. GRANT OF OPTION

(a) ***Grant Date; Number of Shares*.** On each Grant Date, each Eligible Employee who is a Participant during that Offering Period shall be granted an Option to purchase a number of shares of Common Stock. The Option shall be exercised on the Exercise Date. The number of shares of Common Stock subject to the Option shall be determined by dividing the Participant's Account balance as of the applicable Exercise Date by the Option Price, subject to the limits of Section 8(c).

(b) ***Option Price.*** The Option Price per share of the shares subject to an Option for an Offering Period shall be the lesser of: (i) 85% of the Fair Market Value of a Share on the Grant Date of that Offering Period; or (ii) 85% of the Fair Market Value of a Share on the Exercise Date of that Offering Period; provided, however, that the Committee may provide prior to the start of any Offering Period that the Option Price for that Offering Period shall be determined by applying a discount amount (not to exceed 15%) to either (1) the Fair Market Value of a share of Common Stock on that Grant Date of that Offering Period, or (2) the Fair Market Value of a share of Common Stock on the Exercise Date of that Offering Period, or (3) the lesser of the Fair Market Value of a share of Common Stock on the Grant Date of that Offering Period or the Fair Market Value of a share of Common Stock on the Exercise Date of that Offering Period. Notwithstanding anything to the

contrary in the preceding provisions of this Section 8(b), in no event shall the Option Price per share be less than the par value of a share of Common Stock.

(c) ***Limits on Share Purchases.*** Notwithstanding anything else contained herein, the maximum number of shares subject to an Option for an Offering Period shall be subject to the Individual Limit in effect on the Grant Date of that Offering Period (subject to adjustment pursuant to Section 17) and any person who is otherwise an Eligible Employee shall not be granted any Option (or any Option granted shall be subject to compliance with the following limitations) or other right to purchase shares under this Plan to the extent:

(1) it would, if exercised, cause the person to own stock (within the meaning of Section 423(b)(3) of the Code) possessing 5% or more of the total combined voting power or value of all classes of stock of the Company, or of any Parent, or of any Subsidiary; or

(2) such Option causes such individual to have rights to purchase stock under this Plan and any other plan of the Company, any Parent, or any Subsidiary which is qualified under Section 423 of the Code which accrue at a rate which exceeds $25,000 of the Fair Market Value of the stock of the Company, of any Parent, or of any Subsidiary (determined at the time the right to purchase such stock is granted, before giving effect to any discounted purchase price under any such plan) for each calendar year in which such right is outstanding at any time.

For purposes of the foregoing, a right to purchase stock accrues when it first becomes exercisable during the calendar year. In determining whether the stock ownership of an Eligible Employee equals or exceeds the 5% limit set forth above, the rules of Section 424(d) of the Code (relating to attribution of stock ownership) shall apply, and stock which the Eligible Employee may purchase under outstanding options shall be treated as stock owned by the Eligible Employee.

9. EXERCISE OF OPTION

(a) ***Purchase of Shares***. Unless a Participant withdraws pursuant to Section 7(d) or the Participant's Plan participation is terminated as provided in Section 11, his or her Option for the purchase of shares shall be exercised automatically on the Exercise Date for that Offering Period, without any further action on the Participant's part, and the maximum number of whole shares of Common Stock subject to such Option (subject to the limits of Section 8(c)) shall be purchased at the Option Price with the balance of such Participant's Account.

(b) ***Account Balance Remaining After Purchase***. If any amount which is not sufficient to purchase a whole share remains in a Participant's Account after the exercise of his or her Option on the Exercise Date: (1) such amount shall be credited to such Participant's Account for the next Offering Period, if he or she is then a Participant; or (2) if such Participant is not a Participant in the next Offering Period, or if the Committee so elects, such amount shall be refunded to such Participant as soon as administratively practicable after such date. If the share limit of Section 4(a) is reached, any amount that remains in a Participant's Account after the exercise of his or her Option on the Exercise Date to purchase the number of shares that he or she is allocated shall be refunded to the Participant as soon as administratively practicable after such date. If any amount which exceeds the limits of Section 8(c) remains in a Participant's Account after the exercise of his or her Option on the Exercise Date, such amount shall be refunded to the Participant as soon as administratively practicable after such date.

10. DELIVERY OF SHARES

As soon as administratively practicable after the Exercise Date, the Company shall, provide for the crediting of the shares of Common Stock purchased upon exercise of a Participant's Option in book entry form in the name of the Participant, or provide for an alternative arrangement for the delivery of such shares to a broker or record keeping service for the benefit of the Participant. In the event the Company is required to obtain from any commission or agency authority to deliver such shares, the Company will seek to obtain such authority. If the Company is unable to obtain from any such commission or agency authority which counsel for the Company deems necessary for the lawful issuance of any such certificate or other delivery of such shares, or if for any reason the Company cannot issue or deliver shares of Common Stock and satisfy Section 21, the Company shall be relieved from liability to any Participant except that the Company shall return to each Participant to whom such shares cannot be issued or delivered the amount of the balanced credited to his or her Account that would have otherwise been used for the purchase of such shares. Without limiting the generality of Section 12(b)(3), if shares are delivered to a broker for the benefit of a Participant as described above, the Committee may adopt such policies and procedures as it determines appropriate regarding the Participant's ability to transfer such shares from such broker account before the expiration of two years from the Grant Date of the Offering Period for which those shares were acquired and one year from the Exercise Date of the Offering Period for which those shares were acquired (provided, that nothing in this Section 10 shall prohibit a sale of such shares by the Participant on the open market or a transfer of such shares upon the death of the Participant).

11. TERMINATION OF EMPLOYMENT; CHANGE IN ELIGIBLE STATUS

(a) ***General***. Except as provided in Section 11(b) below, if a Participant ceases to be an Eligible Employee for any reason (including, without limitation, due to the Participant's death, disability, resignation or retirement, or due to a layoff or other termination of employment with or without cause), or if the Participant elects to withdraw from the Plan pursuant to Section 7(d), at any time prior to the Exercise Date for the Offering Period in which he or she participates, such Participant shall not be eligible to exercise the Option for that Offering Period and Participant's Account shall be paid to him or her (or, in the event of the Participant's death, to the person or persons entitled thereto under Section 13) in cash, and such Participant's Option and participation in the Plan shall automatically terminate as of the time that the Participant ceased to be an Eligible Employee.

(b) ***Change in Eligible Status; Leave***. If a Participant (1) ceases to be an Eligible Employee during an Offering Period but remains an employee of the Company or a Subsidiary through the Exercise Date (for example, and without limitation, due to a change in the Participant's employer from the Company or a Participating Subsidiary to a non-Participating Subsidiary, if the Participant's employer ceases to maintain the Plan as a Participating Subsidiary but otherwise continues as a Subsidiary, or if the Participant's customary level of employment no longer satisfies the requirements set forth in the definition of Eligible Employee), or (2) during an Offering Period commences a sick leave, military leave, or other leave of absence approved by the Company or a Participating Subsidiary, and the leave meets the requirements of Treasury Regulation Section 1.421-1(h)(2) and the Participant is an employee of the Company or a Subsidiary or on such leave as of the applicable Exercise Date, such Participant's Contributions shall cease, and the Contributions previously credited to the Participant's Account for that Offering Period shall be used to exercise the Participant's Option as of the applicable Exercise Date in accordance with Section 9 (unless the Participant makes a timely withdrawal election in accordance with Section 7(d), in which case such Participant's Account shall be paid to him or her in cash in accordance with Section 11(a)).

(c) ***Re-Enrollment***. A Participant's termination from Plan participation precludes the Participant from again participating in this Plan during that Offering Period. However, such termination shall not have any effect upon his or her ability to participate in any

succeeding Offering Period, provided that the applicable eligibility and participation requirements are again then met. A Participant's termination from Plan participation shall be deemed to be a revocation of that Participant's Subscription Agreement and such Participant must file a new Subscription Agreement to resume Plan participation in any succeeding Offering Period.

(d) ***Change in Subsidiary Status.*** For purposes of this Plan, if a Subsidiary ceases to be a Subsidiary, each person employed by that Subsidiary will be deemed to have terminated employment for purposes of this Plan, unless the person continues as an employee of the Company or another Subsidiary.

12. ADMINISTRATION

(a) ***The Committee***. The Board shall appoint the Committee, which shall be composed of not less than two members of the Board. The Board may, at any time, increase or decrease the number of members of the Committee, may remove from membership on the Committee all or any portion of its members, and may appoint such person or persons as it desires to fill any vacancy existing on the Committee, whether caused by removal, resignation, or otherwise. The Board may also, at any time, assume the administration of all or a part of this Plan, in which case references (or relevant references in the event the Board assumes the administration of only certain aspects of this Plan) to the "Committee" shall be deemed to be references to the Board. Action of the Committee with respect to this Plan shall be taken pursuant to a majority vote or by the unanimous written consent of its members. No member of the Committee shall be entitled to act on or decide any matters relating solely to himself or herself or solely to any of his or her rights or benefits under this Plan.

(b) ***Powers and Duties of the Committee***. Subject to the express provisions of this Plan, the Committee shall supervise and administer this Plan and shall have the full authority and discretion: (1) to construe and interpret this Plan and any agreements defining the rights and obligations of the Company, any Subsidiary, and Participants under this Plan; (2) to further define the terms used in this Plan; (3) to prescribe, amend and rescind rules and regulations relating to the administration of this Plan (including, without limitation, deadlines for making elections or for providing any notices contemplated by this Plan, which deadlines may be more restrictive than any deadlines otherwise contemplated by this Plan); and (4) to make all other determinations and take such other action as contemplated by this Plan or as may be necessary or advisable for the administration of this Plan or the effectuation of its purposes. Notwithstanding anything else contained in this Plan to the contrary, the Committee may also adopt rules, procedures or sub-plans applicable to particular Subsidiaries or locations, which sub-plans may be designed to be outside the scope of Section 423 of the Code and need not comply with the otherwise applicable provisions of this Plan.

(c) ***Decisions of the Committee are Binding***. Any action taken by, or inaction of, the Company, any Subsidiary, the Board or the Committee relating or pursuant to this Plan and within its authority hereunder or under applicable law shall be within the absolute discretion of that entity or body and shall be conclusive and binding upon all persons.

(d) ***Indemnification***. Neither the Board nor any Committee, nor any member thereof or person acting at the direction thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with this Plan, and all such persons shall be entitled to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under any directors and officers liability insurance coverage that may be in effect from time to time.

(e) ***Reliance on Experts***. In making any determination or in taking or not taking any action under this Plan, the Committee or the Board, as the case may be, may obtain and may rely upon the advice of experts, including professional advisors to the Company. No director, officer or agent of the Company or any Participating Subsidiary shall be liable for any such action or determination taken or made or omitted in good faith.

(f) ***Delegation***. The Committee may delegate ministerial, non-discretionary functions to individuals who are officers or employees of the Company or a Subsidiary.

1. DEATH BENEFITS

If a Participant dies, the Company shall deliver all shares and/or cash payable pursuant to the terms hereof to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed, the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

13. TRANSFERABILITY

Neither Contributions credited to a Participant's Account nor any Options or rights with respect to the exercise of Options or the right to receive shares under this Plan may be anticipated, alienated, encumbered, assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution, or as provided in Section 13) by the Participant. Any such attempt at anticipation, alienation, encumbrance, assignment, transfer, pledge or other disposition shall be without effect and all amounts shall be paid and all shares shall be delivered in accordance with the provisions of this Plan. Amounts payable or shares deliverable pursuant to this Plan shall be paid or delivered only to (or credited in the name of, as the case may be) the Participant or, in the event of the Participant's death, the Participant's beneficiary pursuant to Section 13.

14. USE OF FUNDS; INTEREST

All Contributions received or held by the Company under this Plan will be included in the general assets of the Company and may be used for any corporate purpose. Notwithstanding anything else contained herein to the contrary, no interest will be paid to any Participant or credited to his or her Account under this Plan (in respect of Account balances, refunds of Account balances, or otherwise). Amounts payable under this Plan shall be payable in shares of Common Stock or from the general assets of the Company and, except for any shares that may be reserved on the books of the Company for issuance with respect to this Plan, no special or separate reserve, fund or deposit shall be made to assure payment of amounts that may be due with respect to this Plan.

15. REPORTS

Statements shall be provided (either electronically or in written form, as the Committee may provide from time to time) to Participants as soon as administratively practicable following each Exercise Date. Each Participant's statement shall set forth, as of such Exercise Date, that Participant's Account balance immediately prior to the exercise of his or her Option, the Option Price, the number of whole shares purchased and his or her remaining Account balance, if any.

16. ADJUSTMENTS OF AND CHANGES IN THE STOCK

Upon or in contemplation of any reclassification, recapitalization, stock split (including a stock split in the form of a stock dividend), or reverse stock split; any merger, combination, consolidation, or other reorganization; split-up, spin-off, or any similar extraordinary dividend distribution in respect of the Common Stock (whether in the form of securities or property); any exchange of Common Stock or other securities of the Company, or any similar, unusual or extraordinary corporate transaction in respect of the Common Stock; or a sale of substantially all

of the assets of the Company as an entirety occurs; then the Committee shall equitably and proportionately adjust (1) the number and type of shares or the number and type of other securities that thereafter may be made the subject of Options (including the specific maxima and numbers of shares set forth elsewhere in this Plan), (2) the number, amount and type of shares (or other securities or property) subject to any or all outstanding Options, (3) the Option Price of any or all outstanding Options, and/or (4) the securities, cash or other property deliverable upon exercise of any outstanding Options, in each case to the extent necessary to preserve (but not increase) the level of incentives intended by this Plan and the then-outstanding Options.

Upon the occurrence of any event described in the preceding paragraph, or any other event in which the Company does not survive (or does not survive as a public company in respect of its Common Stock); then the Committee may make provision for a cash payment or for the substitution or exchange of any or all outstanding Options for cash, securities or property to be delivered to the holders of any or all outstanding Options based upon the distribution or consideration payable to holders of the Common Stock upon or in respect of such event.

The Committee may adopt such valuation methodologies for outstanding Options as it deems reasonable in the event of a cash or property settlement and, without limitation on other methodologies, may base such settlement solely upon the excess (if any) of the amount payable upon or in respect of such event over the Option Price of the Option.

In any of such events, the Committee may take such action sufficiently prior to such event to the extent that the Committee deems the action necessary to permit the Participant to realize the benefits intended to be conveyed with respect to the underlying shares in the same manner as is or will be available to stockholders generally.

17. POSSIBLE EARLY TERMINATION OF PLAN AND OPTIONS

Upon a dissolution or liquidation of the Company, or any other event described in Section 17 that the Company does not survive or does not survive as a publicly-traded company in respect of its Common Stock, as the case may be, the Plan and, if prior to the last day of an Offering Period, any outstanding Option granted with respect to that Offering Period shall terminate, subject to any provision that has been expressly made by the Board for the survival, substitution, assumption, exchange or other settlement of the Plan and Options. In the event a Participant's Option is terminated pursuant to this Section 18 without a provision having been made by the Board for a substitution, exchange or other settlement of the Option, such Participant's Account shall be paid to him or her in cash without interest.

18. TERM OF PLAN; AMENDMENT OR TERMINATION

(a) ***Effective Date; Termination***. This Plan became effective as of the Effective Date. No new Offering Periods shall commence on or after March 12, 2035 and this Plan shall terminate as of the Exercise Date on or immediately following such date unless sooner terminated pursuant to Section 18 or this Section 19. In the event that all of the shares of Common Stock made available under this Plan are subscribed prior to the expiration of this Plan, this Plan shall terminate at the end of that Offering Period and the shares available shall be allocated for purchase by Participants in that Offering Period on a pro- rata basis determined with respect to Participants' Account balances.

(b) ***Board Amendment Authority***. The Board may, at any time, terminate or, from time to time, amend, modify or suspend this Plan, in whole or in part and without notice. Stockholder approval for any amendment or modification shall not be required, except to the extent required by law or applicable stock exchange rules or required under Section 423 of the Code in order to preserve the intended tax consequences of this Plan. No Options may be granted during any suspension of this Plan or after the termination of this Plan, but the Committee will retain jurisdiction as to Options then outstanding in accordance with the terms of this Plan. No amendment, modification, or termination pursuant to this Section 19(b) shall, without written consent of the Participant, affect in

any manner materially adverse to the Participant any rights or benefits of such Participant or obligations of the Company under any Option granted under this Plan prior to the effective date of such change. Changes contemplated by Section 17 or Section 18 shall not be deemed to constitute changes or amendments requiring Participant consent.

(c) ***Certain Additional Committee Authority***. Notwithstanding the amendment provisions of Section 19(b) and without limiting the Board's authority thereunder and without limiting the Committee's authority pursuant to any other provision of this Plan, the Committee shall have the right (1) to designate from time to time the Subsidiaries whose employees may be eligible to participate in this Plan (including, without limitation, any Subsidiary that may first become such after the date stockholders first approve this Plan) (each a "**Participating Subsidiary**"), and (2) to change the service and other qualification requirements sets forth under the definition of Eligible Employee in Section 2 (subject to the requirements of Section 423(b) of the Code and applicable rules and regulations thereunder). Any such change shall not take effect earlier than the first Offering Period that starts on or after the effective date of such change. Any such change shall not require stockholder approval.

19. NOTICES

All notices or other communications by a Participant to the Company contemplated by this Plan shall be deemed to have been duly given when received in the form and manner specified by the Committee (or its delegate) at the location, or by the person, designated by the Committee (or its delegate) for that purpose.

20. CONDITIONS UPON ISSUANCE OF SHARES

This Plan, the granting of Options under this Plan and the offer, issuance and delivery of shares of Common Stock are subject to compliance with all applicable federal and state laws, rules and regulations (including but not limited to state and federal securities laws) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. The person acquiring any securities under this Plan will, if requested by the Company and as a condition precedent to the exercise of his or her Option, provide such assurances and representations to the Company as the Committee may deem necessary or desirable to assure compliance with all applicable legal requirements.

21. PLAN CONSTRUCTION

(a) ***Section 16***. It is the intent of the Company that transactions involving Options under this Plan (other than "**Discretionary Transactions**" as that term is defined in Rule 16b-3(b)(1) promulgated by the Commission under Section 16 of the Exchange Act, to the extent there are any Discretionary Transactions under the Plan), in the case of Participants who are or may be subject to the prohibitions of Section 16 of the Exchange Act, satisfy the requirements for exemption under Rule 16b-3(c) promulgated by the Commission under Section 16 of the Exchange Act to the maximum extent possible. Notwithstanding the foregoing, the Company shall have no liability to any Participant for Section 16 consequences of Options or other events with respect to this Plan.

(b) ***Section 423***. Except as the Committee may expressly provide in the case of one or more sub-plans adopted pursuant to Section 12(b), this Plan and Options are intended to qualify under Section 423 of the Code. Accordingly, all Participants are to have the same rights and privileges (within the meaning of Section 423(b)(5) of the Code and except as not required thereunder to qualify this Plan under Section 423) under this Plan, subject to differences in Compensation among Participants and subject to the Contribution and share limits of this Plan.

(c) ***Interpretation***. If any provision of this Plan or of any Option would otherwise frustrate or conflict with the intents expressed above, that provision to the extent possible shall be interpreted so as to avoid such conflict. If the conflict remains irreconcilable, the Committee may disregard the provision if it concludes that to do so furthers the interest of the Company and is consistent with the purposes of this Plan as to such persons in the circumstances.

22. EMPLOYEES' RIGHTS

(a) ***No Employment Rights***. Nothing in this Plan (or in any Subscription Agreement or other document related to this Plan) will confer upon any Eligible Employee or Participant any right to continue in the employ or other service of the Company or any Subsidiary, constitute any contract or agreement of employment or other service or effect an employee's status as an employee at will, nor shall interfere in any way with the right of the Company or any Subsidiary to change such person's compensation or other benefits or to terminate his or her employment or other service, with or without cause. Nothing contained in this Section 23(a), however, is intended to adversely affect any express independent right of any such person under a separate employment or service contract other than a Subscription Agreement.

(b) ***No Rights to Assets of the Company***. No Participant or other person will have any right, title or interest in any fund or in any specific asset (including shares of Common Stock) of the Company or any Subsidiary by reason of any Option hereunder. Neither the provisions of this Plan (or of any Subscription Agreement or other document related to this Plan), nor the creation or adoption of this Plan, nor any action taken pursuant to the provisions of this Plan will create, or be construed to create, a trust of any kind or a fiduciary relationship between the Company or any Subsidiary and any Participant, Beneficiary or other person. To the extent that a Participant, Beneficiary or other person acquires a right to receive payment pursuant to this Plan, such right will be no greater than the right of any unsecured general creditor of the Company.

(c) ***No Stockholder Rights***. A Participant will not be entitled to any privilege of stock ownership as to any shares of Common Stock not actually delivered to and held of record by the Participant. No adjustment will be made for dividends or other rights as a stockholder for which a record date is prior to such date of delivery.

23. MISCELLANEOUS

(a) ***Governing Law***. This Plan, the Options, Subscription Agreements and other documents related to this Plan shall be governed by, and construed in accordance with, the laws of the State of Delaware.

(b) ***Severability***. If any provision shall be held by a court of competent jurisdiction to be invalid and unenforceable, the remaining provisions of this Plan shall continue in effect.

(c) ***Captions and Headings***. Captions and headings are given to the sections of this Plan solely as a convenience to facilitate reference. Such captions and headings shall not be deemed in any way material or relevant to the construction of interpretation of this Plan or any provision hereof.

(d) ***No Effect on Other Plans or Corporate Authority***. The adoption of this Plan shall not affect any other Company or Subsidiary compensation or incentive plans in effect. Nothing in this Plan will limit or be deemed to limit the authority of the Board or Committee (1) to establish any other forms of incentives or compensation for employees of the Company or any Subsidiary (with or without reference to the Common Stock), or (2) to grant or assume options (outside the scope of and in addition to those contemplated by this Plan) in connection with any proper corporate purpose; to the extent consistent with any other plan or authority. Benefits received by a Participant under an Option

granted pursuant to this Plan shall not be deemed a part of the Participant's compensation for purposes of the determination of benefits under any other employee welfare or benefit plans or arrangements, if any, provided by the Company or any Subsidiary, except where the Committee or the Board (or the Board of Directors of the Subsidiary that sponsors such plan or arrangement, as applicable) expressly otherwise provides or authorizes in writing.

24. TAX WITHHOLDING

Notwithstanding anything else contained in this Plan herein to the contrary, the Company may deduct from a Participant's Account balance as of an Exercise Date, before the exercise of the Participant's Option is given effect on such date, the amount of taxes (if any) which the Company reasonably determines it or any Subsidiary may be required to withhold with respect to such exercise. In such event, the maximum number of whole shares subject to such Option (subject to the other limits set forth in this Plan) shall be purchased at the Option Price with the balance of the Participant's Account (after reduction for tax withholding amount).

Should the Company for any reason be unable, or elect not to, satisfy its or any Subsidiary's tax withholding obligations in the manner described in the preceding paragraph with respect to a Participant's exercise of an Option, or should the Company or any Subsidiary reasonably determine that it or an affiliated entity has a tax withholding obligation with respect to a disposition of shares acquired pursuant to the exercise of an Option prior to satisfaction of the holding period requirements of Section 423 of the Code, the Company or Subsidiary, as the case may be, shall have the right at its option to (1) require the Participant to pay or provide for payment of the amount of any taxes which the Company or Subsidiary reasonably determines that it or any affiliate is required to withhold with respect to such event or (2) deduct from any amount otherwise payable to or for the account of the Participant the amount of any taxes which the Company or Subsidiary reasonably determines that it or an affiliate is required to withhold with respect to such event.

25. NOTICE OF SALE

Any person who has acquired shares under this Plan shall give prompt written notice to the Company of any sale or other transfer of the shares if such sale or transfer occurs (1) within the two-year period after the Grant Date of the Offering Period with respect to which such shares were acquired, or (2) within the twelve-month period after the Exercise Date of the Offering Period with respect to which such shares were acquired.

Exhibit 4.1

ALASKA AIRLINES, INC.,
ISSUER

AND

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
TRUSTEE

INDENTURE
DATED AS OF MAY 12, 2026

PROVIDING FOR ISSUANCE OF DEBT SECURITIES IN SERIES

CROSS-REFERENCE TABLE[1]

TRUST INDENTURE ACT SECTION	SECTION OF INDENTURE
310(a)	7.09
310(b)	7.08
311(a)	7.13
311(b)	7.13
312(a)	5.01; 5.02(a)
312(b)	5.02(c)
312(c)	5.02(d)
313(a)	5.04(a)
313(b)	5.04(b)
313(c)	5.04(b)
313(d)	5.04(c)
314(a)	5.03; 4.04; 14.07
314(b)	Inapplicable
314(c)	14.07
314(d)	Inapplicable
314(e)	14.07
315(a)	7.01
315(b)	6.01(b)
315(c)	7.01(a); 7.02(d)
315(d)	7.01(b)
315(e)	6.08
316(a)	6.07; 6.09
316(b)	6.05
316(c)	8.01
317(a)	6.02
317(b)	4.03
318(a)	14.10

(1) This Cross-Reference Table does not constitute part of the Indenture and shall not have any bearing on the interpretation of any of its terms or provisions.

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INDENTURE, dated as of May 12, 2026, between Alaska Airlines, Inc., an Alaska corporation (the "Company") and U.S. Bank Trust Company, National Association, as trustee hereunder (together with its successors and assigns in such capacity, the "Trustee").

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance of unsecured debt securities, debentures, notes, bonds or other evidences of indebtedness (hereinafter referred to as the "Securities"), in an unlimited aggregate principal amount to be issued from time to time in one or more series, as provided in this Indenture;

WHEREAS, to provide the terms and conditions upon which the Securities are to be authenticated, issued and delivered, the Company has duly authorized the execution of this Indenture; and

WHEREAS, all things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, in consideration of the premises and the purchase of the Securities by the holders of Securities, it is mutually covenanted and agreed as follows for the equal and ratable benefit of the holders of Securities:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions of Terms.

The terms defined in this Section (except as in this Indenture or in any indenture supplemental hereto otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section and shall include the plural as well as the singular. All other terms used in this Indenture that are defined in the Trust Indenture Act, or that are by reference in the Trust Indenture Act defined in the Securities Act (except as herein or in any indenture supplemental hereto otherwise expressly provided or unless the context otherwise requires), shall have the meanings assigned to such terms in the Trust Indenture Act and in the Securities Act as in force at the date of the execution of this instrument. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States of America.

"Affiliate" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such

specified Person. When used with respect to any Person, "control" means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" and "under common control with" have meanings correlative to the foregoing.

"Agents" means any Authenticating Agent, Paying Agent or Security Registrar, and each of their successors or assigns duly appointed herein.

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

"Authenticating Agent" means an authenticating agent with respect to all or any of the series of Securities appointed with respect to all or any series of the Securities by the Company or the Trustee pursuant to Section 2.10.

"Bankruptcy Law" means Title 11, U.S. Code, or any similar federal or state bankruptcy, insolvency, reorganization or other law for the relief of debtors.

"Beneficial Owner" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time.

"Board of Directors" means:

(1) with respect to a corporation or an exempted company, the board of directors of the corporation or exempted company, as applicable, or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the board of directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members, manager or managers or any controlling committee of managing members or managers thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification.

"Business Day" means any day other than a Saturday or Sunday, legal holiday or a day on which federal or state banking institutions in the Borough of Manhattan, the City and State of New York, or in the Place of Payment are authorized or obligated by law, executive order or regulation to close.

"Certificate" means a certificate signed by the Chief Executive Officer, Chief Financial Officer, President or any Vice President of the Company. The Certificate need not comply with the provisions of Section 14.07.

"Code" means the United States Internal Revenue Code of 1986, as amended from time to time.

"Company" means Alaska Airlines, Inc., a corporation duly organized and existing under the laws of the State of Alaska, or any successor in interest thereto.

"Corporate Trust Office" shall be at the address of the Trustee, specified in Section 14.03 hereof or such other address as to which the Trustee may give notice to the Securityholders and the Company.

"Currency" means miles, points and/or other units that are a medium of exchange constituting a convertible, virtual and private currency that is tradable property and that can be sold or issued.

"Custodian" means any receiver, trustee, assignee, liquidator, sequestrator, custodian or similar official under any Bankruptcy Law.

"Defeasance" has the meaning set forth in Section 13.02.

"Default" means any event, act or condition that with notice or lapse of time, or both, would constitute an Event of Default.

"Depositary" means, with respect to Securities of any series, for which the Company shall determine that such Securities will be issued as a Global Security, The Depository Trust Company, New York, New York, another clearing agency, or any successor registered as a clearing agency under the Exchange Act, or other applicable statute or regulation, which, in each case, shall be designated by the Company pursuant to either Section 2.01 or Section 2.11.

"Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

"Event of Default" means, with respect to Securities of a particular series any event specified in Section 6.01, continued for the period of time, if any, therein designated.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"GAAP" means generally accepted accounting principles in the United States of America, which are in effect from time to time.

"Global Security" means, with respect to any series of Securities, a Security executed by the Company and delivered by the Trustee or Authenticating Agent to the Depositary or pursuant to the Depositary's instruction, all in accordance with the Indenture, which shall be registered in the name of the Depositary or its nominee.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

"Governmental Obligations" means securities that are (i) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America that, in either case, are not callable or redeemable at the option of the Company thereof, and shall also include a depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any such Governmental Obligation or a specific payment of principal of or interest on any such Governmental Obligation held by such custodian for the account of the holder of such depositary receipt; provided, however, that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the Governmental Obligation or the specific payment of principal of or interest on the Governmental Obligation evidenced by such depositary receipt.

"Guarantee" means a guarantee by a Guarantor of a series of Securities pursuant to a supplemental indenture to this Indenture.

"Guarantor" means any Person identified pursuant to a supplemental indenture to this Indenture as providing a Guarantee with respect to a series of Securities.

"herein," "hereof" and "hereunder," and other words of similar import, refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

"Indebtedness" means any Person's obligation for borrowed money, including without limitation all obligations evidenced by bonds, debentures, notes or similar instruments.

"Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, including, for all purposes of this instrument and any such supplemental indenture, the provisions of the Trust Indenture Act that are deemed to be a part of and govern this instrument and any such supplemental indenture, respectively. The term "Indenture" shall also include the terms of particular series of Securities established as contemplated by Section 2.01.

"Interest Payment Date," when used with respect to any Security, means the Stated Maturity of an installment of interest on a Security of a particular series.

"Lien" means any lien (statutory or otherwise), security interest, mortgage, pledge, hypothecation, charge or similar encumbrance; provided, however, that in no event shall an operating lease, operating sublease or license be deemed to constitute a Lien.

"Officers' Certificate" means a certificate signed by the Chief Executive Officer, Chief Financial Officer, President or any Vice President (whether or not designated by a number or numbers or word or words added before or after the title "Vice President") and by the Treasurer or any Assistant Treasurer, or the Controller or any Assistant Controller, or the Secretary or any Assistant Secretary of the Company that is delivered to the Trustee and any Agent (as applicable) in accordance with the terms hereof. Each such certificate shall include the statements provided for in Section 14.07, if and to the extent required by the provisions thereof.

"Opinion of Counsel" means an opinion in writing of legal counsel, who may be an employee of or counsel for the Company and who is reasonably acceptable to the Trustee that is delivered to the Trustee in accordance with the terms hereof. Each such opinion shall include the statements provided for in Section 14.07, if and to the extent required by the provisions thereof.

"Original Issue Discount Security" means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the maturity thereof pursuant to Section 6.01(d).

"Outstanding," when used with reference to Securities of any series, means, as of any particular time, all Securities of that series theretofore authenticated and delivered by the Trustee or the Authenticating Agent under this Indenture, except (a) Securities theretofore canceled by the Trustee or any Paying Agent, or delivered to the Trustee or any Paying Agent for cancellation or that have previously been canceled; (b) Securities or portions thereof for the payment or redemption of which moneys or Governmental Obligations in the necessary amount shall have been deposited in trust with the Trustee or with any Paying Agent (other than the Company) or shall have been set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent); provided, however, that if such Securities or portions of such Securities are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article III provided, or provision satisfactory to the Trustee shall have been made for giving such notice; (c) Securities in lieu of or in substitution for which other Securities shall have been authenticated and delivered pursuant to the terms of Section 2.07; and (d) Securities as to which Defeasance (as defined in Section 13.02) has been effected pursuant to Section 13.02; provided, however, that in determining whether the Securityholders of the requisite principal amount of the Outstanding Securities have given, made or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder as of any date, (A) the principal amount of an Original Issue Discount Security which shall be deemed to be Outstanding shall be the amount of the principal thereof which would be due and payable as of such date upon acceleration of the maturity thereof to such date pursuant to Section 6.01(d), (B) if, as of such date, the principal amount payable at the Stated Maturity of a Security is not determinable, the principal amount of such Security which shall be deemed to be Outstanding shall be the amount as specified or determined as contemplated by Section 2.01, (C) the principal amount of a Security denominated in one or more foreign currencies or currency units which shall be deemed to be Outstanding shall be the U.S. dollar equivalent, determined as of such date in the manner provided as contemplated by Section 2.01, of the principal amount of such Security (or, in the case of a Security described in Clause (A) or (B) above, of the amount determined as provided in such Clause), and (D) Securities owned by the Company or any Affiliate of the Company shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Securities which a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes as is necessary or to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any Affiliate of the Company.

"Parent" means Alaska Air Group, Inc.

"Person" means any natural person, corporation, division of a corporation, partnership, limited liability company, exempted company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

"Place of Payment," when used with respect to the Securities of any series, means the place or places where the principal of and any premium and interest on the Securities of that series are payable as specified as contemplated by Section 2.01 or, if not so specified, New York, New York.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 2.07 in lieu of a lost, destroyed or stolen Security shall be deemed to evidence the same debt as the lost, destroyed or stolen Security.

"Redemption Date," when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price," when used with respect to any Security to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

"Responsible Officer," when used with respect to the Trustee or any Agent (as applicable), means any officer within the corporate trust department of the Trustee or such Agent (as applicable), including any vice president, assistant vice president, trust officer or any other officer of the Trustee or such Agent (as applicable) who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and, in each case, who shall have direct responsibility for the administration of this Indenture.

"SEC" means the Securities and Exchange Commission, from time to time constituted, created under the Exchange Act, or, if at any time after the execution of this instrument such SEC is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Securities" has the meaning stated in the preamble of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture. For all purposes of this Indenture, the term "Securities" shall also include any additional Securities that may be issued under a supplemental indenture.

"Securities Act" means the Securities Act of 1933 and any statute successor thereto, in each case as amended from time to time.

"Security Register" has the meaning stated in Section 2.05(b).

"Security Registrar" has the meaning stated in Section 2.05(b).

"Securityholder," "holder of Securities," "registered holder," or other similar term, means the Person or Persons in whose name or names a particular Security shall be registered on the books of the Company kept for that purpose in accordance with the terms of this Indenture.

"Signature Law" has the meaning set forth in Section 14.11.

"Stated Maturity," when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

"Subsidiary" means, with respect to any Person (in this definition referred to as the "parent"), any corporation, association or other business entity (whether now existing or hereafter organized) of which at least a majority of the securities or other ownership or membership interests having ordinary voting power for the election of directors (or equivalent governing body) is, at the time as of which any determination is being made, owned or controlled by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Trustee" means U.S. Bank Trust Company, National Association, in its capacity as trustee hereunder, and, subject to the provisions of Article VII, shall also include its successors and assigns and, if at any time there is more than one Person acting in such capacity hereunder, "Trustee" shall mean each such Person. The term "Trustee" as used with respect to a particular series of the Securities shall mean the trustee with respect to that series.

"Trust Indenture Act" means the Trust Indenture Act of 1939, as amended, and the rules and regulations thereunder as in effect on the date of the indenture.

"Yield to Maturity" means the yield to maturity on a series of securities calculated at the time of issuance of such series or, if applicable, of the most recent redetermination of interest on such series, and calculated in accordance with accepted financial practice.

ARTICLE II

DESCRIPTION, TERMS, EXECUTION, REGISTRATION AND EXCHANGE OF SECURITIES

Section 2.01 Designation and Terms of Securities.

(a) The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more series up to the aggregate principal amount of Securities of that series from time to time authorized by or pursuant to a Board Resolution of the Company or pursuant to one or more indentures supplemental hereto. Prior to the initial issuance of Securities of any series, there shall be established in or pursuant to a Board Resolution of the Company, and set forth in an Officers' Certificate of the Company, or established in one or more indentures supplemental hereto:

(1) the title of the Security of the series (which shall distinguish the Securities of the series from all other Securities);

(2) any limit upon the aggregate principal amount of the Securities of that series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of that series);

(3) the Stated Maturity of the Securities of the series;

(4) the rate or rates at which the Securities of the series shall bear interest or the manner of calculation of such rate or rates, if any;

(5) the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest will be payable or the manner of determination of such Interest Payment Dates and the record date for the determination of holders of Securities of the series to whom interest is payable on any such Interest Payment Dates;

(6) whether the amount of principal of or any premium or interest on any Securities of the series may be determined with reference to any index, formula, or other method, such as one or more currencies, commodities, equity indices or other indices, and the manner in which such amounts shall be determined;

(7) the place or places where the principal of and any premium and interest on any Securities of the series shall be payable;

(8) the period or periods within which, the price or prices at which and the terms and conditions upon which, Securities of the series may be redeemed, in whole or in part, at the option of the Company, and the manner in which the particular Securities of such series (if less than all

Securities of such series are to be redeemed) are to be selected for redemption;

(9) the obligation, if any, of the Company to redeem, repay or purchase Securities of the series pursuant to any sinking fund or analogous provisions (including payments made in cash in participation of future sinking fund obligations) or at the option of a holder of Securities and the period or periods within which, the price or prices at which, and the terms and conditions upon which, Securities of the series shall be redeemed, repaid or purchased, in whole or in part, pursuant to such obligation;

(10) if other than denominations of $2,000 and any integral multiples of $1,000 in excess thereof, the denominations in which the Securities of the series shall be issuable;

(11) if other than the full principal amount thereof, the portion or, methods of determining the portion, of the principal amount of Securities of the series which shall be payable upon declaration of acceleration of the maturity thereof pursuant to Section 6.01;

(12) if other than the currency of the United States of America, the currency, currencies or currency units in which the principal of or any premium or interest on any Securities of the series shall be payable and the manner of determining the equivalent thereof in the currency of the United States of America for any purpose, including for purposes of the definition of "Outstanding" in Section 1.01;

(13) provisions granting special rights to holders of the Securities of the series upon the occurrence of specific events;

(14) any deletions from, modifications of or additions to the Events of Default or the Company's covenants provided for with respect to the Securities of the series;

(15) if applicable, that the Securities of the series, in whole or any specified part, shall be defeasible pursuant to Section 13.02 or Section 13.03 or both such Sections and, if other than by a Board Resolution, the manner in which any election by the Company to defease such Securities shall be evidenced;

(16) whether the Securities of the series will be convertible or exchangeable into shares of common stock or other securities or property of the Company and, if so, the terms and conditions upon which such Securities will be so convertible or exchangeable, including the conversion or exchange price or method of determining the conversion or exchange price and the conversion or exchange period;

(17) whether the Securities of the series are issuable as a Global Security and, in such case, the identity of the Depositary for such series

and the terms and conditions upon which Global Securities may be exchanged for certificated debt securities;

(18) the provisions, if any, relating to any guarantees or collateral provided for the Securities of such series;

(19) the forms of the Securities of the series;

(20) any special tax implications of the Securities of the series, including any provisions for Original Issue Discount Securities, if offered;

(21) any change in the right of the Trustee or the requisite Securityholders to declare the principal amount thereof due and payable pursuant to Section 6.01;

(22) any trustees, authenticating or Paying Agents, transfer agents or registrars, calculation agents or other agents with respect to the Securities of the series;

(23) any restrictions on the registration, transfer or exchange of the Securities of the series; and

(24) any other terms of the Securities of the series (which terms shall not be inconsistent with the provisions of this Indenture, except as permitted by Section 9.01(10), but which may modify or delete any provision of this Indenture with respect to such series).

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to any such Board Resolution or in any indentures supplemental hereto.

If any of the terms of the Securities of any series are established by action taken pursuant to a Board Resolution of the Company, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate of the Company setting forth the terms of such series.

Securities of any particular series may be issued at various times, with different issue prices, with different dates on which the principal or any installment of principal is payable, with different rates of interest, if any, or different methods by which rates of interest may be determined, with different dates on which such interest may be payable and with different redemption dates.

Section 2.02 Form of Securities and Trustee's Certificate.

The Securities of any series and the Trustee's or Authenticating Agent's certificate of authentication to be borne by such Securities shall be substantially of the

tenor and purport as set forth in one or more indentures supplemental hereto or as provided in a Board Resolution of the Company and as set forth in an Officers' Certificate of the Company and may have such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which Securities of that series may be listed, or to conform to usage.

Section 2.03 Denominations; Provisions for Payment.

The Securities shall be issuable in fully registered form, without coupons, and in denominations of $2,000 and integral multiples of $1,000 in excess thereof, except as otherwise specified pursuant to Section 2.01 for the Securities of any series. The Securities of a particular series shall bear interest payable on the dates and at the rate specified with respect to that series. Unless otherwise provided pursuant to Section 2.01, the principal of and the interest on the Securities of any series, as well as any premium thereon in case of redemption thereof prior to maturity, shall be payable in the coin or currency of the United States of America that at the time is legal tender for public and private debt, at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, the City and State of New York. Each Security shall be dated the date of its authentication. Interest on the Securities of any series shall be computed on the basis of a 360-day year composed of twelve 30-day months, except as otherwise specified under Section 2.01 for Securities of any series.

The interest installment on any Security that is payable, and is punctually paid or duly provided for, on any Interest Payment Date for Securities of that series shall be paid to the Person in whose name said Security (or one or more Predecessor Securities) is registered at the close of business on the regular record date for such interest installment. In the event that any Security of a particular series or portion thereof is called for redemption and the redemption date is subsequent to a regular record date with respect to any Interest Payment Date and prior to such Interest Payment Date, interest on such Security will be paid upon presentation and surrender of such Security as provided in Section 3.03.

Except as otherwise specified with respect to a series of Securities in accordance with the provisions of Section 2.01, any interest on any Security that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date for Securities of the same series (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered holder on the relevant regular record date by virtue of having been such holder of Securities; and such Defaulted Interest shall be paid by the Company, at its election, as provided in clause (1) or clause (2) below:

(1) The Company may make payment of any Defaulted Interest on Securities to the Persons in whose names such Securities (or their respective Predecessor Securities) are registered at the close of business on a special record date for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Company shall notify the Trustee and the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each such Security and the date of the proposed payment, and at the same time the Company shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee and the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Company shall fix a special record date for the payment of such Defaulted Interest which shall not be more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 5 days after the receipt by the Trustee of the notice of the proposed payment. The Company shall promptly notify the Trustee of such special record date and the Company (or, upon the written request of the Company, the Trustee, in the name and at the expense of the Company), shall cause notice of the proposed payment of such Defaulted Interest and the special record date therefor to be transmitted, to each Securityholder at his or her address as it appears in the Security Register (as hereinafter defined), not less than 10 days prior to such special record date. Notice of the proposed payment of such Defaulted Interest and the special record date therefor having been transmitted as aforesaid, such Defaulted Interest shall be paid, pursuant to clause (2) below, to the Persons in whose names such Securities (or their respective Predecessor Securities) are registered on such special record date and shall be no longer payable.

(2) The Company may make payment of any Defaulted Interest on any Securities in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee and the Paying Agent of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee and the Paying Agent.

Unless otherwise set forth in a Board Resolution of the Company or one or more indentures supplemental hereto establishing the terms of any series of Securities pursuant to Section 2.01 hereof, the term “regular record date” as used in this Section with respect to a series of Securities with respect to any Interest Payment Date for such series shall mean either the fifteenth day of the month immediately preceding the month in which an Interest Payment Date established for such series pursuant to Section 2.01 hereof shall occur, if such Interest Payment Date is the first day of a month, or the last day of the month immediately preceding the month in which an Interest Payment Date established

for such series pursuant to Section 2.01 hereof shall occur, if such Interest Payment Date is the fifteenth day of a month, whether or not such date is a Business Day.

Subject to the foregoing provisions of this Section, each Security of a series delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Security of such series shall carry the rights to interest accrued and unpaid, and to accrue, that were carried by such other Security.

Section 2.04 Execution and Authentication.

The Securities shall be signed on behalf of the Company by its Chief Executive Officer and President, Chief Financial Officer, Treasurer, or Secretary. Signatures may be executed by electronic means or in the form of a manual or facsimile signature. The Company may use the facsimile or electronic signature of any Person who shall have been a Chief Executive Officer and President, Chief Financial Officer, Treasurer, or Secretary thereof, notwithstanding the fact that at the time the Securities shall be authenticated and delivered or disposed of such Person shall have ceased to be the Chief Executive Officer and President, Chief Financial Officer, Treasurer, or Secretary of the Company. The Securities may contain such notations, legends or endorsements required by law, stock exchange rule or usage. Each Security shall be dated the date of its authentication by the Trustee or an Authenticating Agent.

A Security shall not be valid until authenticated manually by an authorized signatory of the Trustee or by an Authenticating Agent. Such signature shall be conclusive evidence that the Security so authenticated has been duly authenticated and delivered hereunder and that the Securityholder is entitled to the benefits of this Indenture.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company to the Trustee or an Authenticating Agent for authentication, together with a written order of the Company for the authentication and delivery of such Securities, signed by its Chief Executive Officer and President, Chief Financial Officer, Treasurer, or Secretary of the Company, and the Trustee or an Authenticating Agent in accordance with such written order shall authenticate and deliver such Securities.

In authenticating such Securities and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 7.01) shall be fully protected in relying upon, an Officers' Certificate and Opinion of Counsel to the effect that the form and terms thereof have been established in conformity with the provisions of this Indenture.

The Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, protections, duties or immunities under the Securities and this Indenture or otherwise in a manner that is not reasonably acceptable to the Trustee.

Section 2.05 Registration of Transfer and Exchange.

(a) Securities of any series may be exchanged upon presentation thereof at the office or agency of the Company designated for such purpose in the Borough of Manhattan, the City and State of New York, for other Securities of such series of authorized denominations, and for a like aggregate principal amount, upon payment of a sum sufficient to cover any tax or other governmental charge in relation thereto, all as provided in this Section. In respect of any Securities so surrendered for exchange, the Company shall execute, the Trustee or an Authenticating Agent shall authenticate upon a written order of the Company and such office or agency shall deliver in exchange therefor the Security or Securities of the same series that the Securityholder making the exchange shall be entitled to receive, bearing numbers not contemporaneously outstanding.

(b) The Company shall keep, or cause to be kept, at its office or agency designated for such purpose in the Borough of Manhattan, the City and State of New York, or such other location designated by the Company a register or registers (herein referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall register the Securities and the transfers of Securities as in this Article provided and which at all reasonable times shall be open for inspection by the Trustee. The Company may appoint one or more co-registrars for the purpose of registering Securities and transfer of Securities as herein provided (the "Security Registrar"). The Company initially appoints the Trustee as the Security Registrar.

Upon surrender for the registration of transfer of any Security at the office or agency of the Company designated for such purpose, the Company shall execute, the Trustee or an Authenticating Agent shall authenticate and such office or agency shall deliver in the name of the transferee or transferees a new Security or Securities of the same series as the Security presented for a like aggregate principal amount.

All Securities presented or surrendered for exchange or registration of transfer, as provided in this Section, shall be accompanied (if so required by the Company or the Security Registrar) by a written instrument or instruments of transfer, in form satisfactory to the Company or the Security Registrar, duly executed by the registered holder or by such holder's duly authorized attorney in writing. The transferring holder shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation, any cost basis reporting obligations under Section 6405 of the Code. The Trustee may rely on any such information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(c) No service charge shall be made for any exchange or registration of transfer of Securities, or issue of new Securities in case of partial redemption of any series, but the Company, the Trustee or the Paying Agent may require payment of a sum sufficient to cover any tax or other governmental charge in relation thereto, other than exchanges pursuant to Section 2.06, Section 3.03(b) and Section 9.04 not involving any transfer.

(d) The Company shall not be required (i) to issue, exchange or register the transfer of any Securities during a period beginning at the opening of business 15 days before the day of the transmittal of a notice of redemption of less than all the Outstanding Securities of the same series and ending at the close of business on the day of such transmittal, nor (ii) to register the transfer of or exchange any Securities of any series or portions thereof called for redemption. The provisions of this Section 2.05 are, with respect to any Global Security, subject to Section 2.11.

(e) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer that may be imposed under this Indenture with respect to the Securities of any series pursuant to the terms thereof established as contemplated by Section 2.01 or under applicable law with respect to any transfer of any interest in any such Security (including any transfers between or among any depositary (including any Depositary), or its nominee, as a holder of a Security issued in global form, any participants in such depositary or owners or holders of beneficial interests in any such global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of such Securities if and as may be so established in respect of such Securities, and to examine the same to determine substantial compliance as to form with the express requirements thereof. Neither the Trustee nor any of its Agents shall have any responsibility for any actions taken or not taken by the Depositary.

Section 2.06 Temporary Securities.

Pending the preparation of definitive Securities of any series, the Company may execute, and the Trustee or an Authenticating Agent shall authenticate and deliver upon a written order of the Company, temporary Securities (printed, lithographed or typewritten) of any authorized denomination. Such temporary Securities shall be substantially in the form of the definitive Securities in lieu of which they are issued, but with such omissions, insertions and variations as may be appropriate for temporary Securities, all as may be determined by the Company. Every temporary Security of any series shall be executed by the Company and be authenticated upon a written order of the Company by the Trustee or an Authenticating Agent upon the same conditions and in substantially the same manner, and with like effect, as the definitive Securities of such series. Without unnecessary delay the Company will execute and will furnish definitive Securities of such series and thereupon any or all temporary Securities of such series may be surrendered in exchange therefor (without charge to the Securityholders), at the office or

agency of the Company designated for the purpose in the Borough of Manhattan, the City and State of New York, and the Trustee or an Authenticating Agent, upon receipt of a written order of the Company, shall authenticate and such office or agency shall deliver in exchange for such temporary Securities an equal aggregate principal amount of definitive Securities of such series, unless the Company advises the Trustee or an Authenticating Agent to the effect that definitive Securities need not be executed and furnished until further notice from the Company. Until so exchanged, the temporary Securities of such series shall be entitled to the same benefits under this Indenture as definitive Securities of such series authenticated and delivered hereunder.

Section 2.07 Mutilated, Destroyed, Lost or Stolen Securities.

In case any temporary or definitive Security shall become mutilated or be destroyed, lost or stolen, the Company (subject to the next succeeding sentence) shall execute, and upon the Company's written order, the Trustee or an Authenticating Agent (subject as aforesaid) shall authenticate and deliver, a new Security of the same series, bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated Security, or in lieu of and in substitution for the Security so destroyed, lost or stolen. In every case the applicant for a substituted Security shall furnish to the Company and the Trustee such security or indemnity as may be required by them to save each of them harmless, and, in every case of destruction, loss or theft, the applicant shall also furnish to the Company and the Trustee evidence to their satisfaction of the destruction, loss or theft of the applicant's Security and of the ownership thereof. The Trustee or an Authenticating Agent may authenticate any such substituted Security and deliver the same upon the written order or authorization of any officer of the Company. Upon the issuance of any substituted Security, the Company, the Trustee or the Paying Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith. In case any Security that has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Company may, instead of issuing a substitute Security, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Security) if the applicant for such payment shall furnish to the Company and the Trustee such security or indemnity as they may require to save them harmless, and, in case of destruction, loss or theft, evidence to the satisfaction of the Company and the Trustee of the destruction, loss or theft of such Security and of the ownership thereof.

Every replacement Security issued pursuant to the provisions of this Section shall constitute an additional contractual obligation of the Company whether or not the mutilated, destroyed, lost or stolen Security shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of the same series duly issued hereunder.

All Securities shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities, and shall preclude (to the extent lawful) any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Section 2.08 Cancellation.

All Securities surrendered for the purpose of payment, redemption, exchange or registration of transfer shall, if surrendered to the Company or any Paying Agent, be delivered to the Trustee for cancellation, or, if surrendered to the Trustee, shall be canceled by it, and no Securities shall be issued in lieu thereof except as expressly required or permitted by any of the provisions of this Indenture. On timely written request of the Company at the time of such surrender, the Trustee shall deliver to the Company canceled Securities held by the Trustee and, if requested in writing, provide evidence of cancellation to the Company. In the absence of such written request the Trustee may dispose of canceled Securities in accordance with its standard procedures. If the Company shall otherwise acquire any of the Securities, however, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Securities unless and until the same are delivered to the Trustee for cancellation.

Section 2.09 Benefits of Indenture.

Nothing in this Indenture or in the Securities, express or implied, shall give or be construed to give to any Person, other than the parties hereto and their successors hereunder and the holders of Securities any legal or equitable right, remedy or claim under or in respect of this Indenture, or under any covenant, condition or provision herein contained; all such covenants, conditions and provisions being for the sole benefit of the parties hereto and their successors hereunder and the holders of Securities.

Section 2.10 Authenticating Agent.

So long as any of the Securities of any series remain Outstanding there may be an Authenticating Agent for any or all such series of Securities which the Company or the Trustee shall have the right to appoint. Said Authenticating Agent shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon exchange, transfer or partial redemption thereof, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. All references in this Indenture to the authentication of Securities by the Trustee shall be deemed to include authentication by an Authenticating Agent for such series. Each Authenticating Agent shall be acceptable to the Company and shall be a corporation that has a combined capital and surplus, as

most recently reported or determined by it, sufficient under the laws of any jurisdiction under which it is organized or in which it is doing business to conduct a trust business, and that is otherwise authorized under such laws to conduct such business and is subject to supervision or examination by federal or state authorities. If at any time any Authenticating Agent shall cease to be eligible in accordance with these provisions, it shall resign immediately.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee and to the Company. The Trustee may at any time (and upon request by the Company shall) terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Company. Upon resignation, termination or cessation of eligibility of any Authenticating Agent, the Trustee may appoint an eligible successor Authenticating Agent acceptable to the Company. Any successor Authenticating Agent, upon acceptance of its appointment hereunder, shall become vested with all the rights, protections, powers and duties of its predecessor hereunder as if originally named as an Authenticating Agent pursuant hereto.

Section 2.11 Global Securities.

(a) If the Company shall establish pursuant to Section 2.01 that the Securities of a particular series are to be issued as a Global Security, then the Company shall execute and the Trustee or an Authenticating Agent shall, in accordance with Section 2.04, authenticate and deliver, a Global Security that (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all of the Outstanding Securities of such series, (ii) shall be registered in the name of the Depositary or its nominee, (iii) shall be delivered by the Trustee or the Authenticating Agent to the Depositary or pursuant to the Depositary's instruction and (iv) shall bear a legend substantially to the following effect: "Except as otherwise provided in Section 2.11 of the Indenture, this Security may be transferred, in whole but not in part, only to another nominee of the Depositary or to a successor Depositary or to a nominee of such successor Depositary."

(b) Notwithstanding the provisions of Section 2.05, the Global Security of a series may be transferred, in whole but not in part and in the manner provided in Section 2.05, only to another nominee of the Depositary for such series, or to a successor Depositary for such series selected or approved by the Company or to a nominee of such successor Depositary.

(c) If at any time the Depositary for a series of the Securities notifies the Company that it is unwilling or unable to continue as Depositary for such series or if at any time the Depositary for such series shall no longer be registered or in good standing under the Exchange Act, or other applicable statute or regulation, and a successor Depositary for such series is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such condition, as the case may be, this Section 2.11 shall no longer be applicable to the Securities of such series and the Company will execute, and

subject to Section 2.04, the Trustee or an Authenticating Agent will, upon the written order of the Company, authenticate (or cause to authenticate) and deliver the Securities of such series in definitive registered form without coupons, in authorized denominations, and in an aggregate principal amount equal to the principal amount of the Global Security of such series in exchange for such Global Security. In addition, the Company may at any time determine that the Securities of any series shall no longer be represented by a Global Security and that the provisions of this Section 2.11 shall no longer apply to the Securities of such series. In such event the Company will execute and subject to Section 2.04, the Trustee or an Authenticating Agent, upon receipt of the written order of the Company and of an Officers' Certificate evidencing such determination by the Company, will authenticate (or cause to authenticate) and deliver the Securities of such series in definitive registered form without coupons, in authorized denominations, and in an aggregate principal amount equal to the principal amount of the Global Security of such series in exchange for such Global Security. Upon the exchange of the Global Security for such Securities in definitive registered form without coupons, in authorized denominations, the Global Security shall be canceled by the Trustee. Such Securities in definitive registered form issued in exchange for the Global Security pursuant to this Section 2.11(c) shall be registered in such names and in such authorized denominations as the Depositary, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Security Registrar shall deliver such Securities to the Depositary for delivery to the Persons in whose names such Securities are so registered. In connection with any proposed exchange of any Global Security for such Securities in definitive registered form, the Company or Depositary shall be required to provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6405 of the Code. The Trustee may rely on any such information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.12 CUSIP Numbers, ISINs, Etc.

The Company in issuing the Securities of any series may use "CUSIP" numbers, ISINs and "Common Code" numbers (if then generally in use), and if so, the Trustee may use the CUSIP numbers, ISINs and "Common Code" numbers in notices of redemption or exchange as a convenience to holders of Securities; provided, however, that any such notice may state that no representation is made as to the correctness or accuracy of such numbers printed in the notice or on the Securities; that reliance may be placed only on the other identification numbers printed on the Securities; and that any redemption shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee and the Security Registrar in writing of any change in CUSIP numbers.

ARTICLE III

REDEMPTION OF SECURITIES AND SINKING FUND PROVISIONS

Section 3.01 Redemption.

The Company may redeem the Securities of any series issued hereunder on and after the dates and in accordance with the terms established for such series pursuant to Section 2.01.

Section 3.02 Notice of Redemption.

(a) In case the Company shall desire to exercise such right to redeem all or, as the case may be, a portion of the Securities of any series in accordance with the right reserved so to do, the Company shall, or shall cause the Trustee to (in the Company's name and at the Company's expense), give notice of such redemption to holders of the Securities of such series to be redeemed by transmitting a notice of such redemption not less than 10 days and not more than 60 days before the date fixed for redemption of that series to such holders at their last addresses as they shall appear upon the Security Register unless a shorter period is specified in the Securities to be redeemed; provided, however, that any notice of redemption may be sent more than 60 days prior to a Redemption Date if such notice is issued in connection with a defeasance pursuant to Article XIII or a satisfaction and discharge pursuant to Article XI. Any notice that is transmitted in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the registered holder receives the notice. In any case, failure duly to give such notice to the holder of any Security of any series designated for redemption in whole or in part, or any defect in the notice, shall not affect the validity of the proceedings for the redemption of any other Securities of such series or any other series. Any redemption or notice of any redemption may, at the Company's discretion, be subject to one or more conditions precedent. If any such condition precedent has not been satisfied, the Company shall provide written notice to the Trustee prior to the close of business not less than two (2) Business Days prior to the Redemption Date (or such other advance notice time period as shall be acceptable to the Trustee or as may otherwise be required in accordance with the Depositary's procedures). In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture or pursuant to an election of the Company that is subject to a condition specified in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee and the Paying Agent with an Officers' Certificate evidencing compliance with any such restriction or condition.

Each such notice of redemption shall specify the date fixed for redemption and the Redemption Price at which Securities of that series are to be redeemed (or the formula by which the Redemption Price will be determined), and shall state that payment of the Redemption Price of such Securities to be redeemed will be made at the office of the Paying Agent as specified in such notice, upon

presentation and surrender of such Securities, that interest accrued to, but not including, the date fixed for redemption will be paid as specified in said notice, that from and after said date interest will cease to accrue and that the redemption is for a sinking fund, if such is the case. If less than all the Securities of a series are to be redeemed, the notice to the holders of Securities of that series to be redeemed in whole or in part shall specify the particular Securities to be so redeemed. In case any Security is to be redeemed in part only, the notice that relates to such Security shall state the portion of the principal amount thereof to be redeemed, and shall state that on and after the redemption date, upon surrender of such Security, a new Security or Securities of such series in principal amount equal to the unredeemed portion thereof will be issued.

(b) If less than all the Securities of a series are to be redeemed, the Company shall give the Trustee and the Paying Agent at least 10 days' (or such shorter period as the Trustee and the Paying Agent may agree) notice in advance of the date fixed for redemption as to the aggregate principal amount of Securities of the series to be redeemed, and thereupon the Trustee shall select such Securities by lot, pro rata or by any other method the Trustee considers fair and appropriate and in accordance with methods generally used at the time of selection and in accordance with the applicable DTC procedures (subject to the minimum denomination requirements equal to $2,000 and any integral multiple of $1,000 in excess thereof) and shall thereafter promptly notify the Company in writing of the numbers of the Securities to be redeemed, in whole or in part; provided that, if the Securities are represented by one or more Global Securities, interests in such Global Securities shall be selected for redemption in accordance with the Depositary's applicable procedures.

The Company may, if and whenever it shall so elect, instruct the Trustee or any Paying Agent to call all or any part of the Securities of a particular series for redemption and to give notice of redemption in the manner set forth in this Section, such notice to be in the name of the Company. In any case in which notice of redemption is to be given by the Trustee or any such Paying Agent, the Company shall deliver or cause to be delivered to, or permit to remain with, the Trustee or such Paying Agent, as the case may be, such Security Register, transfer books or other records, or suitable copies or extracts therefrom, sufficient to enable the Trustee or such Paying Agent to give any notice that may be required under the provisions of this Section.

If the Company elects to redeem the Securities pursuant to this Section 3.02, the Company shall give the Trustee and the Paying Agent at least eleven (11) days' (or such shorter period as the Trustee and the Paying Agent may agree) notice in advance of the date fixed for redemption in an Officers' Certificate setting forth the provision or provisions of this Indenture or the Securities pursuant to which the redemption shall occur, the Redemption Date, the principal

amount of the Securities to be redeemed, the Redemption Price (or the formula by which the Redemption Price will be determined) and any other information required by this Section 3.02.

Section 3.03 Payment upon Redemption.

(a) If the giving of notice of redemption shall have been completed as above provided, the Securities or portions of Securities of the series to be redeemed specified in such notice shall become due and payable on the date and at the place stated in such notice at the applicable Redemption Price, together with interest accrued to, but not including, the date fixed for redemption and interest on such Securities or portions of Securities shall cease to accrue on and after the date fixed for redemption, unless the Company shall default in the payment of such Redemption Price and accrued interest with respect to any such Security or portion thereof. On presentation and surrender of such Securities on or after the date fixed for redemption at the place of payment specified in the notice, such Securities shall be paid and redeemed at the applicable Redemption Price for such series, together with interest accrued thereon to, but not including, the date fixed for redemption (but if the date fixed for redemption is an interest payment date, the interest installment payable on such date shall be payable to the registered holder at the close of business on the applicable record date pursuant to Section 2.03).

(b) Upon presentation of any Security of such series that is to be redeemed in part only, the Company shall execute and the Trustee or the Authenticating Agent upon a written order from the Company shall authenticate and the office or agency where the Security is presented shall deliver to the Securityholder thereof, at the expense of the Company, a new Security of the same series of authorized denominations in principal amount equal to the unredeemed portion of the Security so presented.

Section 3.04 Sinking Fund.

The provisions of Sections 3.04, 3.05 and 3.06 shall be applicable to any sinking fund for the retirement of Securities of a series, except as otherwise specified as contemplated by Section 2.01 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "optional sinking fund payment". If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 3.05. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

Section 3.05 Satisfaction of Sinking Fund Payments with Securities.

The Company (i) may deliver Outstanding Securities of a series (other than any Securities previously called for redemption) and (ii) may apply as a credit Securities of a series that have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to the Securities of such series required to be made pursuant to the terms of such Securities as provided for by the terms of such series, provided that such Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee and the Security Registrar at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 3.06 Redemption of Securities for Sinking Fund.

Not less than 30 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee and the Paying Agent an Officers' Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of the series, the portion thereof, if any, that is to be satisfied by delivering and crediting Securities of that series pursuant to Section 3.05 and the basis for such credit and will, together with such Officers' Certificate, deliver to the Trustee any Securities to be so delivered. Not less than 15 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 3.02 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 3.02. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Section 3.03.

ARTICLE IV

CERTAIN COVENANTS

Section 4.01 Payment of Principal, Premium and Interest.

(a) The Company shall pay or cause to be paid the principal of and premium, if any, and interest on the Securities on or prior to the dates and in the manner provided in such Securities or pursuant to this Indenture. An installment of principal, premium, if any, or interest shall be considered paid on the applicable due date if on such date the Trustee or the Paying Agent holds, in accordance with this Indenture, money sufficient to pay all of such installment then due.

Section 4.02 Maintenance of Office or Agency.

So long as any series of the Securities remain Outstanding, the Company agrees to maintain an office or agency in the United States, with respect to each such series and at such other location or locations as may be designated as provided in this Section 4.02, where (i) Securities of that series may be presented for payment, (ii) Securities of that series may be presented as hereinabove authorized for registration of transfer and exchange, and (iii) notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be given or served, such designation to continue with respect to such office or agency until the Company shall, by written notice signed by its Chief Executive Officer and President, Chief Financial Officer, Treasurer, or Secretary and delivered to the Trustee, designate some other office or agency for such purposes or any of them. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, notices and demands; provided, however, that nothing herein shall be construed to appoint the Trustee as an agent of the Company for the service of legal process.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 4.03 Paying Agents.

(a) If the Company shall appoint one or more Paying Agents for all or any series of the Securities, other than the Trustee or the initial Paying Agent, the Company will cause each such Paying Agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee subject to the provisions of this Section:

(1) that it will hold all sums held by it as such agent for the payment of the principal of and premium, if any or interest on the Securities of that series (whether such sums have been paid to it by the Company or by any other obligor of such Securities) in trust for the benefit of the Persons entitled thereto;

(2) that it will give the Trustee notice of any failure by the Company (or by any other obligor of such Securities) to make any

payment of the principal of and premium, if any or interest on the Securities of that series when the same shall be due and payable;

(3) that it will, at any time during the continuance of any failure referred to in the preceding paragraph (a)(2) above, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent; and

(4) that it will perform all other duties of Paying Agent as set forth in this Indenture.

The Company initially appoints the Trustee as Paying Agent.

(b) If the Company shall act as its own Paying Agent with respect to any series of the Securities, it will on or before each due date of the principal of, and premium, if any, or interest on Securities of that series, set aside, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay such principal, and premium, if any, or interest so becoming due on Securities of that series until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of such action, or any failure (by it or any other obligor on such Securities) to take such action. Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, on or prior to each due date of the principal of, and premium, if any, or interest on any Securities of that series, deposit with the Paying Agent a sum sufficient to pay the principal, and premium, if any, or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of this action or failure so to act.

(c) Notwithstanding anything in this Section to the contrary, (i) the agreement to hold sums in trust as provided in this Section is subject to the provisions of Section 11.05, and (ii) the Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same terms and conditions as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

(d) Except as otherwise specified with respect to a series of Securities in accordance with the provisions of Section 2.01 and subject to applicable law (including applicable state escheat laws), any money or Governmental Obligations deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of or any premium or interest on any Security of any series and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Company at its option at the request of the Company, or (if then held by the Company) shall be discharged from such trust; and the holder of such Security

shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease.

(e) Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee will automatically be the Paying Agent for the Securities.

Section 4.04 Statement by Officers as to Default.

The Company will deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, an Officers' Certificate, to the effect that to the best knowledge of the signers thereof (on behalf of the Company) the Company is or is not in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and, if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

The Company shall, so long as any of the Securities are Outstanding, deliver to a Responsible Officer of the Trustee, within 10 Business Days upon any officer of the Company becoming aware of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and describing its status with particularity and the action proposed to be taken thereto.

Section 4.05 Waiver of Certain Covenants.

Except as otherwise specified as contemplated by Section 2.01 for Securities of such series, the Company may, with respect to the Securities of any series, omit in any particular instance to comply with any term, provision or condition set forth in any covenant provided by this Indenture for the benefit of the holder of such series, if before the time for such compliance the holders of at least a majority in aggregate principal amount of the Outstanding Securities of such series shall, by act of such holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall adversely affect the Trustee without its consent or extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

Section 4.06 Appointment to Fill Vacancy in Office of Trustee.

The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 7.10, a Trustee, so that there shall at all times be a Trustee hereunder.

ARTICLE V

SECURITYHOLDERS' LISTS AND REPORTS BY THE COMPANY AND THE TRUSTEE

Section 5.01 Company to Furnish Trustee with Names and Addresses of Securityholders.

The Company will furnish or cause to be furnished to the Trustee and the Security Registrar (a) on a semi-annual basis not more than 10 days after each regular record date a list, in such form as the Trustee or the Security Registrar may reasonably require, of the names and addresses of the holders of each series of Securities as of such regular record date; provided that the Company shall not be obligated to furnish or cause to furnish such list at any time that the list shall not differ in any respect from the most recent list furnished to the Trustee and the Security Registrar by the Company; and (b) at such other times as the Trustee or the Security Registrar may request in writing within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished; provided, however, that, in either case, no such list need be furnished for any series for which the Trustee shall be the Security Registrar.

Section 5.02 Preservation of Information; Communications with Securityholders.

(a) The Trustee and the Security Registrar shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Securityholders contained in the most recent list furnished to them as provided in Section 5.01 and as to the names and addresses of Securityholders received by the Trustee or the Security Registrar.

(b) The Trustee and the Security Registrar may destroy any list furnished to them as provided in Section 5.01 upon receipt of a new list so furnished.

(c) Securityholders may communicate as provided in Section 312(b) of the Trust Indenture Act with other Securityholders with respect to their rights under this Indenture or under the Securities.

(d) Every Securityholder, by receiving and holding the same, agrees with the Company, the Trustee and the Security Registrar that neither the Company, nor the Trustee, nor the Security Registrar, nor any agent of any of

them, shall be held accountable by reason of any disclosure of information as to names and addresses of Securityholders made pursuant to the Trust Indenture Act.

Section 5.03 Reports by the Company.

Following the qualification of this Indenture under the Trust Indenture Act, the Company shall comply with the provisions of Section 314(a) of the Trust Indenture Act.

Delivery of such reports, documents and information to the Trustee is for informational purposes only, and the Trustee's receipt of such shall not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants (as to which the Trustee is entitled to rely exclusively on Officers' Certificates), or require the Trustee to review such reports, information or documents. The Trustee shall not be obligated to monitor or confirm, on a continuing basis or otherwise, the Company's compliance with the terms of this Article V or the posting of any reports, documents and information on the EDGAR system or any website.

Section 5.04 Reports by the Trustee.

(a) On or before July 15 in each year in which any of the Securities are Outstanding, the Trustee shall transmit to the Securityholders, as their names and addresses appear upon the Security Register, a brief report dated as of the preceding May 15, if and to the extent required under Section 313(a) of the Trust Indenture Act.

(b) The Trustee shall comply with Sections 313(b) and 313(c) of the Trust Indenture Act.

(c) A copy of each such report shall, at the time of such transmission to Securityholders, be filed by the Trustee with the Company, with each stock exchange upon which any Securities are listed (if so listed) and also with the SEC.

ARTICLE VI

REMEDIES OF THE TRUSTEE AND SECURITYHOLDERS ON EVENT OF DEFAULT

Section 6.01 Events of Default.

(a) Whenever used herein with respect to the Securities of a particular series, "Event of Default" means any one or more of the following events that has occurred and is continuing, unless such event is specifically deleted or modified in accordance with Section 2.01:

(1) default in any payment of the principal amount or premium, if any, on any of the Securities of that series when such amount becomes

due and payable at Stated Maturity, upon acceleration, redemption or otherwise;

(2) failure to pay interest on any Security of that series when such interest becomes due and payable and such failure continues for a period of 30 days;

(3) failure to comply in any material respect with any of the covenants or agreements applicable to Securities of that series (other than those referred to in (1) or (2) above) and such failure continues for 90 days after the notice specified below;

(4) except as permitted by any series of Securities in accordance with the provisions of Section 2.01, a Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or a Guarantor denies or disaffirms in writing its obligations under a Guarantee;

(5) the entry by a court of competent jurisdiction of:

(i) a decree or order for relief in respect of the Company or Parent in an involuntary proceeding under any applicable Bankruptcy Law and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days;

(ii) a decree or order adjudging the Company to be insolvent, or approving a petition seeking reorganization, arrangement, adjustment or composition of the Company and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or

(iii) a final and non-appealable order appointing a Custodian of the Company or of any substantial part of the property of the Company, or ordering the winding up or liquidation of the affairs of the Company;

(6) the Company or Parent pursuant to or within the meaning of any Bankruptcy Law: (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against it in an involuntary case or proceeding; (iii) files a petition or answer or consent seeking reorganization or relief or consents to such filing or to the appointment of or taking possession by a Custodian of it or for all or substantially all of its property, and such Custodian is not discharged within 60 days; (iv) makes a general assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts generally as they become due; or

(7) any other Event of Default provided for pursuant to Section 2.01 with respect to Securities of that series.

(b) A Default under clause (3) above is not an Event of Default with respect to any series of Securities until the Trustee notifies the Company (or the Securityholders of at least 25% in principal amount of the Outstanding Securities of that series notify the Company and the Trustee of such Default) (such notice being a "Notice of Default") and the Company does not cure such Default within the time specified in clause (3) after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default."

(c) If a Default with respect to the Securities occurs and is continuing and is actually known to a Responsible Officer of the Trustee, the Trustee will deliver to each Securityholder a Notice of Default within 90 days after it has actual knowledge thereof. Except in the case of a Default in the payment of principal of, premium, if any, or accrued and unpaid interest on the Securities, the Trustee may withhold the notice if and so long as it in good faith determines that withholding such notice is in the interest of the Securityholders.

(d) Except as otherwise specified with respect to a series of Securities in accordance with the provisions of Section 2.01, if an Event of Default (other than an Event of Default specified in Sections 6.01(a)(5) or 6.01(a)(6)) with respect to Securities of any series at the time Outstanding occurs and is continuing, either the Trustee or the Securityholders of not less than 25% in aggregate principal amount of the Securities of that series then Outstanding hereunder, by notice in writing to the Company (and to the Trustee if given by such Securityholders), may declare the principal of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of such series) to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable. If an Event of Default specified in Sections 6.01(a)(5) or 6.01(a)(6) with respect to Securities of any series at the time Outstanding occurs, the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) shall automatically, and without any declaration or other action on the part of the Trustee or any Securityholder, become immediately due and payable.

(e) An Event of Default with respect to the Securities of any series will not necessarily be an event of default with respect to any other debt securities issued under this Indenture.

(f) Securityholders of a majority in principal amount of the Outstanding Securities may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee for any Securities issued under this Indenture, or exercising any trust or power conferred on the Trustee with respect to any such Securities. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or, subject to certain exceptions, that the Trustee determines is unduly prejudicial to the rights of any other Securityholder or that would subject the Trustee to personal liability; provided, however, that the Trustee may take any other action deemed proper by the Trustee

that is not inconsistent with such direction. Prior to taking any such action, the Trustee shall be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

(g) By notice to the Trustee, the holders of a majority in aggregate principal amount of the applicable series of Securities then Outstanding may waive an existing Default and its consequences, except (i) a Default in the payment of the principal amount of, premium, if any, and accrued and unpaid interest on the Securities, (ii) a Default arising from the failure to redeem or purchase any Securities when required pursuant to the terms of this Indenture or (iii) a Default in respect of a provision that under this Indenture cannot be amended without the consent of each affected Securityholder. Further, the holders of a majority in principal amount of the Securities by notice to the Trustee may rescind an acceleration of the Securities and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default with respect to the Securities have been cured or waived, except nonpayment of the principal amount of, and accrued and unpaid interest on, the Securities that has become due solely because of acceleration. No such rescission and annulment shall extend to or shall affect any subsequent default or impair any right consequent thereon.

(h) In case the Trustee shall have proceeded to enforce any right with respect to Securities of that series under this Indenture and such proceedings shall have been discontinued or abandoned because of such rescission or annulment or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Company, and the Trustee shall be restored respectively to their former positions and rights hereunder, and all rights, protections, remedies and powers of the Company and the Trustee shall continue as though no such proceedings had been taken.

Section 6.02 Collection of Indebtedness and Suits for Enforcement by Trustee.

(a) The Company covenants that (1) in case it shall default in the payment of any installment of interest on any of the Securities of a series as and when the same shall have become due and payable, and such default shall have continued for a period of 30 days, or (2) in case it shall default in the payment of the principal of, or premium, if any, on any of the Securities of a series when the same shall have become due and payable, whether upon maturity of the Securities of a series or upon redemption or upon declaration or otherwise, then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the Securities of that series, the whole amount that then shall have become due and payable on all such Securities for principal, and premium, if any, or interest, or both, as the case may be, with interest upon the overdue principal, and premium, if any, and (to the extent that payment of such interest is enforceable under applicable law) upon overdue installments of interest at the rate per annum expressed in the Securities of that series; and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, and the amount payable to the Trustee under Section 7.06.

(b) If the Company shall fail to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Company or other obligor upon the Securities of that series and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or other obligor upon the Securities of that series, wherever situated.

(c) In case of any receivership, insolvency, liquidation, bankruptcy, reorganization, readjustment, arrangement, composition or judicial proceedings affecting the Company or its creditors or property, the Trustee shall have power to intervene in such proceedings and take any action therein that may be permitted by the court and shall (except as may be otherwise provided by law) be entitled to file such proofs of claim and other papers and documents as may be necessary or advisable in order to have the claims of the Trustee and of the holders of Securities of such series allowed for the entire amount due and payable by the Company under the Indenture at the date of institution of such proceedings and for any additional amount that may become due and payable by the Company after such date, and to collect and receive any moneys or other property payable or deliverable on any such claim, and to distribute the same after the deduction of the amount payable to the Trustee and Agents under Section 7.06; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of Securities of such series to make such payments to the Trustee and Agents, and, in the event that the Trustee and Agents shall consent to the making of such payments directly to such Securityholders, to pay to the Trustee and Agents any amount due it under Section 7.06.

(d) All rights of action and of asserting claims under this Indenture, or under any of the terms established with respect to Securities of that series, may be enforced by the Trustee without the possession of any of such Securities, or the production thereof at any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for payment to the Trustee of any amounts due under Section 7.06, be for the ratable benefit of the holders of the Securities of such series.

In case of an Event of Default hereunder, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

Nothing contained herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Securityholder any plan of reorganization, arrangement, adjustment or composition affecting the Securities of that series or the rights of any holder thereof or to authorize the Trustee to vote in respect of the claim of any Securityholder in any such proceeding.

Section 6.03 Application of Moneys Collected.

Any moneys or property collected by the Trustee pursuant to this Article with respect to a particular series of Securities shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such moneys or property on account of principal, or premium, if any, or interest, upon presentation of the Securities of that series, and notation thereon the payment, if only partially paid, and upon surrender thereof if fully paid:

FIRST: To the payment of costs and expenses of collection and of all amounts payable to the Trustee and the Agents under Section 7.06;

SECOND: To the payment of the amounts then due and unpaid upon Securities of such series for principal, and premium, if any, and interest, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal, and premium, if any, and interest, respectively and

THIRD: To the payment of the remainder, if any, to the Company, its successors or assigns or to whomever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

Section 6.04 Limitation on Suits.

No holder of any Security of any series shall have any right by virtue or by availing of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless (i) such holder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof with respect to the Securities of such series specifying such Event of Default, as hereinbefore provided; (ii) the holders of not less than 25% in aggregate principal amount of the Securities of such series then Outstanding shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as trustee hereunder; (iii) such holder or holders shall have offered, and if requested, provided to the Trustee such indemnity satisfactory to it as it may require

against the costs, expenses and liabilities to be incurred therein or thereby; (iv) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity, shall have failed to institute any such action, suit or proceeding; and (v) during such 60 day period, the holders of a majority in principal amount of the Securities of that series do not give the Trustee a direction inconsistent with the request.

Section 6.05 Unconditional Right of Securityholders to Receive Principal and Interest.

Notwithstanding any other provision of this Indenture, the right of any Securityholder to receive payment of the principal of (and premium, if any) and interest on such Security, as therein provided, on or after the respective due dates expressed in such Security, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Securityholder.

Section 6.06 Rights and Remedies Cumulative; Delay or Omission Not Waiver.

(a) Except as otherwise provided in Section 2.07, all powers and remedies given by this Article to the Trustee or to the Securityholders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any other powers and remedies available to the Trustee or the Securityholders, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture or otherwise established with respect to such Securities.

(b) No delay or omission of the Trustee or of any Securityholder to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power, or shall be construed to be a waiver of any such default or on acquiescence therein; and, subject to the provisions of Section 6.04 or Section 6.05, every power and remedy given by this Article or by law to the Trustee or the Securityholders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Securityholders.

Section 6.07 Control by Securityholders.

The Securityholders of a majority in aggregate principal amount of the Securities of any series at the time Outstanding, determined in accordance with Section 8.04, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to such series; provided, however, that such direction shall not be in conflict with any rule of law or with this Indenture, be unduly prejudicial to the rights of Securityholders of any other series at the time Outstanding determined in accordance with Section 8.04 (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not any such directions are unduly prejudicial to such holders) or

involve the Trustee in personal liability, *provided* that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction. The Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall, by a Responsible Officer or Officers of the Trustee, determine that the proceeding so directed would involve the Trustee in personal liability. Prior to taking any such action hereunder, the Trustee shall be entitled to indemnification from such Securityholders and/or security from such Securityholders satisfactory to it in its sole discretion against all fees, losses, liabilities and expenses (including attorney's fees and expenses) caused by or that might be caused by taking or not taking such action.

Section 6.08 Undertaking to Pay Costs.

All parties to this Indenture agree, and each holder of Securities by such holder's acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Securityholder, or group of Securityholders, holding more than 10% in aggregate principal amount of the Outstanding Securities of any series, or to any suit instituted by any Securityholder for the enforcement of the payment of the principal of, or premium, if any, or interest on any Security of such series, on or after the respective due dates expressed in such Security or established pursuant to this Indenture.

Section 6.09 Waiver of Past Defaults.

Subject to Section 6.01(d), the Securityholders of not less than a majority in principal amount of the Outstanding Securities of any series, determined in accordance with Section 8.04, may on behalf of the Securityholders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default:

(1) in the payment of the principal of or any premium or interest on any Security of such series, or

(2) in respect of a covenant or provision hereof which under Article IX cannot be modified or amended without the consent of the Securityholder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this

Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

ARTICLE VII

CONCERNING THE TRUSTEE

Section 7.01 Certain Duties and Responsibilities of Trustee.

(a) The Trustee, prior to the occurrence of an Event of Default with respect to the Securities of a series and after the curing of all Events of Default with respect to the Securities of that series that may have occurred, shall undertake to perform with respect to the Securities of such series such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants shall be read into this Indenture against the Trustee. In case an Event of Default with respect to the Securities of a series has occurred (that has not been cured or waived), the Trustee shall exercise with respect to Securities of that series such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) prior to the occurrence of an Event of Default with respect to the Securities of a series and after the curing or waiving of all such Events of Default with respect to that series that may have occurred:

(a) the duties and obligations of the Trustee shall with respect to the Securities of such series be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable with respect to the Securities of such series except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(b) in the absence of gross negligence or willful misconduct on the part of the Trustee, the Trustee may with respect to the Securities of such series conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Securityholders of not less than a majority in principal amount of the Securities of any series at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture with respect to the Securities of that series;

(4) none of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it under the terms of this Indenture or adequate indemnity against such risk is not reasonably assured to it; and

(5) whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to this Section 7.01 and Section 7.02.

Section 7.02 Certain Rights of Trustee.

Except as otherwise provided in Section 7.01:

(a) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, security, other paper or document or electronic communication believed by it to be genuine and to have been signed, sent or presented by the proper party or parties;

(b) Any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by a Board Resolution or an instrument signed in the name of the Company, by the Chief Executive Officer, Chief Financial Officer, President or any Vice President and by the Treasurer or any Assistant Treasurer or the Controller or any Assistant Controller or the Secretary or any Assistant Secretary of the Company thereof (unless other evidence in respect thereof is specifically prescribed herein);

(c) The Trustee may consult with counsel, investment bankers, accountants or other professionals and the advice of such counsel, investment bankers, accountants or other professionals or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted hereunder in good faith and in reliance thereon;

(d) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Securityholders, pursuant to the provisions of this Indenture, unless such Securityholders shall have offered, and if requested, provided to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities that may be incurred therein or thereby;

(e) The Trustee shall not be liable for any action taken or omitted to be taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, security, or other papers or documents; provided, however, that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require indemnity satisfactory to it against such costs, expenses or liabilities as a condition to so proceeding. The expense of every such examination shall be paid by the Company or, if paid by the Trustee, shall be repaid by the Company upon demand;

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any willful misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(h) Whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action to be taken hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of gross negligence or willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate and delivered to the Trustee and such Officers' Certificate, in the absence of gross negligence or willful misconduct on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under the provisions of this Indenture upon the faith thereof;

(i) in no event shall the Trustee be liable to any Person for special, punitive, indirect, consequential or incidental loss or damage of any kind whatsoever (including, but not limited to, lost profits) for any action it takes or omits to take, even if the Trustee has been advised of the likelihood of such loss or damage;

(j) The Trustee shall not be deemed to have notice of a Default or an Event of Default unless written notice of any event which is in fact such a Default (and stating the occurrence of a default or Event of Default) is actually received by a Responsible Officer of the Trustee at the Corporate Trust Office of the

Trustee, and such notice references the Securities and this Indenture and states it is a notice of default;

(k) The permissive rights of the Trustee enumerated herein shall not be construed as duties;

(l) The Trustee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Indenture or any other documents or agreements entered into in connection with the transactions contemplated hereby by the Company or any other party hereto;

(m) In no event shall the Trustee or any Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, (i) any act or provision of any present or future law or regulation or governmental authority, (ii) any act of God, (iii) natural disaster, (iv) war, (v) terrorism, (vi) civil unrest, (vii) accidents, (viii) labor dispute, (ix) disease, (x) epidemic or pandemic, (xi) quarantine, (xii) national emergency, (xiii) loss or malfunction of utility or computer software or hardware, (xiv) communications system failure, (xv) malware or ransomware or (xvi) unavailability of the Federal Reserve Bank wire or telex system or other wire or other funds transfer systems, or (xvii) unavailability of any securities clearing system; it being understood that the Trustee shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances;

(n) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel;

(o) The rights, privileges, protections, immunities and benefits given to the Trustee, including its rights to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder; and

(p) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company will be sufficient if signed by an officer of the Company. The Trustee may request that the Company deliver an Officers' Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any Person authorized to sign an Officers' Certificate, including any Person specified as so authorized in any such certificate previously delivered and not superseded.

Section 7.03 Trustee Not Responsible for Recitals or Issuance or Securities.

(a) The recitals contained herein and in the Securities shall be taken as the statements of the Company, and the Trustee assumes no responsibility for the correctness of the same.

(b) The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities.

(c) The Trustee shall not be accountable for the use or application by the Company of any of the Securities or of the proceeds of such Securities, or for the use or application of any moneys paid over by the Trustee in accordance with any provision of this Indenture or established pursuant to Section 2.01, or for the use or application of any moneys received by any Paying Agent other than the Trustee.

Section 7.04 May Hold Securities.

The Trustee or any Paying Agent or Security Registrar, in its individual or any other capacity, may become the owner or pledgee of Securities with the same rights it would have if it were not Trustee, Paying Agent or Security Registrar.

Section 7.05 Moneys Held in Trust.

Subject to the provisions of Section 11.05, all moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any moneys received by it hereunder except such as it may agree with the Company to pay thereon.

Section 7.06 Compensation and Reimbursement.

(a) The Company covenants and agrees to pay to the Trustee and the Agents, and the Trustee and the Agents shall be entitled to, such reasonable compensation (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), as the Company, and the Trustee or the Agents may from time to time agree in writing, for all services rendered by it in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties hereunder of the Trustee or the Agents, and, except as otherwise expressly provided herein, the Company will pay or reimburse the Trustee and the Agents upon their request for all reasonable expenses, disbursements, charges and advances incurred or made by the Trustee or the Agents in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of their counsel and of all Persons not regularly in their employ) except any such expense, disbursement or advance as may arise from their gross negligence or willful misconduct (as determined by a competent court of appropriate jurisdiction in a final, non-appealable judgment). The Company also covenants to indemnify the Trustee and the Agents (and their officers, agents, directors and employees) for, and to hold them harmless against, any and all claims, obligation, losses, liabilities, damages, injuries, penalties, stamp or other similar taxes, actions, suits, judgment, costs and expenses (including reasonable attorneys' fees and agents' fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted, or claimed against the Trustee (whether asserted by

any Securityholder, the Company or otherwise) directly or indirectly related to, arising out of or in connection with the acceptance or administration of this Indenture or the Securities, including the costs and expenses of defending themselves against any claim of liability in the premises, reasonable attorneys' and consultants' fees and expenses and court costs, enforcing this Indenture (including this Section 7.06) and of defending themselves against any claims except to the extent caused by the Trustee's or Agents' gross negligence or willful misconduct (as determined by a competent court of appropriate jurisdiction in a final, non-appealable judgment). The obligations of the Company under this Section 7.06(a) shall survive the satisfaction and discharge of this Indenture and the earlier resignation or removal of the Trustee or an Agent.

(b) The obligations of the Company under this Section to compensate and indemnify the Trustee and Agents and to pay or reimburse the Trustee and Agents for expenses, disbursements and advances shall constitute additional indebtedness hereunder. Such additional indebtedness shall be secured by a lien prior to that of the Securities upon all property and funds held or collected by the Trustee or Agents as such, except funds held in trust for the benefit of the Securityholders of particular Securities.

(c) Without prejudice to any other rights available to the Trustee or the Agents under applicable law, when the Trustee or the Agents incur expenses or render services after an Event of Default specified in Section 6.01(a)(5) or Section 6.01(a)(6) occurs, the expenses and the compensation for the services are intended to constitute administrative expenses for purposes of priority under any bankruptcy, insolvency or similar laws.

Section 7.07 Reliance on Officers' Certificate.

Except as otherwise provided in Section 7.01, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting to take any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of gross negligence or willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee and such certificate, in the absence of gross negligence or willful misconduct on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted to be taken by it under the provisions of this Indenture upon the faith thereof.

Section 7.08 Disqualification; Conflicting Interests.

If the Trustee has or shall acquire any "conflicting interest" within the meaning of Section 310(b) of the Trust Indenture Act, the Trustee and the Company shall in all respects comply with the provisions of Section 310(b) of the Trust Indenture Act.

Section 7.09 Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee with respect to the Securities issued hereunder which shall at all times be a corporation or other entity organized and doing business under the laws of the United States of America or any State or Territory thereof or of the District of Columbia, or a corporation, entity or other Person permitted to act as trustee by the SEC, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000, and subject to supervision or examination by federal, state, territorial, or District of Columbia authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Company may not, nor may any Person directly or indirectly controlling, controlled by, or under common control with the Company, serve as Trustee. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in Section 7.10.

Section 7.10 Resignation and Removal; Appointment of Successor.

(a) The Trustee or any successor hereafter appointed, may at any time resign with respect to the Securities of one or more series by giving written notice thereof to the Company and by transmitting notice of resignation to the Securityholders of such series, as their names and addresses appear upon the Security Register. Upon receiving such notice of resignation, the Company shall promptly appoint a successor trustee with respect to Securities of such series by written instrument, in duplicate, executed by an authorized officer of the Company, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted appointment within 30 days after the transmitting of such notice of resignation, the resigning Trustee may (at the expense of the Company) petition any court of competent jurisdiction for the appointment of a successor trustee with respect to Securities of such series, or any Securityholder of that series who has been a bona fide holder of a Security or Securities for at least six months may on behalf of himself and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any one of the following shall occur:

(1) the Trustee shall fail to comply with the provisions of Section 7.08 after written request therefor by the Company or by any Securityholder who has been a bona fide holder of a Security or Securities for at least six months; or

(2) the Trustee shall cease to be eligible in accordance with the provisions of Section 7.09 and shall fail to resign after written request therefor by the Company or by any such Securityholder; or

(3) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or commence a voluntary bankruptcy proceeding, or a receiver of the Trustee or of its property shall be appointed or consented to, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case, (i) the Company may remove the Trustee with respect to all Securities and appoint a successor trustee by written instrument, in duplicate, executed by an authorized officer of the Company, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or (ii) unless the Trustee's duty to resign is stayed as provided herein, any Securityholder who has been a bona fide holder of a Security or Securities for at least six months may, on behalf of that Securityholder and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee. Such court may thereupon after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The Securityholders of a majority in aggregate principal amount of the Securities of any series at the time Outstanding may at any time remove the Trustee with respect to such series by so notifying the Trustee and the Company in writing and may appoint a successor Trustee for such series with the consent of the Company.

(d) Any resignation or removal of the Trustee and appointment of a successor trustee with respect to the Securities of a series pursuant to any of the provisions of this Section shall become effective upon acceptance of appointment by the successor trustee as provided in Section 7.11. Notwithstanding the resignation or removal of the Trustee pursuant to this Section 7.10, the Company's obligations under Section 7.06 shall continue for the benefit of the retiring Trustee and the successor Trustee shall enforce the lien provided in favor of the Trustee in Section 7.06 for the benefit of the retiring Trustee.

(e) Any successor trustee appointed pursuant to this Section may be appointed with respect to the Securities of one or more series or all of such series, and at any time there shall be only one Trustee with respect to the Securities of any particular series.

Section 7.11 Acceptance of Appointment By Successor.

(a) In case of the appointment hereunder of a successor trustee with respect to all Securities, every such successor trustee so appointed shall execute,

acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor trustee all the rights, powers, and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor trustee all property and money held by such retiring Trustee hereunder. No retiring Trustee shall have any responsibility or liability for the action or inaction of any successor trustee.

(b) In case of the appointment hereunder of a successor trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor trustee relates, (2) shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust, that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and that no Trustee shall be responsible for any act or failure to act on the part of any other Trustee hereunder; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein, such retiring Trustee shall with respect to the Securities of that or those series to which the appointment of such successor trustee relates have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture, and each such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor trustee relates; but, on request of the Company or any successor trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor trustee, to the extent contemplated by such supplemental indenture, the property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor trustee relates.

(c) Upon request of any such successor trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and

confirming to such successor trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No successor trustee shall accept its appointment unless at the time of such acceptance such successor trustee shall be qualified and eligible under this Article.

(e) Upon acceptance of appointment by a successor trustee as provided in this Section, the Company shall transmit notice of the succession of such trustee hereunder to the Securityholders, as their names and addresses appear upon the Security Register. If the Company fails to transmit such notice within 10 days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be transmitted at the expense of the Company.

Section 7.12 Merger, Conversion, Consolidation or Succession to Business.

Any entity into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any entity succeeding to the corporate trust business of the Trustee (as a result of any merger, conversion, consolidation or sale of all or substantially all of its corporate trust business), shall be the successor of the Trustee hereunder, provided that such entity shall be qualified under the provisions of Section 7.08 and eligible under the provisions of Section 7.09, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 7.13 Preferential Collection of Claims against the Company.

The Trustee shall comply with Section 311(a) of the Trust Indenture Act, excluding any creditor relationship described in Section 311(b) of the Trust Indenture Act. A Trustee who has resigned or been removed shall be subject to Section 311(a) of the Trust Indenture Act to the extent included therein.

Section 7.14 Agents.

The rights, protections, immunities and indemnities afforded to the Trustee under this Indenture shall also be afforded to each Agent hereunder; provided (i) an Agent shall only be liable to the extent of its gross negligence or willful misconduct; and (ii) in and during an Event of Default, only the Trustee, and not any Agent, shall be subject to the prudent person standard.

ARTICLE VIII

CONCERNING THE SECURITYHOLDERS

Section 8.01 Evidence of Action by Securityholders.

Whenever in this Indenture it is provided that the holders of Securities of a majority or specified percentage in aggregate principal amount of the Securities of a particular series may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of Securities of such majority or specified percentage of that series have joined therein may be evidenced by any instrument or any number of instruments of substantially similar tenor executed by such holders of Securities of that series in Person or by agent or proxy appointed in writing.

If the Company shall solicit from the Securityholders of any series any request, demand, authorization, direction, notice, consent, waiver or other action, the Company may, at its option, as evidenced by an Officers' Certificate, fix in advance a record date for such series for the determination of Securityholders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other action, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other action may be given before or after the record date, but only the Securityholders of record at the close of business on the record date shall be deemed to be Securityholders for the purposes of determining whether Securityholders of the requisite proportion of Outstanding Securities of that series have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other action, and for that purpose the Outstanding Securities of that series shall be computed as of the record date; provided, however, that no such authorization, agreement or consent by such Securityholders on the record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than six months after the record date. Nothing in this paragraph shall be construed to prevent the Company from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Securityholders of the requisite principal amount of Outstanding Securities on the date such action is taken.

Section 8.02 Proof of Execution by Securityholders.

Subject to the provisions of Section 8.01, proof of the execution of any instrument by a Securityholder (such proof will not require notarization) or his agent or proxy and

proof of the holding by any Person of any of the Securities shall be sufficient if made in the following manner:

(a) The fact and date of the execution by any such Person of any instrument may be proved in any reasonable manner acceptable to the Trustee.

(b) The ownership of Securities shall be proved by the Security Register of such Securities or by a certificate of the Security Registrar thereof.

(c) The Trustee may require such additional proof of any matter referred to in this Section as it shall deem necessary.

Section 8.03 Who May be Deemed Owners.

Prior to the due presentment for registration of transfer of any Security, the Company, the Trustee, the Paying Agent and the Security Registrar may deem and treat the Person in whose name such Security shall be registered upon the books of the Company as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notice of ownership or writing thereon made by anyone other than the Security Registrar) for the purpose of receiving payment of or on account of the principal of, premium, if any, and (subject to Section 2.03) interest on such Security and for all other purposes; and neither the Company nor the Trustee nor the Paying Agent nor the Security Registrar shall be affected by any notice to the contrary.

Section 8.04 Certain Securities Owned by Company Disregarded.

In determining whether the Securityholders of the requisite aggregate principal amount of Securities of a particular series have concurred in any direction, consent or waiver under this Indenture, the Securities of that series that are not Outstanding shall be disregarded for the purpose of any such determination except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Securities which a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

Section 8.05 Actions Binding on Future Securityholders.

At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the holders of the majority or percentage in aggregate principal amount of the Securities of a particular series specified in this Indenture in connection with such action, any holder of a Security of that series that is shown by the evidence to be included in the Securities the holders of which have consented to such action may, by filing written notice with the Trustee, and upon proof of

holding as provided in Section 8.02, revoke such action so far as concerns such Security. Except as aforesaid any such action taken by the holder of any Security shall be conclusive and binding upon such holder and upon all future holders and owners of such Security, and of any Security issued in exchange therefor, on registration of transfer thereof or in place thereof, irrespective of whether or not any notation in regard thereto is made upon such Security. Any action taken by the holders of the majority or percentage in aggregate principal amount of the Securities of a particular series specified in this Indenture in connection with such action shall be conclusively binding upon the Company, the Trustee and the holders of all the Securities of that series.

ARTICLE IX

SUPPLEMENTAL INDENTURES

Section 9.01 Supplemental Indentures without the Consent of Securityholders.

In addition to any supplemental indenture otherwise authorized by this Indenture, including in connection with the establishment of a series of Securities, the Company and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act as then in effect), without the consent of the Securityholders, for one or more of the following purposes:

(1) to evidence the succession of another Person to the Company or Parent pursuant to a consolidation, merger or conveyance, transfer or lease of assets permitted under this Indenture;

(2) to surrender any right or power conferred upon the Company;

(3) to add to the covenants such further covenants, restrictions, conditions or provisions of the Company for the benefit of the holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, to the effect that such covenants are expressly being included solely for the benefit of such series), and to add any additional Events of Default for the benefit of the holders of all or any series of Securities (and if such Events of Default are to be for the benefit of less than all series of Securities, to the effect that such Events of Default are expressly being included solely for the benefit of such series);

(4) to cure any ambiguity, mistake, omission, defect or inconsistency, or correct or supplement any provision contained in this Indenture, in any supplemental indenture, Board Resolution, Officers' Certificate or in the Securities that may be defective or inconsistent with any other provision contained therein;

(5) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee for the benefit of the holders of all or any series of Securities, or to make such other provisions in regard to matters or questions arising under this Indenture as shall not adversely affect the interests of any holders of Securities;

(6) to modify or amend this Indenture in such a manner as to permit the qualification of this Indenture under the Trust Indenture Act as then in effect;

(7) to add to or change any provisions of this Indenture to such extent as necessary to permit or facilitate the issuance of any Securities in bearer or uncertificated form, provided that any such action shall not adversely affect the interests of the holders of such Securities in any material respect;

(8) to provide security for the benefit of the holders of all or any series of Securities;

(9) to provide guarantees for the benefit of the holders of all or any series of Securities;

(10) to make any change that does not adversely affect the rights of any holder of Securities in any material respect; provided that any change to the terms of the Indenture or to a series of Securities made solely to conform to the description of such series of Securities in an offering document, prospectus supplement or other similar offering document relating to the initial offering of such series of Securities shall be deemed to not adversely affect the rights of the Securityholders of such series in any material respect; or

(11) to evidence and provide for the acceptance of appointment of a separate or successor Trustee and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of this Indenture by more than one Trustee.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to enter into any such supplemental indenture that affects the Trustee's own rights, protections, duties or immunities under this Indenture or otherwise.

Any supplemental indenture authorized by the provisions of this Section 9.01 may be executed by the Company and the Trustee without the consent of the holders of any of the Securities at the time Outstanding, notwithstanding any of the provisions of Section 9.02.

Section 9.02 Supplemental Indentures with Consent of Securityholders.

With the consent (evidenced as provided in Section 8.01) of the holders of not less than a majority in aggregate principal amount of the Securities of each series affected by such supplemental indenture or indentures at the time Outstanding, the Company and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act as then in effect) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture or of modifying in any manner not covered by Section 9.01 the rights of the holders of the Securities of such series under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the holders of each Security then Outstanding and affected thereby:

(1) make any change to the percentage of principal amount of Securities of any series the Securityholders of which must consent to an amendment or waiver;

(2) reduce the principal amount of, premium, if any, or interest on, or extend the Stated Maturity or interest payment periods, of the Securities of any series;

(3) make the Securities of such Securityholder payable in money or securities other than that as stated in the Securities;

(4) make any change that reduces the amount payable to a Securityholder or the timing of payment to a Securityholder upon its exercise of any right to require the Company to purchase any Securities of such Securityholder in accordance with this Indenture;

(5) except in connection with a satisfaction and discharge of this Indenture or a consolidation, merger or conveyance, transfer or lease of assets pursuant to this Indenture, release Parent from its obligations under its Guarantee or make any change in such Guarantee that would adversely affect such Securityholder;

(6) impair the right of such Securityholder to institute suit for the enforcement of any payment with respect to the Securities;

(7) change certain requirements relating to waiving an existing Default or to the right to receive payment of, or bring suit to enforce payments of, the principal amount of, premium, if any, or interest on the Securities of any series; or

(8) modify any of the foregoing provisions of this sentence.

It shall not be necessary for the consent of the Securityholders of any series affected thereby under this Section 9.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Section 9.03 Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture pursuant to the provisions of this Article IX or of Article X, this Indenture shall, with respect to such series, be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the holders of Securities of the series affected thereby shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 9.04 Securities Affected by Supplemental Indentures.

Securities of any series, affected by a supplemental indenture, authenticated and delivered after the execution of such supplemental indenture pursuant to the provisions of this Article IX or of Article X, may bear a notation in form approved by the Company, provided such form meets the requirements of any exchange upon which such series may be listed, as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of that series so modified as to conform to any modification of this Indenture contained in any such supplemental indenture may be prepared by the Company, authenticated by the Trustee or the Authenticating Agent and delivered in exchange for the Securities of that series then Outstanding.

Section 9.05 Execution of Supplemental Indentures.

Upon the request of the Company, and upon the filing with the Trustee of evidence of the consent of Securityholders required to consent thereto as aforesaid, the Trustee shall join with the Company in the execution of such supplemental indenture unless such supplemental indenture affects the Trustee's own rights, protections, duties or immunities under this Indenture or otherwise, in which case the Trustee may, in its discretion, but shall not be obligated to, enter into such supplemental indenture. The Trustee, subject to the provisions of Section 7.01, shall receive an Officers' Certificate and Opinion of Counsel (in addition to the documents required under Section 14.07 hereunder) as conclusive evidence that any supplemental indenture executed pursuant to this Article is authorized or permitted by, and conforms to, the terms of this Article and that it is proper for the Trustee under the provisions of this Article to join in the execution thereof; provided, however, that such Opinion of Counsel need not be provided in

connection with the execution of a supplemental indenture that establishes the terms of a series of Securities pursuant to Section 2.01.

Promptly after the execution by the Company and the Trustee of any supplemental indenture pursuant to the provisions of this Article, the Company or the Trustee (in the Company's name and at the written request of the Company in an Officers' Certificate) shall transmit a notice, setting forth in general terms the substance of such supplemental indenture, to the Securityholders of all series affected thereby as their names and addresses appear upon the Security Register. Any failure of the Company or the Trustee to transmit such notice or cause such notice to be transmitted, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

ARTICLE X

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

Section 10.01 When the Company May Consolidate, Merge, Etc.

So long as any Securities are Outstanding, the Company and Parent may not (a) merge with or into or consolidate with another Person, or (b) convey, lease or otherwise transfer all or substantially all of its assets to any Person other than to a direct or indirect wholly-owned subsidiary of the Company, and no Person may merge with or into or consolidate with the Company, in each case unless:

(a) the Company is the surviving Person, or the Person formed by or surviving such merger or consolidation or to which such conveyance, lease or transfer shall have been made (the "Successor"), if other than the Company, shall be organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and, unless the Company or Parent, as the case may be, is the surviving person, shall expressly assume by indenture supplemental hereto, executed and delivered to the Trustee, all the obligations of the Company and Parent under the Securities and this Indenture;

(b) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and

(c) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such transaction and the supplemental indenture, if any, in respect thereto comply with this Section 10.01 and that all conditions precedent in this Indenture relating to such transaction have been complied with.

This Section 10.01 shall not prohibit (i) the direct or indirect conveyance or transfer of all or any portion of the capital stock, assets or liabilities of any of the Parent's direct or indirect wholly-owned Subsidiaries to Parent or any of its direct or indirect

wholly-owned Subsidiaries or (ii) the consolidation or merger of any of Parent's direct or indirect wholly-owned Subsidiaries with and into Parent or any of its direct or indirect wholly-owned Subsidiaries.

The Successor will be the successor to the Company, and will succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture and become the obligor on the Securities with the same effect as if the Successor had been named as the Company herein, and thereafter the predecessor Company shall be relieved of all of its obligations and covenants under this Indenture, but, in the case of a lease of all or substantially all of the assets of the Company, the predecessor Company will not be released from its obligations to pay the principal of, premium, if any, and interest on the Securities.

ARTICLE XI

SATISFACTION AND DISCHARGE

Section 11.01 Satisfaction and Discharge of Indenture.

If at any time: (a) the Company shall have delivered to the Trustee for cancellation all Securities of a series theretofore authenticated (other than any Securities that shall have been destroyed, lost or stolen and that shall have been replaced or paid as provided in Section 2.07) and Securities for whose payment money or Governmental Obligations or a combination thereof (to the extent of Governmental Obligations, sufficient in the Company's view expressed in an Officers' Certificate delivered to the Trustee) have theretofore been deposited in trust or segregated and held in trust by the Company (and thereupon repaid to the Company or discharged from such trust, as provided in Section 11.05); or (b) all such Securities of a particular series not theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and the Company shall deposit or cause to be deposited with the Trustee as trust funds the entire amount in moneys or Governmental Obligations, without reinvestment, or a combination thereof, sufficient (to the extent of Governmental Obligations, in the Company's view expressed in an Officers' Certificate delivered to the Trustee), to pay at maturity or upon redemption all Securities of that series not theretofore delivered to the Trustee for cancellation, including principal, and premium, if any, and interest due or to become due to such date of maturity or date fixed for redemption, as the case may be, and if the Company shall also pay or cause to be paid all other sums payable hereunder with respect to such series by the Company then this Indenture shall thereupon cease to be of further effect with respect to such series except for the provisions of Sections 2.03, 2.05, 2.07, 4.01, 4.02, 4.03 and 7.10, that shall survive until the date of maturity or redemption date, as the case may be, and Sections 7.06 and 11.05, that shall

survive to such date and thereafter, and the Trustee, on demand of the Company, after delivery of an Officers' Certificate and Opinion of Counsel stating that all conditions precedent thereto have been complied with (and at the cost and expense of the Company) shall execute such instruments reasonably requested by the Company acknowledging satisfaction of and discharging this Indenture with respect to such series.

Section 11.02 Discharge of Obligations.

If at any time all such Securities of a particular series not heretofore delivered to the Trustee for cancellation or that have not become due and payable as described in Section 11.01 shall have been paid by the Company by depositing irrevocably with the Trustee as trust funds (A) money in an amount, or (B) Governmental Obligations which, through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, in each case sufficient (to the extent of Governmental Obligations, in the Company's view expressed in an Officers' Certificate delivered to the Trustee), without reinvestment, to pay at maturity or upon redemption all such Securities of that series not theretofore delivered to the Trustee for cancellation, including principal, and premium, if any, and interest due or to become due to such date of maturity or date fixed for redemption, as the case may be, and if the Company shall also pay or cause to be paid all other sums payable hereunder by the Company with respect to such series, then after the date such moneys or Governmental Obligations, as the case may be, are deposited with the Trustee the obligations of the Company under this Indenture with respect to such series shall cease to be of further effect except for the provisions of Sections 2.03, 2.05, 2.07, 4.01, 4.02, 4.03, 7.06, 7.10 and 11.05 hereof that shall survive until such Securities shall mature and be paid. Thereafter, Sections 7.06 and 11.05 shall survive.

Section 11.03 Deposited Moneys to be Held in Trust.

All moneys or Governmental Obligations deposited with the Trustee pursuant to Sections 11.01 or 11.02 shall be held in trust and shall be available for payment as due, either directly or through any Paying Agent (including the Company acting as its own Paying Agent), to the Securityholders of the particular series of Securities for the payment or redemption of which such moneys or Governmental Obligations have been deposited with the Trustee.

Section 11.04 Payment of Moneys Held by Paying Agents.

In connection with the satisfaction and discharge of this Indenture all moneys or Governmental Obligations then held by any Paying Agent under the provisions of this Indenture shall, upon demand of the Company, be paid to the Trustee and thereupon such

Paying Agent shall be released from all further liability with respect to such moneys or Governmental Obligations.

Section 11.05 Repayment to Company.

Subject to applicable law (including state escheat laws), all moneys or Governmental Obligations deposited with any Paying Agent or the Trustee, or then held by the Company, in trust for payment of principal of or premium or interest on the Securities of a particular series that are not applied but remain unclaimed by the Securityholders of such Securities for two years after the date upon which the principal of, and premium, if any, or interest on such Securities shall have respectively become due and payable, shall be repaid to the Company (if then held by the Company) and shall be discharged from such trust; and thereupon the Paying Agent and the Trustee shall be released from all further liability with respect to such moneys or Governmental Obligations, and the Securityholder of any of the Securities entitled to receive such payment shall thereafter, as an unsecured general creditor, look only to the Company for the payment thereof.

ARTICLE XII

IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

Section 12.01 No Recourse.

No recourse under or upon any obligation, covenant or agreement of this Indenture, or of any Security, or for any claim based thereon or otherwise in respect thereof, shall be had against any incorporator, stockholder, officer or director, past, present or future as such, of the Company or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture and the obligations issued hereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, the incorporators, stockholders, officers or directors as such, of the Company or of any predecessor or successor corporation, or any of them, because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture or in any of the Securities or implied therefrom; and that any and all such personal liability of every name and nature, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, stockholder, officer or director as such, because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture or in any of the Securities or implied therefrom,

are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issuance of such Securities.

ARTICLE XIII

DEFEASANCE AND COVENANT DEFEASANCE

Section 13.01 Company's Option to Effect Defeasance or Covenant Defeasance.

The Company may elect, at its option at any time, to have Section 13.02 or Section 13.03 applied to any Securities or any series of Securities, as the case may be, designated pursuant to Section 2.01 as being defeasible pursuant to such Sections 13.02 or 13.03, in accordance with any applicable requirements provided pursuant to Section 2.01 and upon compliance with the conditions set forth below in this Article. Any such election shall be evidenced by a Board Resolution or in another manner specified as contemplated by Section 2.01 for such Securities.

Section 13.02 Defeasance and Discharge.

Upon the Company's exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, the Company shall be deemed to have been discharged from its obligations with respect to such Securities as provided in this Section on and after the date the conditions set forth in Section 13.04 are satisfied (hereinafter called "Defeasance"). For this purpose, such Defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such Securities and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the request and expense of the Company, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of Securityholders to receive, solely from the trust fund described in Section 13.04 and as more fully set forth in such Section, payments in respect of the principal of and any premium and interest on such Securities when payments are due, (2) the Company's obligations with respect to such Securities under Sections 2.05, 2.06, 2.07, 4.01, 4.02 and 4.03, (3) the rights, protections, powers, trusts, duties, indemnities and immunities of the Trustee hereunder, including but not limited to Section 7.06, and (4) this Article. Subject to compliance with this Article, the Company may exercise its option (if any) to have this Section applied to any Securities notwithstanding the prior exercise of its option (if any) to have Section 13.03 applied to such Securities.

Section 13.03 Covenant Defeasance.

Upon the Company's exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, (1) the Company shall be

released from its obligations under Article X, Sections 4.06, and any covenants provided pursuant to Sections 2.01(a)(15), 9.01(4) or 9.01(7) for the benefit of the holders of such Securities and (2) the occurrence of any event specified in Sections 6.01(a)(3) (with respect to any of Article X, Sections 4.06, and any such covenants provided pursuant to Sections 2.01(a)(15), 9.01(4) or 9.01(7) and 6.01(a)(7)) shall be deemed not to be or result in an Event of Default, in each case with respect to such Securities as provided in this Section on and after the date the conditions set forth in Section 13.04 are satisfied (hereinafter called "Covenant Defeasance"). For this purpose, such Covenant Defeasance means that, with respect to such Securities, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such specified Section (to the extent so specified in the case of Section 6.01(a)(3)), whether directly or indirectly by reason of any reference elsewhere herein to any such Section or by reason of any reference in any such Section to any other provision herein or in any other document, but the remainder of this Indenture and such Securities shall be unaffected thereby.

Section 13.04 Conditions to Defeasance or Covenant Defeasance.

The following shall be the conditions to the application of Section 13.02 or Section 13.03 to any Securities or any series of Securities, as the case may be:

(1) The Company shall irrevocably have deposited or caused to be deposited with the Trustee or Paying Agent (or another trustee which satisfies the requirements contemplated by Section 7.09 and agrees to comply with the provisions of this Article applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefits of the holders of such Securities, (A) cash in an amount, or (B) Governmental Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, cash in an amount, or (C) a combination thereof, in each case sufficient, without reinvestment, in the opinion of a nationally recognized independent registered public accounting firm, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest on such Securities on the respective Stated Maturities, in accordance with the terms of this Indenture and such Securities.

(2) In the event of an election to have Section 13.02 apply to any Securities or any series of Securities, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of this Indenture, there has been a change in the applicable federal income tax law, in either case (A) or (B) to the

effect that, and based thereon such opinion shall confirm that, the holders of such Securities will not recognize income, gain or loss for federal income tax purposes as a result of the deposit, Defeasance and discharge to be effected with respect to such Securities and will be subject to federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.

(3) In the event of an election to have Section 13.03 apply to any Securities or any series of Securities, as the case may be, the Company shall have delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the holders of such Securities will not recognize income, gain or loss for federal income tax purposes as a result of the deposit and Covenant Defeasance to be effected with respect to such Securities and will be subject to federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.

(4) No Event of Default shall have occurred and be continuing either: (x) on the date of such deposit (other than an Event of Default resulting from the borrowing of funds to be applied to such deposit); or (y) insofar as certain bankruptcy, insolvency or reorganization Events of Default are concerned, at any time in the period ending on the 91st day after the date of deposit.

(5) Any such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Company is a party or by which the Company is bound.

(6) The Company shall have delivered to the Trustee an Officers' Certificate stating that such deposit was not made by the Company with the intent of preferring the Securityholders over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company or others.

(7) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each to the effect that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied with.

Section 13.05 Deposited Money and Governmental Obligations to Be Held in Trust; Miscellaneous Provisions.

Subject to the provisions of Section 4.03(d), all money and Governmental Obligations (including the proceeds thereof) deposited with the Trustee or other qualifying trustee (solely for purposes of this Section 13.05 and Section 13.06, the Trustee and any such other trustee are referred to collectively as the "Trustee") pursuant to Section 13.04 in respect of any Securities shall be held in trust and applied by the

Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any such Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the holders of such Securities, of all sums due and to become due thereon in respect of principal and any premium and interest, but money so held in trust need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the Governmental Obligations deposited pursuant to Section 13.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the holders of Outstanding Securities.

Anything in this Article to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon request of the Company any money or Governmental Obligations held by it as provided in Section 13.04 with respect to any Securities which, in the Company's view expressed in an Officers' Certificate delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect the Defeasance or Covenant Defeasance, as the case may be, with respect to such Securities.

Section 13.06 Reinstatement.

If the Trustee or the Paying Agent is unable to apply any money in accordance with this Article with respect to any Securities by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations under this Indenture and such Securities from which the Company has been discharged or released pursuant to Sections 13.02 or 13.03 shall be revived and reinstated as though no deposit had occurred pursuant to this Article with respect to such Securities, until such time as the Trustee or Paying Agent is permitted to apply all money held in trust pursuant to Section 13.05 with respect to such Securities in accordance with this Article; provided, however, that if the Company makes any payment of principal of or any premium or interest on any such Security following such reinstatement of its obligations, the Company shall be subrogated to the rights (if any) of the holders of such Securities to receive such payment from the money so held in trust.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 14.01 Effect on Successors and Assigns.

All the covenants and agreements in this Indenture contained by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

Section 14.02 Actions by Successor.

Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the corresponding board, committee or officer of any corporation that shall at the time be the successor of the Company.

Section 14.03 Notices.

Except as otherwise expressly provided herein, any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the holders of Securities to or on the Company may be given or served by being deposited first class postage prepaid in a post-office letterbox addressed (until another address is filed in writing by the Company with the Trustee), as follows:

Alaska Airlines, Inc.
19300 International Boulevard
Seattle, WA 98188
Attention: Chief Financial Officer
Phone: (206) 392-5040
Email: legalcontractnotices@alaskaair.com

With a copy to:

Alaska Air Group, Inc.
19300 International Boulevard,
Seattle, WA 98188
Attention: General Counsel
Phone: (206) 392-5292

and

Debevoise & Plimpton LLP
66 Hudson Boulevard
New York, NY 10001

Attention: Eric T. Juergens
E-mail: etjuergens@debevoise.com

Any notice, election, request or demand by the Company or any Securityholder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made in writing at the Corporate Trust Office of the Trustee. Any notice, election, request or demand by the Company or any Securityholder to or upon the Paying Agent or Security Registrar shall be deemed to have been sufficiently given or made, for all purposes, if given or made in writing at:

U.S. Bank Trust Company, National Association
1 California Street, Suite 2600
San Francisco, CA 94111]
Attention: David Jason (Alaska Airlines Notes Administrator)
Email: david.jason@usbank.com

The Trustee shall have the right to accept (and shall confirm its acceptance to the Company using Electronic Means) and shall act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means; provided, however, that the Company shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Company whenever a person is to be added or deleted from the listing. If the Company elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Company understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Company shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Company and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Company. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Company agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be

more secure methods of transmitting Instructions than the method(s) selected by the Company; and (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

Where this Indenture provides for notice to holders of Securities of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each such holder affected by such event, at his address as it appears in the Security Register, within the time prescribed for the giving of such notice. In any case where notice to holders of Securities, is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular holder shall affect the sufficiency of such notice with respect to other holders of Securities. Any notice mailed to a holder of Securities in the manner herein prescribed shall be conclusively deemed to have been received by such holder, whether or not such holder actually receives such notice.

If by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice as provided above, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder. If it is impossible or, in the opinion of the Trustee, impracticable to give any notice by publication in the manner herein required, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

Any request, demand, authorization, direction, notice, consent or waiver required or permitted under this Indenture shall be in the English language, except that any published notice may be in an official language of the country of publication.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be equivalent of such notice. Waivers of notice by holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Notwithstanding any other provision of this Indenture or any Security, where this Indenture or any Security provides for notice of any event (including any notice of redemption) to a holder of a Global Security (whether by mail or otherwise), such notice shall be sufficiently given when delivered to the Depositary for such Security (or its designee) pursuant to the customary procedures of such Depositary.

Section 14.04 Governing Law.

THIS INDENTURE AND EACH SECURITY SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE INTERNAL LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Section 14.05 Waiver of Jury Trial.

EACH OF THE COMPANY, THE HOLDERS OF SECURITIES, THE REGISTRAR, THE PAYING AGENT AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE SECURITIES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 14.06 Submission to Jurisdiction.

The Company hereby irrevocably submits to the jurisdiction of any New York State court sitting in the Borough of Manhattan in the City and State of New York or any federal court sitting in the Borough of Manhattan in the City and State of New York in respect of any suit, action or proceeding arising out of or relating to this Indenture and the Securities, and irrevocably accepts for itself and in respect of its property, generally and unconditionally, jurisdiction of the aforesaid courts.

Section 14.07 Compliance Certificates and Opinions.

(a) Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate to the effect that all conditions precedent provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel to the effect that all such conditions precedent have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

(b) Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant in this Indenture shall include (1) a statement that the Person making such certificate or opinion has read such covenant or condition; (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (3) a statement that, in the opinion of such Person, he has made such examination or

investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

Section 14.08 Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel.

Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company.

Any certificate, statement or opinion of an officer of the Company or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Company.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 14.09 Payments on Business Days.

Except as provided pursuant to Section 2.01 pursuant to a Board Resolution, and as set forth in an Officers' Certificate, or established in one or more indentures supplemental to this Indenture, in any case where the date of maturity of interest or principal of any Security or the date of redemption of any Security shall not be a Business Day, then payment of interest or principal, and premium, if any, may be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of maturity or redemption, and no interest shall accrue for the period after such nominal date.

Section 14.10 Conflict with Trust Indenture Act.

If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by Sections 310 to 317, inclusive, of the Trust Indenture Act, such imposed duties shall control.

Section 14.11 Counterparts.

This Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument. The words "execution," "signed," "signature," and words of like import in this Indenture shall include images of manually executed signatures transmitted by facsimile, email or other electronic format (including, without limitation, "pdf," "tif" or "jpg") and other electronic signatures (including without limitation, DocuSign and AdobeSign or any other similar platform identified by the Company and reasonably available at no undue burden or expense to the Trustee). This Indenture shall be valid, binding, and enforceable against a party only when executed and delivered by an authorized individual on behalf of the party by means of (i) any electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including relevant provisions of the Uniform Commercial Code/UCC (collectively, "Signature Law"); (ii) an original manual signature; or (iii) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Without limitation to the foregoing, and anything in the Indenture to the contrary notwithstanding, (a) any Officers' Certificate, company order, Opinion of Counsel, amendment, notice, direction, supplemental indenture or other certificate, opinion of counsel, instrument, agreement or other document delivered pursuant to this Indenture may be executed, attested and transmitted by any of the foregoing electronic means and formats and (b) all references in Section 2.04 or elsewhere in this Indenture to the execution, attestation or authentication of any Security or any certificate of authentication appearing on or attached to any Security by means of a manual or facsimile signature shall be deemed to include signatures that are made or transmitted by any of the foregoing electronic means or formats. The Trustee shall have no duty to inquire into, investigate, confirm or otherwise verify the validity, authenticity or authorization of any such electronic signature and shall be entitled to conclusively rely on any such electronic signature without any liability with respect thereto. For the avoidance of doubt, original manual signatures shall be used for execution or indorsement of writings when required under the UCC or other Signature Law due to the character or intended character of the writings.

Section 14.12 Separability.

In case any one or more of the provisions contained in this Indenture or in the Securities of any series shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Indenture or of such Securities, but this Indenture and such Securities shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein or therein.

Section 14.13 Assignment.

The Company will have the right at all times to assign any of its rights or obligations under this Indenture to a direct or indirect wholly-owned Subsidiary of the Company with the prior written consent of the parties hereto; provided that, in the event of any such assignment, the Company will remain liable for all such obligations, subject to Section 10.01 of this Indenture. Subject to the foregoing, this Indenture shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and may not otherwise be assigned by the parties hereto.

Section 14.14 Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction thereof.

Section 14.15 U.S.A. Patriot Act.

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed all as of the day and year first above written.

ALASKA AIRLINES, INC.

By: /s/ Emily Halverson
Name: Emily Halverson
Title: Vice President Finance and Treasurer

[Signature Page to Indenture]

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By: /s/ David A. Jason
Name: David A. Jason
Title: President

[Signature Page to Indenture]

Exhibit 4.2

FIRST SUPPLEMENTAL INDENTURE

Dated as of May 12, 2026

among

ALASKA AIRLINES, INC.,
as Issuer

and

ALASKA AIR GROUP, INC.,
as Guarantor

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

6.500% Senior Notes Due 2031

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EXHIBITS

Exhibit A Form of Initial Note

Exhibit B Form of Notation of Note Guarantee

Exhibit C Form of Certificate of Beneficial Ownership

Exhibit D Form of Regulation S Certificate

FIRST SUPPLEMENTAL INDENTURE, dated as of May 12, 2026 (this "Supplemental Indenture"), among Alaska Airlines, Inc. (the "Company" or the "Issuer"), as issuer, Alaska Air Group, Inc. (the "Parent"), as guarantor and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Base Indenture as supplemented by this First Supplemental Indenture is hereinafter called the "Indenture."

W I T N E S S E T H:

WHEREAS, the Company and the Trustee are party to the Indenture, dated as of May 12, 2026 (as amended, supplemented, waived or otherwise modified from time to time, the "Base Indenture"), which provides for the issuance from time to time of Notes by the Company;

WHEREAS, Section 9.01 of the Indenture provides that the Company may provide for the issuance of Notes of any series as permitted by Section 2.01 therein;

WHEREAS, in connection with the issuance of the Notes (as defined herein), the Company has duly authorized the execution and delivery of this Supplemental Indenture to establish the forms and terms of the Notes as hereinafter described; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the parties hereto are authorized to execute and deliver this Supplemental Indenture to amend the Indenture, without the consent of any Holder of Notes.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company, the Parent and the Trustee mutually covenant and agree for the benefit of the Holders of Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Title and Form. There shall be a series of Notes of the Company designated the "6.500% Senior Notes due 2031" (the "Notes"). The Notes, and any Additional Notes (as defined below) issued in a transaction not registered under the Securities Act, shall be issued initially (i) in the case of Notes offered and sold to QIBs in reliance on Rule 144A, in the form of one or more Rule 144A Global Notes and (ii) in the case of Notes offered and sold to Non-U.S. Persons in offshore transactions in reliance on Regulation S, in the form of one or more Temporary Regulation S Global Notes. Each Rule 144A Global Note and each Temporary Regulation S Global Note shall be substantially in the form set forth in Exhibit A hereto, deposited with the Trustee, as custodian for DTC, duly executed by the Company and authenticated by the Trustee and bearing the applicable legends set forth in Section 10 hereto.

Following the expiration of the Restricted Period, beneficial interests in a Temporary Regulation S Global Note shall be exchangeable for beneficial interests in one or more Permanent Regulation S Global Notes as provided in Section 3. Each Permanent Regulation S Global Note shall be substantially in the form set forth in Exhibit A hereto, deposited with the Trustee, as custodian for DTC, duly executed by the Company and authenticated by the Trustee and bearing the applicable legends set forth in Section 10 hereto. Simultaneously with the

authentication of a Permanent Regulation S Global Note, the Trustee shall cancel the related Temporary Regulation S Global Note.

Subject to Section 3, beneficial interests in a Rule 144A Global Note may be exchanged for Rule 144A Physical Notes and beneficial interests in a Regulation S Global Note may be exchanged for Regulation S Physical Notes, on or after the applicable Regulation S Note Exchange Date. The Rule 144A Global Notes and the Regulation S Global Notes are sometimes collectively referred to herein as the "Global Notes," and the Rule 144A Physical Notes and the Regulation S Physical Notes are sometimes collectively referred to herein as the "Physical Notes."

3. Special Transfer Provisions

(a) In connection with any transfer or exchange of a portion of the beneficial interest in any Global Note to beneficial owners for Physical Notes, the Registrar shall reflect on its books and records a decrease in the principal amount of such Global Note in an amount equal to the beneficial interest in the Global Note being transferred, and the Company shall execute, and the Trustee shall authenticate and deliver, upon receipt of the written order of the Company, one or more Physical Notes of like tenor and principal amount of authorized denominations.

(b) In connection with a transfer of an entire Global Note to beneficial owners for Physical Notes, such Global Note shall be deemed to be surrendered to the Trustee for cancellation, and the Company shall execute, and the Trustee shall authenticate and deliver, upon receipt of the written order of the Company, to each beneficial owner identified by the Depositary, in exchange for its beneficial interest in such Global Note, an equal aggregate principal amount of Rule 144A Physical Notes or Regulation S Physical Notes, as the case may be, of authorized denominations.

(c) The transfer and exchange of a Global Note or beneficial interests therein shall be effected through the Depositary in accordance with the procedures of the Depositary and the provisions of this Section 3. Any beneficial interest in one type of Global Note that is transferred to a Person who takes delivery in the form of an interest in another type of Global Note shall, upon transfer, cease to be an interest in the transferor Global Note and become an interest in the transferee Global Note and thereafter shall be subject to all transfer restrictions, if any, and other procedures applicable to beneficial interests in the transferee Global Note. A transferor of a beneficial interest in a Global Note shall deliver to the Registrar written instructions given in accordance with the procedures of the Depositary containing information regarding the participant account to be credited with a beneficial interest in the relevant Global Note. Subject to this Section 3, the Registrar shall, in accordance with such instructions, instruct the Depositary to credit to the account of the Person specified in such instructions a

beneficial interest in such Global Note and to debit the account of the Person making the transfer the beneficial interest in the Global Note being transferred.

(d) Transfers to Non-U.S. Persons. The Registrar shall register any transfer of a Rule 144A Global Note or a beneficial interest therein to a Non-U.S. Person if such transfer complies with all other applicable requirements of this Indenture and (1) if such transfer is after the applicable Resale Restriction Termination Date, or the proposed transferor has delivered to the Registrar, the Company and the Trustee a Regulation S Certificate and, if requested by the Company, an Opinion of Counsel and such other certifications or information reasonably satisfactory to the Company; and (2) if the proposed transferor is or is acting through a participant in the Depositary, upon receipt by the Registrar of written instructions given in accordance with the procedures of the Depositary, whereupon (x) the Registrar shall reflect on its books and records a decrease in the principal amount of the transferor Global Note in an amount equal to the principal amount of the beneficial interest being transferred and (y) if the proposed transferee is or is acting through a participant holding on behalf of Euroclear or Clearstream, the Registrar shall reflect on its books and records an increase in the principal amount of the applicable Regulation S Global Note in an amount equal to the principal amount of the beneficial interest being so transferred or, otherwise, the Company shall execute and the Trustee shall, upon receipt of the written order of the Company, authenticate and deliver one or more Regulation S Physical Notes of like tenor and amount.

(e) Transfers to QIBs. The Registrar shall register any transfer of a Rule 144A Global Note or any beneficial interest therein to a QIB (excluding transfers to Non-U.S. Persons) if such transfer complies with all other applicable requirements of this Indenture and (1) if such transfer is being made in reliance on Rule 144A, the proposed transferor and proposed transferee have delivered to the Registrar, the Company and the Trustee such certifications as they may reasonably require to evidence that the transferee is purchasing such Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a QIB within the meaning of Rule 144A; provided that no such written certification shall be required in connection with a transfer of a beneficial interest in a Rule 144A Global Note to a transferee taking delivery in the form of a beneficial interest in the same Rule 144A Global Note in accordance with the procedures of the Depositary; and (2) if the proposed transferee is or is acting through a participant in the Depositary and the Note to be transferred consists of a Physical Note that after transfer is to be evidenced by an interest in a Global Note, or consists of a beneficial interest in a Global Note that after transfer is to be evidenced by an interest in a different Global Note, upon receipt by the Registrar of written instructions given in accordance with the procedures of the Depositary, whereupon the Registrar shall reflect on its books and records an increase in the principal amount of the transferee Global Note in an amount equal to the principal amount of the

Physical Note or beneficial interest so transferred, and the Trustee shall cancel the Physical Note so transferred or reflect on its books and records a decrease in the principal amount of the transferor Global Note, as the case may be.

(f) Regulation S Note Exchange Date. A beneficial owner of an interest in a Temporary Regulation S Global Note (and, in the case of any Additional Notes for which no Temporary Regulation S Global Note is issued, any Regulation S Global Note) shall not be permitted to exchange such interest for a Physical Note or (in the case of a Temporary Regulation S Global Note) an interest in a Permanent Regulation S Global Note until the Regulation S Note Exchange Date and until the Company receives a Certificate of Beneficial Ownership with respect thereto.

(g) No Physical Note shall be exchanged for a beneficial interest in any Global Note, except in accordance with this Section 3.

(h) Any Physical Note delivered in exchange for an interest in a Global Note pursuant to this Section 3 shall, unless such exchange is made on or after the applicable Resale Restriction Termination Date and except as otherwise provided in this Section 3, bear the Private Placement Legend.

(i) Through the Restricted Period, beneficial interests in a Regulation S Global Note may be held only through participants in DTC acting on behalf of Euroclear or Clearstream.

(j) Upon the transfer, exchange or replacement of Notes bearing the Private Placement Legend, the Registrar shall deliver only Notes that bear the Private Placement Legend unless (1) the requested transfer is after the applicable Resale Restriction Termination Date; (2) there is delivered to the Registrar an Opinion of Counsel, reasonably satisfactory to the Company, to the effect that neither such legend nor the related restrictions on transfer are required in order to maintain compliance with the provisions of the Securities Act; (3) with respect to a Regulation S Global Note (on or after the applicable Regulation S Note Exchange Date) or a Regulation S Physical Note, the Company agrees that such legend may be removed; or (4) such Notes are sold or exchanged pursuant to an effective registration statement under the Securities Act. Notes not required to bear the Private Placement Legend in accordance with this Section 3 need not bear the Private Placement Legend.

(k) By its acceptance of any Note bearing the Private Placement Legend, each Holder of such a Note acknowledges the restrictions on transfer of such Note set forth in this Supplemental Indenture and in the Private Placement Legend and agrees that it will transfer such Note only as provided in this Supplemental Indenture. The Registrar shall retain copies of all letters, notices and other written communications received pursuant to this Section 3 (including all Notes received for transfer pursuant to this Section 3). The Company shall have the

right to require the Registrar to deliver to the Company, at the Company's expense, copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Registrar. In connection with any transfer of any Note, the Trustee, the Registrar and the Company shall be entitled to receive, shall be under no duty to inquire into, may conclusively presume the correctness of, and shall be fully protected in relying upon the certificates, opinions and other information referred to herein (or in the forms provided herein, attached hereto or to the Notes, or otherwise) received from any Holder and any transferee of any Note regarding the validity, legality and due authorization of any such transfer, the eligibility of the transferee to receive such Note and any other facts and circumstances related to such transfer. Furthermore, the Trustee and the Registrar shall have no liability or responsibility to monitor any such transfer for compliance with the provisions hereunder and/or governing securities laws or otherwise.

4. Maturity Date. The Maturity Date of the Notes shall be June 1, 2031.

5. Interest and Interest Rates. Interest on the Outstanding principal amount of the Notes shall accrue at the rate of 6.500% per annum and will be payable semi-annually in arrears on June 1 and December 1 of each year (each, an "Interest Payment Date"), commencing on December 1, 2026, to Holders of record at the close of business on May 15 and November 15 (whether or not a business day) immediately preceding such Interest Payment Date (each such May 15 and November 15, a "Regular Record Date"). Interest on the Notes shall accrue from the most recent date to which interest has been paid or for which interest has been provided; or, if no interest has been paid or provided for, from May 12, 2026, except that interest on any Additional Notes issued on or after the first Interest Payment Date will accrue (or will be deemed to have accrued) from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid on such Additional Notes, from the Interest Payment Date immediately preceding the date of issuance of such Additional Notes (or if the date of issuance of such Additional Notes is an Interest Payment Date, from such date of issuance); provided that if any Notes issued in exchange therefor are surrendered for exchange on or after a Record Date for an Interest Payment Date that will occur on or after the date of such exchange, interest on such Note received in exchange thereof will accrue from such Interest Payment Date. Interest due on any date shall be the amount accrued to but excluding such due date. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. Any payment required to be made on any day that is not a Business Day will be made on the next succeeding Business Day without any interest or other payment due to the delay.

6. Aggregate Principal Amount. The aggregate principal amount of the Notes which may be authenticated and delivered under this Indenture is initially limited to $500,000,000, except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes. The Company may from time to time, without notice to or the consent of the Holders of Notes, increase the principal amount of the Notes under the Indenture and issue such increased principal amount (or any portion thereof), in which case any additional Notes so issued will have the same form and terms (other than the date of issuance, public offering price and, under certain circumstances, the date from which interest thereon will begin to accrue), and will carry the same right to receive accrued and unpaid interest, as the Notes previously issued, and such additional Notes will form a single series with the Notes (any such additional notes, the "Additional Notes").

7. Method of Payment. Principal of, premium (if any) and interest on the Notes shall be payable as provided in Section 2.03 of the Indenture. Notwithstanding the foregoing, payments of principal of, premium (if any) and interest on the Notes represented by one or more Global Notes will be made as provided in Section 9 hereof.

8. Optional Redemption. The Company, at its option, may redeem the Notes, in whole or in part, at any time and from time to time. If the Notes are redeemed at any time prior to December 1, 2030 (the "Par Call Date"), the Notes will be redeemed at a redemption price equal to the greater of:

i. 100% of the principal amount of the Notes to be redeemed; and

ii. the sum of the present values of the remaining scheduled payments of principal and interest on such Notes (excluding accrued and unpaid interest to the redemption date, and assuming final maturity on the Par Call Date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below) plus 50 basis points;

plus, in either case, accrued and unpaid interest on the principal amount being redeemed, if any, up to, but not including such redemption date.

On or after the Par Call Date, the Company may, at its option, redeem the Notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest on the principal amount being redeemed to, but not including, such redemption date. The Company's actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

Any optional redemption (pursuant to this Section 8 or Section 15(a)(v)) may, at the Company's discretion, be conditioned upon the satisfaction or waiver of one or more conditions, including (1) the occurrence of a Change of Control or (2) the closing of another transaction, including a sale of securities or other financing, in each case as specified in the notice in reasonable detail. If such redemption is subject to satisfaction or waiver of one or more conditions, such notice of conditional redemption shall state that, in the Company's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied or waived, or such redemption may not occur and such notice of conditional redemption may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the redemption date, or by the redemption date so delayed. A notice of conditional redemption will be of no effect unless all conditions to the redemption have occurred on or before the redemption date or have been waived by the Company on or before the redemption date. The Company will provide notice to the Holders of the Notes subject to the notice of conditional redemption of the satisfaction of all conditions as soon as practicable following occurrence of the conditions. The Company will provide notice to the Holders of the Notes subject to the notice of conditional

redemption of any waiver of a condition or failure to meet such conditions no later than the redemption date. The Company will provide notice to the Trustee in no event less than two Business Days prior to the redemption date (or such shorter time period as shall be acceptable to the Trustee) if any such redemption has been rescinded or delayed. Upon notice to the Trustee and to the Holders, (i) the notice of conditional redemption shall be automatically rescinded and the Company will have no obligation to redeem the Notes subject to the notice of conditional redemption or (ii) the redemption date shall automatically be delayed until the new redemption date specified in such notice, as applicable. Promptly after receipt of such notice, the Trustee shall provide a copy thereof to DTC. Any notice of rescission or delay shall be given by the Company and shall be effective in accordance with applicable procedures of DTC.

9. Global Notes. The Notes shall initially be issued in the form of one or more Global Securities registered in the name of DTC, which shall be the initial Depositary with respect to the Notes, or its nominee (a "Global Note"), which shall be delivered to the Trustee as custodian for the Depositary or its nominee. The Paying Agent shall make payments of principal, premium, if any, or interest due on the Notes represented by one or more Global Notes to the Depositary or its nominee, as the case may be, as the registered owner of the related Global Note or Global Notes, by wire transfer of immediately available funds to the account designated by such registered Holder.

Except as otherwise specified pursuant to Section 2.11(c) of the Indenture, the Notes will not be issuable in definitive form.

10. Legends on Notes.

a. In addition to the legend set forth in Section 2.11 of the Indenture, so long as DTC is the Depositary, each Global Note registered in the name of DTC or its nominee shall bear a legend in substantially the following form:

(1) UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

b. All Notes shall bear a legend substantially in the following form:

(i) THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS IN THE CASE OF RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), IN THE CASE OF REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) TO PARENT, THE ISSUER, ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE CERTIFICATION AND/ OR OTHER INFORMATION SATISFACTORY TO EACH OF

THEM. THIS LEGEND WILL BE REMOVED UPON THE EARLIER OF THE TRANSFER OF THIS SECURITY PURSUANT TO CLAUSE (B) ABOVE OR REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY OF THE RESALE RESTRICTIONS REFERRED TO IN THIS PARAGRAPH. IN THE CASE OF REGULATION S NOTES: BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT.

(ii) BY ITS ACQUISITION OF THIS SECURITY, THE HOLDER HEREOF WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS SECURITY CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OF A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") (A "COVERED PLAN"), OR PROVISIONS UNDER ANY OTHER FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAWS"), OR OF AN ENTITY OR ACCOUNT WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY SUCH PLAN, ACCOUNT OR ARRANGEMENT, OR (2) THE ACQUISITION AND HOLDING OF THIS SECURITY WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS.

BY ITS ACQUISITION OF THIS SECURITY, EACH PURCHASER OF THIS SECURITY THAT IS USING ASSETS OF ANY COVERED PLAN TO ACQUIRE OR HOLD THIS SECURITY PURSUANT TO THE INITIAL OFFERING WILL BE DEEMED TO REPRESENT THAT NONE OF THE ISSUER, THE INITIAL PURCHASERS OR ANY OF THE ISSUER'S OR THEIR RESPECTIVE AFFILIATES HAS ACTED AS THE COVERED PLAN'S FIDUCIARY, OR HAS BEEN RELIED UPON FOR ANY ADVICE, WITH RESPECT TO THE PURCHASER'S DECISION TO ACQUIRE THE SECURITIES (UNLESS A STATUTORY OR

ADMINISTRATIVE EXEMPTION APPLIES (ALL OF THE APPLICABLE CONDITIONS OF WHICH ARE SATISFIED) OR THE TRANSACTION IS NOT OTHERWISE PROHIBITED).

11. Note Denominations. The Notes shall be issued in denominations of $2,000 or an integral multiple of $1,000 in excess thereof.

12. No Sinking Fund. The Notes will not be entitled to the benefit of any sinking fund.

13. Note Guarantee.

(a) Parent fully and unconditionally guarantees the Notes pursuant to this Section 13 (the "Note Guarantee"). The Notation of Note Guarantee substantially in the form attached hereto as Exhibit B shall be executed by Parent and attached to each Note authenticated pursuant to the Indenture.

(b) Parent hereby fully and unconditionally guarantees to each Holder of any Note which is authenticated and delivered by the Trustee and to each Holder of any coupon appertaining to any such Note, if any, and to the Trustee for itself and on behalf of each such Holder, the due and punctual payment of the principal of (and premium, if any) and interest (including, in case of default, interest on principal and, to the extent permitted by applicable law, on overdue interest and including any additional interest required to be paid according to the terms of the Notes or any coupon appertaining thereto), if any, on each such Note, when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon acceleration, upon tender for repayment at the option of any Holder or otherwise, according to the terms thereof and of the Indenture and all other obligations of the Company with respect to such Note to the Holder or the Trustee hereunder or thereunder (the "Guarantor Obligations"). In case of the failure of the Company with respect to such Notes or any successor thereto punctually to pay any such principal, premium, or interest, Parent hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon declaration of acceleration, upon tender for repayment at the option of any Holder or otherwise, as if such payment were made by the Company with respect to such Securities.

(2) Parent hereby agrees that its Guarantor Obligations hereunder with respect to the Notes shall be as if it were principal debtor and not merely surety and shall be absolute and unconditional, irrespective of the identity of the Company, the validity, regularity or enforceability of the Notes or coupon appertaining thereto or the Indenture, the absence of any action to enforce the same, any waiver or consent by the Holder of any Notes or coupon appertaining thereto with respect to any provisions thereof, the recovery of any judgment against the Company or any action to enforce the same, or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a

guarantor. Parent hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that its Note Guarantee will not be discharged except by complete performance of its obligations contained in the Notes or coupon appertaining thereto and in this Note Guarantee.

(3) If the Trustee or the Holder of any Note or any coupon appertaining thereto is required by any court or otherwise to return to the Company or Parent, or any custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official acting in relation to the Company or Parent, any amount paid to the Trustee or such Holder in respect of a Note or any coupons appertaining thereto included in such Guarantor's Obligations, the applicable Note Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. Parent further agrees, to the fullest extent that it may lawfully do so, that, as between Parent, on the one hand, and the Holders and the Trustee, on the other hand, the maturity of the obligations included in such Guarantor's Obligations may be accelerated as provided in this Section 13 for the purposes of the Note Guarantee, notwithstanding any stay, injunction or other prohibition extant under any applicable bankruptcy law preventing such acceleration in respect of the obligations guaranteed hereby.

(4) Parent shall be subrogated to all rights of the Holders (and of any coupons appertaining thereto) included in the Guarantor Obligations against the Company in respect of any amounts paid by Parent on account of the Notes or any coupons appertaining thereto or the Indenture; provided, however, that Parent shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the principal of (and premium, if any, on) and interest, if any, on all Notes shall have been indefeasibly paid in full.

(c) Parent, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee does not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders of Notes and Parent hereby irrevocably agree that the Guarantor Obligations will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of Parent that are relevant under such laws, result in the obligations of Parent under its Note Guarantee not constituting a fraudulent transfer or conveyance.

(d) Parent shall not consolidate with or merge into, or convey, transfer or lease all or substantially all of its properties and assets to, any Person unless:

(i) The resulting, surviving or transferee Person (the "Successor Guarantor") is a corporation organized and existing under the laws of the United States of America, any state thereof or the District of Columbia, and, unless the Successor Guarantor expressly assumes by a supplemental indenture, all of the obligations under the Note Guarantee; and

(ii) immediately after giving effect to such transaction, no Event of Default shall have occurred and be continuing.

(5) Subject to Article X of the Indenture, in case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee and the due and punctual performance of all of the covenants and conditions of the Indenture to be performed by Parent, such successor Person will succeed to and be substituted for Parent with the same effect as if it had been named herein as the Guarantor. Such successor Person thereupon may cause to be signed the Note Guarantees issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under the Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of the Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof. Except as set forth in Articles IV and X of the Indenture, and notwithstanding clauses (i) and (ii) above, nothing contained in the Indenture or the Notes will prevent any consolidation or merger of Parent with or into the Company, or will prevent any sale or conveyance of the property of Parent as an entirety or substantially as an entirety to the Company.

(e) In the event of any sale or other disposition of all or substantially all of the assets of Parent by way of merger, consolidation or otherwise, or a sale or other disposition of Capital Stock of Parent, in each case to a Person that is not (either before or after giving effect to such transactions) the Company or the merger or consolidation of Parent with or into the Company, then Parent (in the event of a sale or other disposition, by way of merger, consolidation or otherwise, of all of the Capital Stock of Parent) or the corporation acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of Parent) will be automatically released and relieved of any obligations under its Note Guarantee. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company in accordance with the provisions of the Indenture, the Trustee will execute any documents reasonably requested in order to evidence the release of Parent from its obligations under the Note Guarantee.

14. No Reissuance of Notes. The Company may not reissue a Note that has matured, been redeemed, been purchased by the Company at the Holder's option upon a Change of

Control Triggering Event or otherwise been cancelled, except for registration of transfer, exchange or replacement of such Note.

15. Additional Covenants Applicable to the Notes. The following covenants shall be applicable for purposes of the Notes:

(a) Offer to Repurchase Upon Change of Control Triggering Event.

(i) Upon the occurrence of a Change of Control Triggering Event, unless the Company has otherwise exercised its right to redeem the Notes, each Holder of Notes will have the right to require the Company to purchase all or a portion (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of such Holder's Notes pursuant to the offer described below (the "Change of Control Offer"), at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to the date of purchase, subject to the rights of Holders of Notes on the relevant Record Date to receive interest due on the relevant Interest Payment Date (the "Change of Control Payment").

(ii) Within 30 days following the date upon which the Change of Control Triggering Event occurred, unless the Company has otherwise exercised its right to redeem the Notes, the Company will deliver a notice to each Holder of the unredeemed Notes, with a copy to the Trustee, which notice will govern the terms of the Change of Control Offer; provided that, at the Company's option, the Company may deliver such notice prior to any Change of Control but after the public announcement of the Change of Control. The notice, if sent prior to the date of consummation of the Change of Control, will state that the Change of Control Offer is conditioned on the Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date. The notice will also state, among other things:

a. that the Change of Control Offer is being made pursuant to this Section 15(a)(ii) and that all Notes tendered will be accepted for payment;

b. the purchase price and purchase date, which must be no earlier than 10 days nor later than 60 days from the date such notice is sent, other than as may be required by law (the "Change of Control Payment Date");

c. that any Note not tendered will continue to accrue interest;

d. that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Triggering Event will cease to accrue interest after the Change of Control Payment Date;

e. that Holders of Notes electing to have Notes purchased pursuant to a Change of Control Offer must surrender their Notes, with the

form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, to the Paying Agent at the address specified in the notice, or transfer their Notes to the Paying Agent by book-entry transfer pursuant to the applicable procedures of DTC, before the close of business on the third Business Day prior to the Change of Control Payment Date;

f. that Holders of Notes will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telex, facsimile transmission, email or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing its election to have the Notes purchased; and

g. that Holders of Notes whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to $2,000 in principal amount or an integral multiple of $1,000 in excess thereof.

(iii) On the Change of Control Payment Date, the Company will, to the extent lawful:

a. accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

b. deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

c. deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

The Paying Agent will promptly deliver (but in any case not later than five days after the Change of Control Payment Date) to each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Company shall issue, and the Trustee will promptly, upon receipt of the written order of the Company, authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(iv) Notwithstanding anything to the contrary in the Indenture or the Notes, the Company will not be required to make a Change of Control Offer if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by the Company and

such third party purchases all Notes properly tendered and not withdrawn under its offer. For avoidance of doubt, for purpose of this Section 15(a)(iv) and the requirement for delivery of a Change of Control Offer, delivery by the Company of a notice of redemption with respect to any Notes pursuant to Section 8 shall, so long as such redemption is not (or has otherwise ceased to) be conditional in accordance with Section 8, be considered an exercise of the Company's right to redeem such Notes unless and until there is a default in payment of the applicable redemption price.

(v) If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw the Notes in a Change of Control Offer and the Company, or any third party making a Change of Control Offer in lieu of the Company, purchases all of such Notes validly tendered and not withdrawn by such holders, the Company will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to the date of redemption (subject to the right of holders of record on the relevant Record Date to receive interest on the relevant interest payment date). The provisions of Article III of the Indenture and Section 8 hereof shall, except as modified by the preceding sentence, apply to any redemption pursuant to this Section 15(a)(v).

(vi) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions set forth in this Section 15, the Company will comply with those securities laws and regulations and will not be deemed to have breached the Company's obligations under this Section 15 by virtue of any such conflict.

(vii) For the avoidance of doubt, the Company's failure to make a Change of Control Offer would constitute a Default under clause (3) of Section 6.01 of the Indenture and not clause (1) or (2) thereof, but the failure of the Company to pay the Change of Control Payment when due shall constitute a Default under clause (1) of Section 6.01 thereof.

16. Limitation on Liens.

(a) The Company and the Parent will not, and will not permit any Material Subsidiary to, at any time subject any Covered Property to any Lien to secure any Indebtedness or

Capital Lease, unless the Notes are expressly secured equally and ratably with any such Indebtedness or Capital Lease so secured, including any guarantee thereof, so long as any such Indebtedness or Capital Lease shall be so secured, and the Company covenants that if and when any such Lien is created, the Notes will be so secured thereby; provided that the foregoing shall not apply to:

(i) (A) Liens on any Covered Property existing on the Closing Date securing Indebtedness or Capital Leases outstanding on the Closing Date (and, with respect to collateral arrangements for Covered Property under any such Indebtedness or Capital Lease, as in effect on the Closing Date) and (B) Liens on any Covered Property (including cure collateral and collateral coverage ratio collateral created after the Closing Date pursuant to the terms of any Indebtedness or Capital Leases outstanding on (or permitted incremental debt secured by Covered Property that is incurred thereunder after) the Closing Date (and, with respect to collateral arrangements for Covered Property under any such Indebtedness or Capital Lease, as in effect on the Closing Date);

(ii) any Lien on any Covered Property (A) existing at the time of acquisition of such Covered Property or the entity owning such Covered Property (including acquisition through merger or consolidation), or (B) given to secure the payment of all or any part of the purchase, lease or acquisition thereof or the cost of construction, repair, refurbishment, modification or improvement of Covered Property or any real or personal property leased to the Company or any of its Subsidiaries or any Indebtedness or Capital Lease incurred prior thereto, at the time of, or within one year after, the completion of the acquisition, construction, repair, refurbishment, modification or improvement of the relevant Covered Property or any real or personal property leased to the Company or any of its Subsidiaries for the purpose of financing all or part of the purchase, lease or acquisition thereof or the cost of construction, repair, refurbishment, modification or improvement;

(iii) Liens by a Subsidiary of the Parent as security for Indebtedness or Capital Lease owed to the Company or any Subsidiary of Parent;

(iv) a banker's lien or right of offset of the holder of such Indebtedness in favor of any lender of moneys or holder of commercial paper of the Company or any of its Subsidiaries in the ordinary course of business on moneys of the Company or such Subsidiary deposited with such lender or holder in the ordinary course of business;

(v) Liens in favor of (A) credit card processors securing obligations in connection with credit card processing services, (B) co-brand partners securing obligations in connection with co-brand arrangements, (C) letter of credit arrangements (or reimbursement agreements in respect thereof) or (D) Hedging Agreements, in each case incurred in the ordinary course of business and consistent with past practices;

(vi) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any Lien referred to in the foregoing clauses (i) through (v) in connection with the refinancing, amendment, restructuring or other modification of Indebtedness or Capital Lease of the Company and its Subsidiaries secured by such Lien; and

(vii) other Liens not permitted by any of the foregoing clauses (i) through (vi) on any Covered Property, now owned or hereafter acquired; provided that no such Liens shall be incurred pursuant to this subsection (vii) if the aggregate principal amount of outstanding Indebtedness (without duplication for any guarantee of such Indebtedness) and Capital Leases secured by Liens incurred pursuant to this subsection (vii) subsequent to the Closing Date, including the Lien proposed to be incurred, shall exceed 10% of Consolidated Tangible Assets after giving effect to such incurrence and the use of proceeds of such Indebtedness or Capital Leases.

(b) Any Lien that is granted to secure the Notes in accordance with this Section 16 shall be automatically released and discharged at the same time as the release (other than through the exercise of remedies with respect thereto) of each Lien that gave rise to such obligation to secure the Notes.

17. SEC Reports. The Company shall file with the Trustee within 30 days after Parent files them with the SEC, copies of Parent's annual report and the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) that Parent is required to file with the SEC pursuant to Sections 13 and 15(d) of the Exchange Act. Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants under the Indenture (as to which the Trustee is entitled to rely exclusively on an Officers' Certificate). Reports, information and documents filed by Parent with the SEC via the EDGAR system will be deemed to have been furnished to the Trustee as of the time such documents are filed via EDGAR. The Trustee shall have no duty to determine whether the posting of such reports, information and documents has occurred or to review or analyze reports delivered to it.

18. Defeasance. The Notes shall be defeasible pursuant to both Sections 13.02 and 13.03 of the Base Indenture, and the provisions of Article XI of the Base Indenture shall apply to the Notes.

19. Additional Definitions. The following definitions shall be applicable for purposes of this Supplemental Indenture (and, if any term defined below is also defined in the Indenture, the definition below shall supersede the definition of such term in the Base Indenture):

"***Aircraft Assets***" means aircraft, airframes, engines (including spare engines), propellers, parts and other operating assets, and rights under purchase agreements, rights under maintenance agreements and pre-delivery payments in each case relating to any of the foregoing.

"***Airline/Parent Merge***r" means the merger or consolidation, if any, of Parent with any Subsidiary of Parent.

"***Atmos Rewards Group***" means, collectively, AS Mileage Plan Holdings Ltd. and each of its Subsidiaries (including AS Mileage Plan IP Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands), and any other Subsidiary of Parent whose primary business activity is to hold, own or operate assets (including Equity Interests) primarily related to, or used or entered into in connection with, the Atmos Rewards Program.

"***Atmos Rewards Program***" means any loyalty program which is operated, owned or controlled, directly or indirectly by MPIP, Parent or any of its subsidiaries, or principally associated with MPIP, Parent or any of its subsidiaries, as in effect from time to time, whether under the "Mileage Plan" or "Atmos Rewards" name or otherwise, in each case including any successor program.

"***Beneficial Owner***" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "***person***" (as that term is used in Section 13(d)(3) of the Exchange Act), such "***person***" will be deemed to have beneficial ownership of all securities that such "***person***" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time.

"***Brand Assets***" means all (a) worldwide rights, owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by the Company, Parent or any of their Subsidiaries, in and to all Intellectual Property comprising, or associated with, (i) all Trademarks that include the word "Alaska" or phrase "Alaska Airlines" or any successor brand, and all variations of the foregoing (including any Trademarks confusingly similar thereto, derived therefrom or containing the key elements thereof) (collectively, the "***Brand Trademarks***"), (ii) the "alaskaair.com" domain name and similar domain names or any successor domain names (collectively, the "***Brand Domain Names***"), and (iii) other Trademarks, and any rights associated with any of the foregoing, owned or purported to be owned by and/or associated with the Company, Parent or any of their Subsidiaries (including, for avoidance of doubt, Hawaiian Holdings, Inc., Hawaiian Airlines, Inc. and Horizon Air Industries, Inc. and any other predecessor or successor of the Company, Parent or any of their Subsidiaries) (collectively, the "***Other Brand Trademarks***"), including (A) all causes of action and claims now or hereafter held by the Company, Parent or any of their Subsidiaries in respect of the Brand Trademarks, Brand Domain Names and Other Brand Trademarks, including, without limitation, the right to sue or otherwise recover for any and all past, present and future infringements or dilutions thereof and (B) all other Trademark rights corresponding thereto and all other Trademark rights of any kind whatsoever accruing under the Brand Trademarks, Brand Domain Names and Other Brand Trademarks; and including license, sublicense, contribution, lending, administrative, operating, services, management, co-branding, partnering or similar agreements related to or entered into in connection with the foregoing, and all proceeds of the foregoing, and (b) Equity Interests, and debt securities convertible into, or exchangeable for, Equity Interests, in the Brand Assets Group.

"***Brand Assets Group***" means each Subsidiary of Parent whose primary business activity is to hold, own, operate, manage, or serve Brand Assets.

"***Capital Lease***" means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"***Capital Stock***" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"***Certificate of Beneficial Ownership***" means a certificate substantially in the form attached hereto as Exhibit C.

"***Change of Control***" means the occurrence of any of the following:

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of Parent and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)); provided that the sale by the Company of all or substantially all of its properties or assets to Parent shall not constitute a Change of Control; or

(2) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any "person" (as defined above)) becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of Parent (measured by voting power rather than number of shares), other than (i) any such transaction where the Voting Stock of Parent (measured by voting power rather than number of shares) outstanding immediately prior to such transaction constitutes or is converted into or exchanged for a majority of the outstanding shares of the Voting Stock of such Beneficial Owner (measured by voting power rather than number of shares) or (ii) any merger or consolidation of the Company with or into any Person (including any "person" (as defined above)) which owns or operates (directly or indirectly through a contractual arrangement) a Permitted Business (a "Permitted Person") or a Subsidiary of a Permitted Person, in each case, if immediately after such transaction no Person (including any "person" (as defined above)) is the Beneficial Owner, directly or indirectly, of more than 50% of the total Voting Stock of such Permitted Person (measured by voting power rather than number of shares); provided that the occurrence of the Airline/Parent Merger shall not be deemed to constitute a Change of Control.

For the avoidance of doubt, the merger or consolidation, if any, of Parent with any Subsidiary of Parent or any merger or consolidation, if any, of any Subsidiary of Parent with any other Subsidiary of Parent will not constitute a "Change of Control."

"***Change of Control Offer***" has the meaning assigned to that term in Section 15(a)(i) hereof.

"***Change of Control Payment***" has the meaning assigned to that term in Section 15(a)(i) hereof.

"***Change of Control Payment Date***" has the meaning assigned to that term in Section 15(a)(ii)(b) hereof.

"***Change of Control Triggering Event***" means the occurrence of both a Change of Control and a Rating Decline.

*"**Clearstream**"* means Clearstream Banking, société anonyme, Luxembourg, or any successor securities clearing agency.

"***Closing Date***" means the date of original issuance of the Notes.

"***Consolidated Tangible Assets"*** means, at any date of determination, the total assets of Parent and its Subsidiaries as of the end of a fiscal quarter reported on the most recently prepared consolidated balance sheet of Parent filed with the SEC, less all assets shown on such consolidated balance sheet that are classified and accounted for as intangible assets of Parent or any of its Subsidiaries or that otherwise would be considered intangible assets under GAAP, including, without limitation, franchises, patents and patent applications, trademarks, brand names, unamortized debt discount and goodwill.

"***Covered Property***" means any property, tangible or intangible, real or personal, or asset of the Company or any other subsidiary of Parent, other than any Aircraft Assets, Brand Assets, SRG Assets or Loyalty Assets.

"***Equity Interests***" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

*"**Euroclear**"* means Euroclear Bank SA/NV, as operator of the Euroclear System, or any successor securities clearing agency.

"***FAA Slot***" means, in the case of airports in the United States, at any time, the right and operational authority to conduct one Instrument Flight Rule (as defined in Title 14) scheduled landing or take-off operation at a specific time or during a specific time period at any airport at which landings or take-offs are restricted, including, without limitation, slots and operating authorizations, whether pursuant to U.S. Federal Aviation Administration or U.S. Department of Transportation regulations or orders pursuant to Title 14, Title 49 or other federal statutes now or hereinafter in effect.

"***Fitch***" means Fitch, Inc., also known as Fitch Ratings, and its successors.

"***Foreign Slot***" means, in the case of airports outside the United States, at any time, the right and operational authority to conduct one landing or take-off at a specific time or during a specific time period.

"***Gate Leaseholds***" means, at any time, all of the right, title, privilege, interest, and authority now or hereafter acquired or held by the Company or any other applicable subsidiary of Parent in connection with the right to use or occupy space in an airport terminal at any airport.

"***Guarantor Obligations***" has the meaning assigned to that term in Section 13.

"***Hedging Agreement***" means any agreement evidencing Hedging Obligations.

"***Hedging Obligations***" means, with respect to any Person, all obligations and liabilities of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, fuel prices or other commodity prices, but excluding (x) clauses in purchase agreements and maintenance agreements pertaining to future prices and (y) fuel purchase agreements and fuel sales that are for physical delivery of the relevant commodity.

"***Intellectual Property***" means all (a) patents, applications for patents and statutory invention registrations, including reissues, divisions, provisionals, non-provisionals, continuations, renewals, re-examinations, extensions and continuations-in-part of the foregoing, (b) Trademarks, (c) registered or unregistered copyrights, copyrightable subject matter, works of authorship, mask works, rights of publicity and all other rights in any works of authorship and all derivative works, translations, adaptations and combinations of any of the foregoing, all applications and registrations therefor, and renewals, extensions and reversions thereof, (d) Trade Secrets, (e) designs, design registrations, design registration applications and integrated circuit topographies, (f) rights in databases and data collections, (g) moral and economic rights of authors and inventors, however denominated, (h) other intellectual property and proprietary rights in all forms and media, and all goodwill associated therewith, now known or hereafter recognized in any jurisdiction worldwide, whether registered or unregistered, and (i) similar or equivalent rights to any of the foregoing, including those arising under international treaties and convention rights.

"***Interest Payment Date***" has the meaning assigned to that term in Section 5.

"***Investment Grade***" means a rating of BBB- or better by Fitch (or its equivalent under any successor rating category of Fitch); a rating of Baa3 or better by Moody's (or its equivalent

under any successor rating category of Moody's); and a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P).

"***Lien***" means any lien (statutory or otherwise), security interest, mortgage, pledge, hypothecation, charge or similar encumbrance; provided, however, that in no event shall an operating lease, operating sublease or license be deemed to constitute a Lien.

"***Loyalty Assets***" means all assets which are primarily related to, or used or entered into in connection with, the Atmos Rewards Program, including, without limitation, (i) Intellectual Property primarily used in or required or necessary to operate the Atmos Rewards Program, (ii) license, sublicense, contribution, operating, services, lending, administrative, management or similar agreements related to or entered into in connection with the Atmos Rewards Program, (iii) co-branding, partnering or similar agreements related to or entered into in connection with the Atmos Rewards Program, (iv) data used, generated or produced as part of the Atmos Rewards Program, (v) miles, points or other units of currency under the Atmos Rewards Program, and agreements governing the sale, transfer or redemption thereof, (vi) Equity Interests, and debt securities convertible into, or exchangeable for, Equity Interests, in the Atmos Rewards Group, (vii) any cash or securities or deposit accounts related to the foregoing, and (viii) all proceeds of any of the foregoing.

"***Material Subsidiary***" means, at any date of determination, any of the Company's Subsidiaries that, together with its Subsidiaries, (i) for the Company's most recently completed four full fiscal quarters, accounted for more than 10.0% of the consolidated revenues of the Company and its Subsidiaries or (ii) as of the end of the Company's most recent fiscal quarter, was the owner of more than 10.0% of the consolidated assets of the Company and its Subsidiaries.

"***Moody's***" means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

"***MPIP***" means AS Mileage Plan IP Ltd.

"***Non-U.S. Person***" means a Person who is not a U.S. person, as defined in Regulation S.

"***Note Guarantee***" has the meaning assigned to that term in Section 13.

"***Par Call Date***" has the meaning assigned to that term in Section 8.

*"**Permanent Regulation S Global Note**"* means a permanent Global Note substantially in the form of Exhibit A bearing the applicable legends set forth in Section 10 of this Supplemental Indenture, deposited with the Trustee, as custodian for DTC, and registered in the name of DTC or its nominee, issued in exchange for beneficial interests in a Temporary Regulation S Global Note after the expiration of the Restricted Period.

"***Permitted Business***" means any business that is the same as, or reasonably related, ancillary, supportive or complementary to, the business in which the Company and its Subsidiaries are engaged on the Closing Date.

*"**Physical Note**"* means any Rule 144A Physical Note or Regulation S Physical Note.

*"**Private Placement Legend**"* means the applicable legend or legends set forth in Section 10(b)(i) hereto.

"***QIB***" means a "qualified institutional buyer," as that term is defined in Rule 144A.

"***Rating Agency***" means (1) each of Fitch, Moody's, and S&P, and (2) if any of Fitch, Moody's, or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Company's control, a "nationally recognized statistical rating organization" as defined in Section 3(a)(62) of the Exchange Act, selected by the Company (as certified by a Responsible Officer of the Company) as a replacement agency for Fitch, Moody's, or S&P, or all of them, as the case may be.

"***Rating Decline***" with respect to the Notes shall be deemed to occur if, within 60 days after public notice of the occurrence of a Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any Rating Agency providing a rating for the Notes), the rating of the Notes by each Rating Agency that initially rated the Notes and provides a rating for the Notes at such time shall be decreased by one or more gradations and in each case below Investment Grade; provided that a Rating Decline shall not be deemed to have occurred if each such Rating Agency has not expressly indicated in writing that such downgrade is as a result of such Change of Control.

"***Regulation S***" means Regulation S under the Securities Act.

*"**Regulation S Global Note**"* means any Temporary Regulation S Global Note or Permanent Regulation S Global Note.

"***Regulation S Certificate***" means a certificate substantially in the form attached hereto as Exhibit D.

*"**Regulation S Note Exchange Date**"* means, with respect to any Regulation S Global Note, the date that is after the end of the Restricted Period on which the Company receives a Certificate of Beneficial Ownership with respect to the beneficial interest in such Regulation S Global Note to be exchanged for a Regulation S Physical Note.

*"**Regulation S Physical Note**"* means any Physical Note issued in exchange for or upon transfer of a beneficial interest in a Regulation S Global Note.

*"**Resale Restriction Termination Date***" means, with respect to any Note, the date that is one year (or such other period as may hereafter be provided under Rule 144 or any successor provision thereto as permitting the resale by nonaffiliates of Restricted Securities without

restriction) after the later of the original issue date in respect of such Note and the last date on which the Company or any Affiliate of the Company was the owner of such Note.

"***Restricted Period***" means the 40-day distribution compliance period as defined in Regulation S.

"***Restricted Security***" has the meaning assigned to such term in Rule 144(a)(3) under the Securities Act; provided, however, that the Trustee shall be entitled to receive, at its request, and conclusively rely on an Opinion of Counsel with respect to whether any Note constitutes a Restricted Security.

"***Routes***" means the authority pursuant to Title 49 or other applicable law to operate scheduled service between a specifically designated pair of terminal points and intermediate points, if any, including, without limitation, applicable frequencies, exemption and certificate authorities.

"***Rule 144A***" means Rule 144A under the Securities Act.

*"**Rule 144A Global Note**"* means a permanent Global Note substantially in the form of Exhibit A bearing the applicable legends set forth in Section 10 hereto, deposited with the Trustee, as custodian for DTC, and registered in the name of DTC or its nominee, issued to a QIB in reliance on Rule 144A.

*"**Rule 144A Physical Note**"* means any Physical Note issued in exchange for or upon transfer of a beneficial interest in a Rule 144A Global Note.

"***S&P***" means S&P Global Ratings and its successors.

"***Slot***" means each FAA Slot and each Foreign Slot, as the case may be.

"***SRG Assets***" means Slots, Routes and Gate Leaseholds.

*"**Temporary Regulation S Global Note**"* means a temporary Global Note substantially in the form of Exhibit A bearing the applicable legends set forth in Section 10 hereto, deposited with the Trustee, as custodian for DTC, and registered in the name of DTC or its nominee for the accounts of participants holding on behalf of Euroclear or Clearstream, issued to a Non-U.S. Person in an offshore transaction in reliance on Regulation S.

"***Trademarks***" means all trademarks, service marks, trade names, business names, corporate names and other source or business identifiers, trade dress, look and feel, product and service names, logos, brand names, designs, slogans, common law trademarks and service marks, 800 numbers, domain names, URLs, social media usernames, handles, hashtags and account names, symbols, emblems, insignia and other distinctive identification and indicia of source of origin, whether or not registered, including all common law rights thereto, and all applications, renewals, extensions and registrations therefor, and all goodwill associated with or related to any of the foregoing or the business connected with the use of, and symbolized by, the foregoing.

"***Trade Secrets***" means confidential and proprietary information, including trade secrets (as defined under the Uniform Trade Secrets Act or the federal Defend Trade Secrets Act of 2016) and proprietary know-how, which may include all inventions (whether or not patentable), invention disclosures, methods, processes, designs, algorithms, source code, customer lists and data (including Atmos Rewards customer data), databases, compilations, collections of data, practices, processes, specifications, test procedures, flow diagrams, research and development, and formulas.

"***Treasury Rate***" means, with respect to any redemption date, the yield determined by the Company (or any quotation agent selected by the Company) in accordance with the following two paragraphs:

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "***Selected Interest Rates (Daily)—H.15***" (or any successor designation or publication) ("***H.15***") under the caption "U.S. government securities–Treasury constant maturities–Nominal" (or any successor caption or heading) ("***H.15 TCM***"). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Par Call Date (the "***Remaining Life***"); (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields–one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life–and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third Business Day preceding the redemption date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the

preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

"***Voting Stock***" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

20. Miscellaneous.

(a) Governing Law. THIS SUPPLEMENTAL INDENTURE AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK BUT WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY. THE COMPANY, PARENT AND THE TRUSTEE EACH IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE OR THE NOTES.

(b) Counterparts. The parties hereto may sign one or more copies of this Supplemental Indenture in counterparts, all of which together shall constitute one and the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile, PDF or other electronic transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile, PDF or other electronic methods shall be deemed to be their original signatures for all purposes.

(c) Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby. The Trustee makes no representation or warranty as to the validity or sufficiency of this Supplemental Indenture or as to the accuracy of the recitals to this Supplemental Indenture.

(d) Headings. The section headings herein are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties have caused this Supplemental Indenture to be duly executed as of the date first written above.

ALASKA AIR GROUP, INC.

By: /s/ Emily Halverson
Name: Emily Halverson
Title: Vice President Finance, Controller and Treasurer

ALASKA AIRLINES, INC.

By: /s/ Emily Halverson
Name: Emily Halverson
Title: Vice President Finance and Treasurer

[Signature Page to First Supplemental Indenture]

U.S. Bank Trust Company, National Association, as Trustee

By: /s/ David A. Jason
Name: David A. Jason
Title: Vice President

[Signature Page to First Supplemental Indenture]

Form of Initial Note[1]
(FACE OF NOTE)

ALASKA AIRLINES, INC.

6.500% Senior Notes due 2031

CUSIP No. [011662 AJ2][2]/ [U01148 AA0][3]
No. _____ $ _____

Alaska Airlines, Inc., an Alaska corporation (and its successors and assigns, the "Issuer"), hereby promises to pay to CEDE & CO., or its registered assigns, the principal sum of $_____ ([ ] United States Dollars)[4] (the "Principal Amount") on June 1, 2031. The Issuer hereby promises to pay interest semi-annually in arrears on June 1 and December 1 in each year, commencing December 1, 2026, at the rate of 6.500% per annum (subject to adjustment as provided below), until the Principal Amount is paid or made available for payment.

Record Dates: May 15 and November 15.

Reference is made to the further provisions of this Note contained herein, which will for all purposes have the same effect as if set forth at this place.

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1 Insert any applicable legends as provided in Section 10 of the Supplemental Indenture.
2 Insert for Rule 144A Note only.
3 Insert for Regulation S Note only.
4 Include only if the Note is issued in global form.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed.

ALASKA AIRLINES, INC.

By: __
Name:
Title:

This is one of the Notes referred to in the within-mentioned Indenture.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

By: __
Authorized Signatory

Dated:

(REVERSE OF NOTE)

(1) Interest. Alaska Airlines, Inc., an Alaska corporation (the "Issuer"), shall pay interest on the outstanding principal amount of this Note at a rate per annum of 6.500% (calculated on the basis of a 360-day year of twelve 30-day months), payable semi-annually in arrears, on each Interest Payment Date until the principal thereof has been paid in full, commencing on December 1, 2026, to the Person in whose name this Note is registered at the close of business on the Record Date next preceding such Interest Payment Date. Interest shall accrue on this Note from the most recent date to which interest on this Note has been paid or for which interest has been provided or, if no interest has been paid or provided for hereon, from May 12, 2026.

(2) Terms of Payment. Interest on the Notes which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name the Note is registered at the close of business on the Record Date next preceding such Interest Payment Date at the office or agency of the Issuer maintained for such purpose under the Indenture (as such term is defined below); provided, however, that each instalment of interest on any Note may be paid at the Issuer's option by mailing a check for such interest, payable to or upon the written order of the Person entitled thereto, to the address of such Person as it appears on the register for such Note or by wire transfer of immediately available funds to an account of the Person entitled thereto as such account shall be provided to the Registrar for such Notes and shall appear on the applicable register. Payments of principal (and premium, if any) of a Note shall be made against surrender of such Note at the office or agency of the Issuer maintained for such purpose pursuant to the Indenture at the Issuer's option by check payable to or upon the written order of the Person entitled thereto or by wire transfer to an account of the Person entitled thereto as such account shall be provided to the Registrar for such Notes. All amounts payable by the Issuer with respect to the Notes shall be in U.S. dollars.

(3) Registrar and Paying Agent. Initially, U.S. Bank Trust Company, National Association, not in its individual capacity but solely as trustee (the "Trustee"), will act as Paying Agent and Registrar for the Notes. The Issuer may remove any Paying Agent or Registrar without notice to the Holders.

(4) Indenture. The Issuer issued the Notes under the Indenture dated as of May 12, 2026 (the "Original Indenture"), among the Issuer and the Trustee, as supplemented by the First Supplemental Indenture, dated as of May 12, 2026 (the "First Supplemental Indenture"), among the Issuer, Alaska Air Group, Inc. (the "Guarantor"), and the Trustee (the Original Indenture, as supplemented by the First Supplemental Indenture, the "Indenture"). This Note is one of a duly authorized series of notes of the Issuer designated as its 6.500% Senior Notes due 2031. The Notes are initially limited in aggregate principal amount to $500,000,000. Capitalized terms herein are used as defined in the Indenture unless otherwise defined herein. The terms of the Notes include those stated in the Indenture and made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code §§ 77aaa-77bbbb) (the "TIA"), as in effect on the date of the Indenture. Notwithstanding anything to the contrary herein, the Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the TIA for a statement of them. To the extent any provision of the Notes limits, qualifies or conflicts with another provision which is required to be included in the Indenture by the TIA, the required provision shall control. Each Holder, by accepting a Note, agrees to be bound by all of the terms and provisions of the Indenture, as the same may be amended from time to time.

(5) Optional Redemption; Change of Control Repurchase.

(a) The Notes will be redeemable, at the Issuer's option, in whole or in part, at any time from time to time, pursuant to the terms of the Indenture. If the Notes are redeemed at any time prior to December 1, 2030 (the "Par Call Date"), the Notes will be redeemed at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest on such Notes (excluding accrued and unpaid interest to the redemption date, and assuming final maturity on the Par Call Date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points, plus, in either case, accrued and unpaid interest on the principal amount being redeemed, if any, up to, but not including such redemption date. On or after the Par Call Date, the Issuer may, at its option, redeem the Notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest on the principal amount being redeemed to, but not including, such redemption date. The Issuer's actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

(b) Upon the occurrence of a Change of Control Triggering Event, subject to the terms and conditions of the Indenture, each Holder of Notes will have the right to require the Issuer to purchase all or a portion (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of such Holder's Notes pursuant to a Change of Control Offer at a purchase price of 101% of the principal amount of the Notes repurchased, plus accrued and unpaid interest on the Notes repurchased to the date of purchase.

(6) Denominations; Transfer; Exchange. The Notes shall be issuable in denominations of $2,000 or an integral multiple of $1,000 in excess thereof. Where Notes are presented to the Registrar with a request to register a transfer or to exchange them for an equal principal amount of Notes, the Registrar shall register the transfer of or make the exchange if its requirements for such transactions are met. To permit registrations of transfers and exchanges, the Trustee shall authenticate the Notes at the Registrar's request. No service charge shall be made for any registration of transfer or exchange (except as otherwise expressly permitted in the Indenture), but the Issuer may require the payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than with respect to exchanges of temporary securities, securities redeemed in part, or to amend the terms of a Note). Neither the Issuer nor the Registrar shall be required (a) to register the transfer of, or exchange of any Notes for the period beginning at the opening of business fifteen days immediately preceding the mailing of a notice of redemption of any Notes selected for redemption and ending at the close of business on the day of such mailing or (b) to register the transfer of or exchange of any Notes selected, called or being called for redemption as a whole or the portion being redeemed of any such Notes selected, called or being called for redemption in part.

(7) Persons Deemed Owners. The Person in whose name a Note is registered shall be treated as the owner of it for the purpose of receiving payment of principal of (and premium, if any) and interest, if any, on this Note and for all other purposes whatsoever.

(8) Unclaimed Money. Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of principal of, or premium, if any, or interest on any Note and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to the Issuer on its request or (if then held by the Issuer) shall be discharged from such trust. Thereafter, the Holder of such Note shall look only to the Issuer for payment thereof, and all liability of the Trustee and such Paying Agent with respect to such money, and all liability of the Issuer as trustee thereof, shall cease.

(9) Satisfaction and Discharge Prior to Redemption or Stated Maturity. Subject to certain conditions, the Issuer may terminate some or all of its obligations under the

Notes and the Indenture if the Issuer deposits with the Trustee as trust funds in cash or non-callable Government Securities, or a combination thereof, in an amount sufficient to pay the principal of, and premium if any, and interest on the Notes to redemption or Stated Maturity.

(10) Amendment; Supplement; Waiver. Subject to certain exceptions, the provisions of the Indenture relating to the Notes may be amended or supplemented without notice to any Holder but with the written consent of the Holders of at least a majority in principal amount of the Notes then outstanding, and any existing Default relating to the Notes may be waived with the written consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding. Without notice to or consent of any Holder, the Issuer, the Guarantor and the Trustee may amend the Indenture as it applies to any Notes or any of the other terms of such Notes to, among other things, cure any ambiguity or correct or supplement any provision contained in the Indenture or in any Notes which may be defective or inconsistent with any other provision contained therein.

(11) Defaults and Remedies. If an Event of Default with respect to the Notes occurs and is continuing (other than an Event of Default relating to certain events of bankruptcy and similar matters with respect to the Issuer or the Guarantor), the Trustee or the Holders of at least 25% in principal amount of Notes then outstanding, by written notice to the Issuer (and to the Trustee, if such notice is given by the Holders), may declare the principal amount of, and accrued and unpaid interest on, all the Notes to be due and payable. Upon such a declaration, such amounts shall be due and payable immediately. If an Event of Default relating to certain events of bankruptcy and similar matters with respect to the Issuer or the Guarantor occurs, the principal amount of, and accrued and unpaid interest on, all the Notes shall *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. Holders of Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to the terms of the Indenture, the Trustee is not obligated to exercise any of its rights or powers under the Indenture unless the Holders have offered security or indemnity satisfactory to the Trustee. The Indenture permits, subject to certain limitations therein provided, Holders of a majority in principal amount of the Notes then outstanding to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee with respect to the Notes. The Trustee may withhold from Holders of Notes notice of any continuing Default with respect to the Notes (except a Default in payment of principal, or premium if any, or accrued and unpaid interest with respect to the Notes) in accordance with the provisions of the Indenture if it in good faith determines that withholding notice is in the interest of the Holders.

(12) Trustee Dealings With Issuer. Subject to certain limitations provided in the Indenture, the Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer or its Affiliates with the same rights it would have if it were not Trustee.

(13) No Recourse Against Others. A director, officer, employee or shareholder, as such, of the Issuer or of the Guarantor shall not have any liability for any obligations of the Issuer or the Guarantor under the Notes, the Note Guarantee or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes and the Note Guarantee.

(14) Authentication. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(15) Governing Law. The laws of the State of New York shall govern this Note and the Indenture, without regard to principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

(16) Abbreviations and Defined Terms. Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as: TEN CON (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) CUSIP Numbers. The Issuer has caused CUSIP numbers to be printed on the Notes as a convenience to the Holders of the Notes. No representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice to Holders. Reliance may be placed only on the other elements of identification printed on the Notes, and any such notice shall not be affected by any defect or omission of such CUSIP numbers.

[FORM OF CERTIFICATE OF TRANSFER]

FOR VALUE RECEIVED the undersigned holder hereby sell(s), assign(s) and transfer(s) unto

Insert Taxpayer Identification No.

(Please print or typewrite name and address including zip code of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

attorney to transfer such Note on the books of the Issuer with full power of substitution in the premises.

Check One

[ ] (a) this Note is being transferred in compliance with the exemption from registration under the Securities Act of 1933, as amended, provided by Rule 144A thereunder.

or

[ ] (b) this Note is being transferred other than in accordance with (a) above and documents are being furnished which comply with the conditions of transfer set forth in this Note and the Indenture.

If neither of the foregoing boxes is checked, the Trustee or other Note Registrar shall not be obligated to register this Note in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 3 of the Supplemental Indenture shall have been satisfied.

Date:

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee: __

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Note Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Note Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuer as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated:__ __

NOTICE: To be executed by an executive officer

OPTION OF HOLDER TO ELECT PURCHASE

If you wish to have this Note purchased by the Issuer pursuant to Section 15 of the First Supplemental Indenture, check the box: [ ].

If you wish to have only a portion of this Note purchased by the Issuer pursuant to Section 15 of the First Supplemental Indenture, state the amount (in principal amount) below:

$ __

Date: __

Your Signature: __

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee: __

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Note Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Note Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decreases in Principal Amount of this Global Note	Amount of increases in Principal Amount of this Global Note	Principal amount of this Global Note following such decreases or increases	Signature of authorized signatory of Trustee

NOTATION OF NOTE GUARANTEE

For value received, Alaska Air Group, Inc. (the "Guarantor", which term includes any successor Person under the Indenture (as defined below)) has fully and unconditionally guaranteed, to the extent set forth in the Indenture, dated as of May 12, 2026, among Alaska Airlines, Inc. (the "Issuer") and U.S. Bank Trust Company, National Association, as trustee (the "Trustee") (the "Original Indenture"), as supplemented by the First Supplemental Indenture, dated as of May 12, 2026, among the Issuer, the Guarantor, and the Trustee (the "First Supplemental Indenture") (the Original Indenture, as supplemented by the First Supplemental Indenture, the "Indenture"), the due and punctual payment of the principal of (and premium, if any) and interest, if any, on the Notes, when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon acceleration, upon tender for repayment at the option of any Holder or otherwise, according to the terms thereof and of the Indenture and all other obligations of the Issuer with respect to the Notes to the Holders or the Trustee under the Notes or the Indenture. In case of the failure of the Issuer or any successor thereto punctually to pay any such principal, premium, if any, or interest, the Guarantor hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon redemption, upon declaration of acceleration, upon tender for repayment at the option of any Holder or otherwise, as if such payment were made by the Issuer. The obligations of the Guarantor to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Section 13 of the First Supplemental Indenture.

Capitalized terms herein are used as defined in the Indenture unless otherwise defined herein.

ALASKA AIR GROUP, INC.

By: __

Name:

Title:

FORM OF CERTIFICATE OF BENEFICIAL OWNERSHIP

On or after [_____], 20[__]

U.S. Bank Trust Company, National Association
[Address]
Attention: [_____]

Re: Alaska Airlines, Inc. (the "Issuer")
6.500% Senior Notes due 2031 (the "Notes")

Ladies and Gentlemen:

This letter relates to $_____ principal amount of Notes represented by the [Temporary] Regulation S Global Note. Pursuant to Section 3 of the Supplemental Indenture dated as of May 12, 2026, relating to the Notes (as amended, supplemented or otherwise modified, the "Indenture"), we hereby certify that (1) we are the beneficial owner of such principal amount of Notes represented by the [Temporary] Regulation S Global Note and (2) we are either (i) a Non-U.S. Person to whom the Notes could be transferred in accordance with Rule 903 or 904 of Regulation S promulgated under the Securities Act of 1933, as amended (the "Act"), or (ii) a U.S. person who purchased securities in a transaction that did not require registration under the Act.

You, the Issuer and counsel for the Issuer are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[NAME OF HOLDER]

By: _____
Name:
Title:
Address:
Date: _____

FORM OF REGULATION S CERTIFICATE

U.S. Bank Trust Company, National Association
[Address]
Attention: [_____]
Re: Alaska Airlines, Inc. (the "Issuer")

6.500% Senior Notes due 2031 (the "Notes")

Ladies and Gentlemen:

In connection with our proposed sale of $_____ aggregate principal amount of Notes, we confirm that such sale has been effected pursuant to and in accordance with Regulation S ("Regulation S") under the Securities Act of 1933, as amended (the "Securities Act"), and accordingly, we hereby certify as follows:

1. The offer of the Notes was not made to a person in the United States (unless such person or the account held by it for which it is acting is excluded from the definition of "U.S. person" pursuant to Rule 902(k) of Regulation S under the circumstances described in Rule 902(h)(3) of Regulation S) or specifically targeted at an identifiable group of U.S. citizens abroad.
2. Either (a) at the time the buy order was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States or (b) the transaction was executed in, on or through the facilities of a designated offshore securities market, and neither we nor any person acting on our behalf knows that the transaction was pre-arranged with a buyer in the United States.
3. No directed selling efforts have been made in the United States in contravention of the requirements of Rule 903(a)(2) or Rule 904(a)(2) of Regulation S, as applicable.
4. The proposed transfer of Notes is not part of a plan or scheme to evade the registration requirements of the Securities Act.
5. If we are a dealer or a person receiving a selling concession or other fee or remuneration in respect of the Notes, and the proposed transfer takes place before the end of the distribution compliance period under Regulation S, or we are an officer or director of the Issuer or a distributor, we certify that the proposed transfer is being made in accordance with the provisions of Rules 903 and 904 of Regulation S.
6. If the proposed transfer takes place before the end of the distribution compliance period under Regulation S, the beneficial interest in the Notes so transferred will be held immediately thereafter through Euroclear (as defined in such Indenture) or Clearstream (as defined in such Indenture).
7. We have advised the transferee of the transfer restrictions applicable to the Notes.

You, the Issuer and counsel for the Issuer are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,
[NAME OF SELLER]

By:_____
Name:
Title:
Address:
Date: _____

SECOND AMENDMENT TO TERM LOAN CREDIT AND GUARANTY AGREEMENT SECOND

AMENDMENT TO TERM LOAN CREDIT AND GUARANTY AGREEMENT,

dated as of May 12, 2026, among AS MILEAGE PLAN IP Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands, as borrower (the "Borrower"), ALASKA AIR GROUP, INC., a Delaware corporation ("Parent"), ALASKA AIRLINES, INC., an Alaska corporation ("Alaska"), AS MILEAGE PLAN HOLDINGS LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands ("HoldCo" and, together with Parent and Alaska, the "Guarantors" and each a "Guarantor"), BANK OF AMERICA, N.A., as administrative agent for the Lenders (together with its permitted successors and assigns in such capacity, the "Administrative Agent") and BANK OF AMERICA, N.A., as the designated lender of the 2026 Incremental Term Loans referred to below (in such capacity, the "Designated 2026 Incremental Term Lender"), which shall constitute the Second Amendment (this "Second Amendment") to the Term Loan Credit and Guaranty Agreement, dated as of October 15, 2025 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time prior to the Second Amendment Effective Date (as defined below), the "Credit Agreement", and the Credit Agreement, as amended by this Second Amendment, the "Amended Credit Agreement"), among, *inter alios*, the Borrower, each Guarantor from time to time party thereto, each of the several banks and other financial institutions or entities from time to time party thereto as Lenders and the Administrative Agent.

RECITALS

A. The Borrower, the Lenders party thereto, the Administrative Agent and the other agents and arrangers party thereto are parties to the Credit Agreement. Each capitalized term used but not defined herein has the meaning assigned to such term in the Credit Agreement.

B. In accordance with Section 2.27 of the Credit Agreement, the Borrower has previously notified the Administrative Agent of its request for Incremental Commitments (the "2026 Incremental Term Loan Commitment") for $500,000,000 of Incremental Term Loans (the "2026 Incremental Term Loans") to be made available by the Designated 2026 Incremental Term Lender in the amount specified therefor on Schedule 1 hereto.

C. The Borrower, the Administrative Agent and the Designated 2026 Incremental Term Lender wish to amend the Credit Agreement to provide for (i) the incurrence of 2026 Incremental Term Loans and (ii) certain other modifications to the Credit Agreement, in each case, on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

CREDIT AGREEMENT AMENDMENTS

SECTION 1.1 Effective as of the Second Amendment Effective Date, the Borrower, the Administrative Agent and the Designated 2026 Incremental Term Lender agree that (a) the Credit Agreement is amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the bolded, underlined text (indicated textually in the same manner as

the following example: underlined text) as set forth in the pages of the Credit Agreement attached as Exhibit

A hereto and (b) a new Annex B shall be added to the Credit Agreement after Annex A thereto as set forth on Schedule 1 hereto.

ARTICLE II REPRESENTATIONS AND WARRANTIES

SECTION 2.1 To induce the Administrative Agent and the Designated 2026 Incremental Term Lender to enter into this Second Amendment and the Designated 2026 Incremental Term Lender to provide the 2026 Incremental Term Loan Commitment, the Borrower and each Guarantor represents and warrants to the Administrative Agent and the Designated 2026 Incremental Term Lender that, as of the Second Amendment Effective Date, (i) the Borrower or such Guarantor, as applicable, has the requisite corporate or limited liability company power and authority to effect the transactions contemplated by this Second Amendment and (ii) this Second Amendment, when delivered, will be a legal, valid and binding obligation of the Borrower or such Guarantor, as applicable, enforceable against the Borrower or such Guarantor, as applicable, in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

ARTICLE III

CERTAIN TERMS APPLICABLE TO THE 2026 INCREMENTAL TERM LOANS

SECTION 3.1 Subject to the satisfaction (or waiver) of the conditions set forth in Article IV hereof, the Designated 2026 Incremental Term Lender hereby agrees to make the 2026 Incremental Term Loans to the Borrower on the Second Amendment Effective Date in the aggregate principal amount of
$500,000,000.

SECTION 3.2 On the Second Amendment Effective Date, the Designated 2026 Incremental Term Lender shall fund in cash to the Borrower an amount equal to the 2026 Incremental Term Loan Commitment of the Designated 2026 Incremental Term Lender.

SECTION 3.3 The 2026 Incremental Term Loans shall be initially incurred as SOFR Term Loans. Each such Borrowing of 2026 Incremental Term Loans shall be subject to an Interest Period which commences on the Second Amendment Effective Date and ends on the next Payment Date.

SECTION 3.4 The Administrative Agent confirms it has received sufficient notice pursuant to the requirements of Section 2.27(a) of the Credit Agreement in connection with the establishment of the 2026 Incremental Term Loan Commitments.

ARTICLE IV

CONDITIONS TO EFFECTIVENESS

SECTION 4.1 Conditions Precedent. The provisions of Article I of this Second Amendment shall become effective on the date (the "Second Amendment Effective Date") when each of the following conditions specified below shall have been satisfied (or waived by the Administrative Agent and the Designated 2026 Incremental Term Lender):

(a) the Borrower, the Administrative Agent and the Designated 2026 Incremental Term Lender shall have signed a counterpart hereof (whether the same or different counterparts);

(b) (i) the representations and warranties of the Loan Parties contained in the Credit Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the Second Amendment Effective Date, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case as of such specified date); *provided* that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date; *provided*, *further*, that for purposes of this Section 4.1(b), the representations and warranties contained in Sections 3.05(b) and 3.09(a) of the Credit Agreement shall be deemed to refer to the "Parent's Annual Report on Form 10-K for 2025 or any subsequent report filed by Parent on Form 10-Q or Form 8-K with the SEC, since December 31, 2025" in lieu of the "Parent's Annual Report on Form 10-K for 2023 or any subsequent report filed by Parent on Form 10-Q or Form 8-K with the SEC, since December 31, 2023", (ii) at the time of and immediately after giving effect to this Second Amendment on the Second Amendment Effective Date, no Early Amortization Event or Event of Default shall have occurred and be continuing and (iii) the pro forma LTV Ratio (Senior Debt) immediately after giving effect to the making of the 2026 Incremental Term Loans shall not exceed 55.0%;

(c) the Administrative Agent shall have received customary written opinions of (i) Alaska's Legal Department, (ii) Debevoise & Plimpton LLP, special counsel for the Borrower and the Guarantors and (iii) Walkers, special Cayman Islands counsel, each addressed to the Administrative Agent and the Designated 2026 Incremental Term Lender, and dated the Second Amendment Effective Date;

(d) the Administrative Agent shall have received all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, that has been reasonably requested by the Administrative Agent or the Designated 2026 Incremental Term Lender in writing at least ten (10) Business Days prior to the Second Amendment Effective Date;

(e) the Administrative Agent and any applicable Lead Arrangers (as defined below) shall have received all fees and, to the extent invoiced at least two (2) Business Days prior to the Second Amendment Effective Date, all reasonable and documented out-of-pocket fees and expenses, in each case, that are required to be paid and/or reimbursed by the Borrower hereunder or under any other Loan Document or other written agreement with a Borrower relating to this Second Amendment;

(f) the Administrative Agent shall have received a Loan Request delivered in compliance with Section 2.03 of the Credit Agreement not later than 2:00 p.m. New York City time one (1) Business Day before the Second Amendment Effective Date or such shorter time as the Administrative Agent may agree; and

(g) each of the other conditions set forth in Section 4.02 of the Credit Agreement shall be satisfied or waived by the Designated 2026 Incremental Term Lender on or prior to the Second Amendment Effective Date; *provided*, that for purposes of this Section 4.1(g) and Section 4.02(b) of the Credit Agreement, the representations and warranties contained in Sections 3.05(b) and 3.09(a) of the Credit Agreement shall be deemed to refer to the "Parent's Annual Report on Form 10-K for 2025 or any subsequent report filed by Parent on Form 10-Q or Form 8-K with the SEC, since December 31, 2025" in lieu of the "Parent's Annual Report on Form 10-K for 2023 or any subsequent report filed by Parent on Form 10-Q or Form 8-K with the SEC, since December 31, 2023".

ARTICLE V

EFFECT OF AMENDED CREDIT AGREEMENT.

SECTION 5.1 Except as expressly set forth herein or in the Amended Credit Agreement, neither this Second Amendment nor the Amended Credit Agreement shall by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the Administrative Agent under the Credit Agreement, the Amended Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or the Amended Credit Agreement or any other provision of the Credit Agreement, the Amended Credit Agreement or of any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect.

SECTION 5.2 On the Second Amendment Effective Date, the provisions of this Second Amendment and the Amended Credit Agreement will become effective and binding upon, and enforceable against, the Borrower, the Guarantors, the Administrative Agent and each Lender. Upon and after the execution of this Second Amendment by each of the parties hereto, each reference in the Amended Credit Agreement to "this Agreement", "hereunder", "herein", "hereinafter", "hereto", "hereof" and words of like import referring to the Amended Credit Agreement, and each reference in the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Amended Credit Agreement.

SECTION 5.3 This Second Amendment shall constitute a Loan Document for all purposes under the Amended Credit Agreement and shall be administered and construed pursuant to the terms of the Amended Credit Agreement.

ARTICLE VI

ACKNOWLEDGEMENT AND CONSENT

SECTION 6.1 The Borrower and each Guarantor hereby acknowledges that it has reviewed the terms and provisions of this Second Amendment and consents to the amendments set forth herein. The Borrower and each Guarantor hereby confirms that each Loan Document to which it is a party and all Collateral encumbered thereby will continue to guarantee or secure, as the case may be, to the fullest extent possible in accordance with the Loan Documents the payment and performance of all Obligations under each of the Loan Documents to which it is a party, which shall include, without limitation, all obligations of the Borrower with respect to the 2026 Incremental Term Loans. The Borrower and each Guarantor acknowledges and agrees that each of the Loan Documents to which it is a party shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Second Amendment. The Borrower and each Guarantor hereby reaffirms the grant of Liens on the Collateral to secure the Obligations (including the Obligations under the 2026 Incremental Term Loans incurred pursuant to this Second Amendment) pursuant to the Collateral Documents to which it is a party.

ARTICLE VII MISCELLANEOUS

SECTION 7.1 Counterparts.This Second Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Second Amendment by electronic (e.g., ".pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Second Amendment. The words "execution", "signed", "signature", and words of like import in this Second Amendment shall be deemed to include

electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability

as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 7.2 Notices; Governing Law; Waiver of Jury Trial; Severability; Jurisdiction; Consent to Service of Process. THIS SECOND AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK. Sections
10.01, 10.05, 10.09 and 10.15 of the Amended Credit Agreement are hereby incorporated by reference herein, *mutatis mutandis*.

SECTION 7.3 Headings. Headings used herein are for convenience of reference only, are not part of this Second Amendment and are not to affect the construction of, or to be taken into consideration in interpreting, this Second Amendment.

SECTION 7.4 Lead Arrangers. The Borrower has appointed (a) each of Bank of America, N.A., Citibank, N.A. and Morgan Stanley Senior Funding, Inc. to act as a joint lead arranger, (b) each of Goldman Sachs Bank USA, BNP Paribas Securities Corp., U.S. Bank National Association and Barclays Bank PLC to act as a bookrunner and (c) Bank of China, New York Branch to act as co-manager (collectively, the "Lead Arrangers"), in each case with respect to this Second Amendment and the transactions contemplated hereby.

SECTION 7.5 Entire Agreement. This Second Amendment, together with the Credit Agreement and the other Loan Documents, embodies the entire agreement and understanding among the parties with respect to the subject matter hereof and thereof and supersedes all other prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be duly executed by their respective officers as of the day and year first above written.

BORROWER:

AS MILEAGE PLAN IP LTD.

By: /s/ Emily Halverson
Name: Emily Halverson
Title: Director

[Signature Page to Second Amendment]

GUARANTORS:

ALASKA AIR GROUP, INC.

By: /s/ Emily Halverson
Name: Emily Halverson
Title: Vice President Finance, Controller and Treasurer

ALASKA AIRLINES, INC.

By: /s/ Emily Halverson
Name: Emily Halverson
Title: Vice President Finance and Treasurer

[Signature Page to Second Amendment]

AS MILEAGE PLAN HOLDINGS LTD.

By: /s/ Emily Halverson
Name: Emily Halverson
Title: Director

[Signature Page to Second Amendment]

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Carolen Alfonso Vice

[Signature Page to Second Amendment]

Name: Carolen Alfonso Vice
Title: President

[Signature Page to Second Amendment]

BANK OF AMERICA, N.A., as the Designated 2026 Incremental Term Lender

By: /s/ Reese Morikubo

Name: Reese Morikubo
Title: Senior Vice President

[Signature Page to Second Amendment]

Exhibit A

CONFORMED CREDIT AGREEMENT

[To be attached]

EXECUTION VERSION

EXHIBIT A

TERM LOAN CREDIT AND GUARANTY AGREEMENT

dated as of October 15, 2024 among

AS MILEAGE PLAN IP LTD.,
as Borrower,

ALASKA AIR GROUP, INC., ALASKA AIRLINES, INC.
and
AS MILEAGE PLAN HOLDINGS LTD.,
as Guarantors,

THE LENDERS PARTY HERETO, BANK OF AMERICA, N.A.,

as Administrative Agent,

BANK OF AMERICA, N.A.,
as Sole Structuring Agent,

BANK OF AMERICA, N.A., CITIBANK, N.A.,
as Joint Lead Arrangers and Joint Bookrunners,

GOLDMAN SACHS BANK USA, MORGAN STANLEY SENIOR FUNDING, INC.,
as Joint Lead Bookrunners and Arrangers,

BARCLAYS BANK PLC,
BNP PARIBAS SECURITIES CORP.,
U.S. BANK NATIONAL ASSOCIATION
as Bookrunners,

LOOP CAPITAL MARKETS LLC, PJT ADVISORS,

as Co-Managers and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Collateral Administrator

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TERM LOAN CREDIT AND GUARANTY AGREEMENT, dated as of October 15, 2024, among AS MILEAGE PLAN IP LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands, as borrower (the "**Borrower**"), ALASKA AIR GROUP, INC., a Delaware corporation ("**Parent**"), ALASKA AIRLINES, INC., an Alaska corporation ("**Alaska**"), AS MILEAGE PLAN HOLDINGS LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands ("**HoldCo**" and, together with Parent and Alaska, the "**Guarantors**" and each a "**Guarantor**"), each of the several banks and other financial institutions or entities from time to time party hereto as a lender (the "**Lenders**"), BANK OF AMERICA, N.A., as administrative agent for the Lenders (together with its permitted successors and assigns in such capacity, the "**Administrative Agent**"), and
U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as collateral administrator (in such capacity, together with its permitted successor and assigns in such capacity, the "**Collateral Administrator**").

INTRODUCTORY STATEMENT

The Borrower has initially applied to the Lenders for a term loan facility of $750,000,000 as set forth herein.

On the Second Amendment Effective Date, the Borrower is willing to incur the additional 2026 Incremental Term Loans in an aggregate principal amount of $500,000,000.

The proceeds of the Term Loans will be used to pay related transaction costs, fees and expenses, to fund the Term Loan Reserve Account (as defined below) and to fund the Collection Account (as defined below) and such proceeds of the Term Loans deposited into the Collection Account will be used by the Borrower to provide the Alaska Intercompany Loan (as defined below) to Alaska.

Accordingly, the parties hereto hereby agree as follows:

SECTION 1.

DEFINITIONS

Section 1.01 Defined Terms. Unless otherwise defined herein, terms defined in the Collateral Agency and Accounts Agreement shall have the same meaning when used herein (including in the introductory statement) notwithstanding any termination thereof. When used herein, the following terms shall have the following meanings:

"**2026 Incremental Term Loan Commitment**" shall mean the Term Loan Commitment of the 2026 Incremental Term Loan Lender to make the 2026 Incremental Term Loans pursuant to the Second Amendment.

"**2026 Incremental Term Loan Commitment Schedule**" shall mean the schedule of 2026 Incremental Term Loan Commitments of the 2026 Incremental Term Lender as set forth on Annex B hereto.

"**2026 Incremental Term Loan Lender**" shall mean each Lender having a 2026 Incremental Term Loan Commitment or, as the case may be, with an outstanding 2026 Incremental Term Loan.

"**2026 Incremental Term Loans**" shall be the Incremental Term Loans incurred pursuant to the Second Amendment.

"**40 Act**" shall mean the Investment Company Act of 1940, as amended.

"**ABR Term Loan**" shall mean any Term Loan bearing interest at a rate determined by reference to the Alternate Base Rate.

"**Account Control Agreements**" shall mean each multi-party security and control agreement entered into by any Grantor to satisfy the obligation of such Grantor as set forth in any Senior Secured Debt Document, the Master Collateral Agent or Collateral Administrator, as applicable, and a financial institution which maintains one or more Deposit Accounts or Securities Accounts of such Grantor that have been pledged as Collateral hereunder or under any other Loan Document, in each case giving the Master Collateral Agent or Collateral Administrator, as applicable, "control" (as defined in Section 9-104 or 9-106 of the UCC) over the applicable account and in form and substance reasonably satisfactory to the Collateral Controlling Party and the Master Collateral Agent or Collateral Administrator, as applicable (it being agreed that no such agreement shall require the Master Collateral Agent or the Collateral Administrator to indemnify a depositary bank in such party's individual capacity).

"**Administrative Agent**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Administrator**" means Walkers Fiduciary Limited in its capacity as administrator or service provider under each Administration Agreement and any successor thereto or assignee thereof.

"**Administration Agreement**" means each of (i) the administration agreement, dated on or about the Closing Date, between, among others, the Borrower and the Administrator,
(ii) the administration agreement, dated on or about the Closing Date, between , among others, MPHL and the Administrator, in each case relating to the provision by the Administrator of certain corporate, share trustee, director and administration services to the SPV Parties.

"**Affected Financial Institution**" shall mean (a) any EEA Financial Institution or
(b) any UK Financial Institution.

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

Affiliate of the Borrower or any Guarantor. A specified Person shall not be deemed to control another Person solely because such specified Person has the right to determine the aircraft flights operated by such other Person under a code sharing, capacity purchase or similar agreement. No entity shall be deemed an Affiliate of any Loan Party solely because Walkers Fiduciary Limited or any of its Affiliates acts as administrator, registered office provider or share trustee or provides independent director services to such entity.

"**Agents**" shall mean each of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and the Depositary.

"**Aggregate Exposure**" shall mean, with respect to any Lender at any time, ~~an amount equal to (a) until the funding of the Initial Term Loans, the aggregate amount of such Lender's Term Loan Commitments at such time and (b) thereafter~~ the sum of, (i) the aggregate then outstanding principal amount of such Lender's Term Loans and (ii) the aggregate amount of such Lender's Term Loan Commitments with respect to each Class of Term Loans (if any) then in effect.

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

"**Agreement**" shall mean this Term Loan Credit and Guaranty Agreement. "**Airline/Parent Merger**"

shall mean the merger or consolidation, if any, of

Parent with any Subsidiary of Parent.

"**Airlines Business Intellectual Property**" shall mean any and all Intellectual Property used in connection with the operation of the airline business of Parent and its Subsidiaries that, even if used in connection with the Mileage Plan Program, would be required or necessary to operate the airline business of Parent and its Subsidiaries in the absence of a Loyalty Program, including, without limitation, the following Intellectual Property: (a) the Horizon Air, Hawaiian Airlines, Alaska and Alaska Airlines marks and ALK as a stock symbol, together with any translations, logos or designs for the foregoing; (b) the alaskaair.com domain name registration and website (including all content and source code that is not otherwise Mileage Plan Intellectual Property) and Alaska's social media accounts; (c) the Alaska mobile app and (d) trademarks and domain names used in connection with Alaska's lounges or clubs.

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

"**Alaska**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Alaska Agreements**" shall have the meaning given to such term in the definition

of "Alaska Case Milestones".

"**Alaska Bankruptcy Event**" shall mean (a) Alaska (i) commences a voluntary case or proceeding under any Bankruptcy Law or (ii) consents to the entry of an order for relief against it in an involuntary case under any Bankruptcy Law or (b) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (i) is for relief against Alaska, (ii) appoints a receiver, restructuring officer, trustee, liquidator, provisional liquidator, custodian, conservator or other similar official of Alaska for all or substantially all of its property, or (iii) orders the liquidation of Alaska, and in each case under clause (b) the order or decree remains unstayed and in effect for sixty (60) consecutive days.

"**Alaska Business Agreements**" shall have the meaning given to such term in the definition of "Mileage Plan Agreements".

"**Alaska Case Milestones**" shall mean that, after the commencement of any institution of any proceeding under any Bankruptcy Law (the "**Bankruptcy Case**") of Alaska:

(a) each Loan Party shall continue to perform its respective obligations under the Loan Documents, the Alaska Intercompany Note, the Intercompany Agreements, the IP Agreements and all Material Mileage Plan Agreements to which such Loan Party is party (collectively, the "**Alaska Agreements**") and there shall be no material interruption in the flow of funds under the Alaska Agreements in accordance with the terms thereunder; provided, that (i) the performance by the Loan Parties under this clause (a) shall in all respects be subject to any applicable materiality qualifiers, cure rights and/or grace periods provided for under the respective Alaska Agreements, and (ii) the Loan Parties shall have forty-five (45) days from the Petition Date (as defined below) to cure any failure to perform that requires court authorization to perform;

(b) the debtors in respect of the Bankruptcy Case (the "**Debtors**") shall file with the applicable U.S. bankruptcy court (the "**Bankruptcy Court**"), within fifteen (15) days of the date of petition in respect of the Bankruptcy Case (the "**Petition Date**"), a customary and reasonable motion to assume the Intercompany Agreements, the IP Agreements and all Material Mileage Plan Agreements to which such Loan Party is party under section 365 of the Bankruptcy Code and continue to perform all obligations under all the Alaska Agreements (the "**Assumption Motion**"), and shall thereafter pursue (including by contesting any objections to) the approval of the Assumption Motion;

the Bankruptcy Court shall have entered a customary and reasonable final order (the "**Assumption Order**") granting the Assumption Motion, within sixty (60) days after the Petition Date, and such Assumption Order shall not be amended, stayed (unless the party seeking a stay has posted a cash bond pledged in favor of the Senior Secured Parties and the secured parties in respect of any other Priority Lien Debt (the "**Cash Bond**") in an amount equal to or greater than the maximum amount of the License Termination Payment (as defined in the HoldCo-to-Alaska Data IP

Sublicense) that could be asserted if the HoldCo-to-Alaska Data IP Sublicense were to terminate (without reduction for any potential mitigation)), vacated, or

~~5~~

reversed;

(c) the parties agree and acknowledge that the Assumption Motion and Assumption Order shall be customary and reasonable and the Assumption Order shall provide, among other things, that: (i) the Debtors are authorized to assume the Intercompany Agreements, the IP Agreements and all Material Mileage Plan Agreements to which such Loan Party is party and perform all obligations under the Alaska Agreements and implement actions contemplated thereby and, pursuant to the Assumption Order, will assume the Intercompany Agreements, the IP Agreements and all Material Mileage Plan Agreements to which such Loan Party is party pursuant to section 365 of the Bankruptcy Code; (ii) the Alaska Agreements are binding and enforceable against the parties thereto in accordance with their terms, without exception or amendment; (iii) any amounts payable under the Alaska Agreements are actual and necessary costs and expenses of preserving the Debtors' estates and shall be entitled to priority as an allowed administrative expenses of the Debtors pursuant to sections 503(b) and 507(a)(2) of the Bankruptcy Code; (iv) the Debtors must cure any defaults under the Alaska Agreements as a condition to assumption; and (v) the Debtors are authorized to take any action necessary to implement the terms of the Assumption Order;

(d) each of the Debtors and each other Loan Party (i) shall not take any action to materially interfere with the assumption of or performance under the Alaska Agreements, or support any other Person to take any such action; and (ii) shall take all steps commercially reasonably necessary, to contest any action that would materially interfere with the assumption or performance of the Alaska Agreements, including, without limitation, litigating any objections and/or appeals;

(e) each of the Debtors and each other Loan Party (i) shall not file any motion seeking to avoid, disallow, subordinate, or recharacterize any obligation under the Alaska Agreements and (ii) shall take all steps commercially reasonably necessary, to contest any action that would seek to avoid, disallow, subordinate, or recharacterize any obligation under the Alaska Agreements, including, without limitation, litigating any objections and/or appeals;

(f) in the event there is an appeal of the Assumption Order:

(i) if the appeal has not been dismissed within sixty (60) days, then (A) the Term Loan Reserve Account Required Balance shall increase by an amount equal to the product of (x) the Term Loans' Pro Rata Share and (y) $15,000,000 per month as long as such appeal is pending, up to a cap in an amount equal to the product of (x) the Term Loans' Pro Rata Share and (y) $300,000,000, and (B) such additional amounts accrued pursuant to clause (A) above shall be released to Alaska within five (5) Business Days after the end of such appeal; and

the Debtors shall pursue a court order requiring any appellants to post a Cash Bond in an amount equal to or greater than the maximum amount of the License Termination Payment (as

defined in the HoldCo-to-Alaska Data IP Sublicense) that could be asserted if the HoldCo-to-Alaska Data IP Sublicense were to terminate (without reduction for any potential mitigation), to an account held solely for the sole benefit of

the Senior Secured Parties and the secured parties in respect of any other Priority Lien Debt;

(g) the Bankruptcy Case shall not be, and is not converted into, a case under chapter 7 of the Bankruptcy Code; and

(h) any plan of reorganization filed or supported by any Debtor shall expressly provide for assumption or reinstatement, as applicable, of all of the Alaska Agreements and reinstatement or replacement of each of the related obligations and/or guarantees, subject to applicable cure periods.

For the avoidance of doubt, notwithstanding the foregoing, during the pendency of and following any stay or appeal of the Assumption Order, each Loan Party must continue to perform all obligations under the Alaska Agreements, including making any and all payments under the Alaska Agreements in accordance with the terms thereof and as described above and, in the event of any such payment default (subject to any applicable cure or grace periods under the applicable Alaska Agreements), nothing shall limit any of the Lenders' rights and remedies including but not limited to any termination rights under the Alaska Agreements.

"**Alaska Intercompany Loan**" shall mean one or more loans made by the Borrower to Alaska pursuant to the Alaska Intercompany Note with the proceeds of the Term Loans and any other Senior Secured Debt incurred on or after the Closing Date.

"**Alaska Intercompany Note**" shall mean the promissory note(s) evidencing the Alaska Intercompany Loan.

"**Alaska Security Agreement**" shall mean that certain Security Agreement, dated as of the Closing Date, among Alaska and the Master Collateral Agent.

"**Alaska Traveler Related Data**" shall mean (a) data generated, produced or acquired as a result of the issuance, modification or cancellation of customer tickets from Alaska or for flights on Alaska, including data in or derived from "Passenger Name Records" (including name and contact information) associated with flights on Alaska, (b) payment-related information, (c) customer login to the alaskaair.com website or any successor website and (d) a customer's flight-related experience, but excluding in the case of clause (a) information that would not be generated, produced, collected or acquired in the absence of a Loyalty Program. The parties acknowledge and agree that customer name, contact information (including name, mailing address, email address, and phone numbers), Mileage Plan ID number or login and communication and promotion opt-ins (as described in clause (b) of the definition of "Mileage Plan Member Profile Data") (to the extent that such communication and promotion opt-ins are not specific to the Mileage Plan Program) are included in both Mileage Plan Customer Data and Alaska Traveler Related Data (it being understood that Parent and its Subsidiaries shall be entitled to continue marketing their airline business in the ordinary course).

"**All-In Yield**" shall mean, as to any debt, the yield thereof, whether in the form of interest rate, margin, original issue discount, upfront fees, SOFR or Alternate Base Rate, or

otherwise, in each case, incurred or payable by the Borrower generally to all the lenders of such Indebtedness; provided that upfront fees and original issue discount shall be equated to an interest rate based upon an assumed four year average life to maturity (e.g., 100 basis points of original issue discount equals 25 basis points of interest rate margin for a four year average life to maturity); provided, further, that "**All-In Yield**" shall exclude any structuring, ticking, unused line, commitment, amendment, consent, underwriting, syndication and arranger fees, other similar fees and other fees not generally paid to all lenders and, if applicable, consent fees paid generally to consenting lenders.

"**Alternate Base Rate**" shall mean, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day, (b) the sum of the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) Term SOFR for a one-month tenor in effect on such day plus 1%; *provided*, in no event shall the Alternate Base Rate be less than 1.00%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"**Anti-Corruption Laws**" shall mean all laws, rules and regulations of the United States applicable to Alaska or its Subsidiaries from time to time intended to prevent or restrict bribery or corruption.

"**Applicable Law**" shall have the meaning given such term in Section 10.13. "**Applicable Margin**"

shall mean (i) with respect to the Initial Term Loans (a)

that are SOFR Term Loans, a rate per annum equal to 1.75% and (b) that are Alternate Base Rate Loans, a rate per annum equal to 0.75% and (ii) with respect to the 2026 Incremental Term Loans (a) that are SOFR Term Loans, a rate per annum equal to 2.00% and (~~*provided* that when used in connection with the~~b) that are Alternate Base Rate ~~"**Applicable Margin**" shall mean~~Loans, a rate per annum equal to 1.00%).

"**Applicable Trigger Event**" shall mean, any voluntary prepayment of the 2026 Incremental Term Loans or any mandatory prepayment under clauses (a) or (e) of Section 2.12 of all, or any part, of the principal balance of any ~~Term Loan~~2026 Incremental Term Loan, with the proceeds of, or any conversion of 2026 Incremental Term Loans into, any new or replacement Class of, or new facility of, syndicated term loans by the Borrower in the principal amount of the 2026 Incremental Term Loans prepaid, replaced or converted and secured by the Collateral (including Replacement Term Loans or other term loans under this Agreement) having an "effective yield," determined by the Administrative Agent in consultation with the Borrower (taking into account interest rate margin and benchmark floors, recurring fees and all upfront or similar fees or original issue discount (amortized over four years) paid to the lenders providing such Indebtedness, but excluding any arrangement, structuring, syndication or other fees payable in connection therewith that are not shared ratably with all lenders or holders of such term loans in their capacities as lenders or holders of such term loans), less than the "effective yield" applicable to the 2026 Incremental Term Loans being prepaid, replaced or converted (determined on the same basis as provided in the immediately preceding

parenthetical), in each case, whether in whole or in part and whether before or after the occurrence of an Event of Default or the

commencement of any institution of any proceeding under any Bankruptcy Law. For the avoidance of doubt, any prepayment as a result of an Early Amortization Event or an Event of Default (including as a result of the commencement of any institution of any proceeding under any Bankruptcy Law) shall not constitute an "Applicable Trigger Event".

"**Appraisal**" shall mean an appraisal of the value of the Collateral by an Approved Appraisal Firm delivered by the Borrower to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent pursuant to Section 5.23.

"**Approved Appraisal Firm**" shall mean each of MBA Aviation, BDO, BK Associates, Inc. and Duff & Phelps, LLC (or any of their respective successors or assigns) or any other entity proposed by Alaska that is reasonably acceptable to the Administrative Agent.

"**Approved Fund**" shall have the meaning given such term in Section 10.02(b). "**Approved Independent Director List**" shall mean the list of no fewer than four (4) individuals that are eligible to act as an Independent Director for the SPV Parties attached hereto as Schedule 1.01(d), which may be updated from time to time by the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) by providing written notice to the Borrower; *provided* that, with respect to the initial list attached hereto as Schedule 1.01(d) and any updates thereto made by the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) thereafter, the relevant SPV Party may, upon providing thirty (30) days' prior written notice to the Master Collateral Agent, reject up to two (2) listed individuals for any reason, and the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) may thereafter amend the list to replace such individuals; *provided further* that in all cases, the Approved Independent Director List shall only include individuals who satisfy the Independent Director Criteria.

"**Approved Replacement Independent Director**" shall mean, at any time, each individual listed on the Approved Independent Director List at such time; *provided* that if the ordinary shareholder(s) of an SPV Party reasonably disagrees that none of the individuals listed on the Approved Independent Director List (i) satisfy clause (c) in the definition of the Independent Director Criteria or (ii) are willing to act as Independent Director at a compensation level reasonably customary for directors of this type (it being agreed that the compensation level commensurate with that of the Independent Director the vacancy of which is being filled shall be deemed reasonably customary), then the ordinary shareholder(s) of the relevant SPV Party may appoint any other Person who meets the Independent Director Criteria as a replacement Independent Director.

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

"**Archived Mileage Plan Member Profile Data**" shall have the meaning given to such term in Section 4.03(b).

"**Assigned Mileage Plan Agreement Rights**" shall mean:

(a) all of Alaska's rights to receive payments under or with respect to each Mileage Plan Agreement (other than any Intercompany Agreements) and all payments due and to become due thereunder (including all of Alaska's present and future "accounts", "payment intangibles" and "general intangibles" (as each such term is defined in the UCC in effect from time to time in each relevant jurisdiction) arising under such Mileage Plan Agreement), and

(b) all of Alaska's other rights, title and interest in, to and under each Mileage Plan Agreement (but not its obligations thereunder except, in the case of the Bank of America Co-Branded Agreement, to the extent set forth in the Bank of America Co-Branded Consent) other than any Intercompany Agreements;

Provided, that, if the aggregate amount of payments in cash attributable to the Retained Agreements are greater than or equal to 15.0% of the Mileage Plan Revenue for the preceding four Quarterly Reporting Periods, Alaska shall designate its right to receive payment under one or more Retained Agreements as, and thereafter such designated rights shall constitute, Assigned Mileage Plan Agreement Rights (but, for the avoidance of doubt, shall not be required to transfer such rights to the Borrower) such that the aggregate amount of payments in cash produced by the Retained Agreements not so designated or otherwise transferred is less than 15.0% of the Mileage Plan Revenue in such period (on a pro forma basis); and

Provided, further, that all Assigned Mileage Plan Agreement Rights shall be assigned only to the extent they are permitted to be assigned pursuant to the terms of the relevant Mileage Plan Agreement or Retained Agreement (or any other agreement between Alaska and the counterparty thereto) or, if such assignment is not permitted pursuant to the terms of the relevant Mileage Plan Agreement or Retained Agreement (or such other agreement), then to the extent such rights, title and interest in, to and under such Mileage Plan Agreement or Retained Agreement may be assigned notwithstanding the terms of such agreement pursuant to the applicable provisions of the UCC (including, without limitation, Sections 9-406 and 9-408) of any relevant jurisdiction.

"**Assignment and Acceptance**" shall mean an assignment and acceptance entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 10.02), and accepted by the Administrative Agent, substantially in the form of Exhibit C or in any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent and Alaska.

"**Assumption Motion**" shall have the meaning given to such term in the definition of "Alaska Case Milestones".

"**Assumption Order**" shall have the meaning given to such term in the definition of "Alaska Case Milestones".

"**Available Funds**" shall mean, with respect to any Payment Date, the sum of (i) the Term Loans' Pro Rata Share of funds allocated pursuant to the Collateral Agency and Accounts Agreement for such Payment Date and transferred from the Collection Account to the Term Loan Payment Account on or prior to such Payment Date pursuant to the Collateral Agency and Accounts Agreement, (ii) any amounts transferred to the Term Loan Payment Account from the Term Loan Reserve Account for application on such Payment Date, and (iii) any other amount deposited into the Term Loan Payment Account by or on behalf of the Borrower on or prior to such Payment Date.

"**Available Tenor***"* shall mean, as of any date of determination and with respect to the then-current Benchmark, as applicable, if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof), that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.09(d).

"**Bail-In Action**" shall mean the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bank of America Co-Branded Agreement**" shall mean that certain Third Amended and Restated Alaska Airlines Affinity Card Agreement dated as of January 1, 2013 (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time).

"**Bank of America Co-Branded Consent**" means the Loyalty Partner Consent to Assignment, dated on or around the date hereof, between Bank of America, N.A. (together with its successors and assigns permitted under the terms of the Bank of America Co-Branded Agreement), Alaska (together with its successors and assigns permitted under the terms of the Bank of America Co-Branded Agreement), the Borrower and U.S. Bank Trust Company, National Association, as Master Collateral Agent.

"**Bankruptcy Code**" shall mean the Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq.

"**Bankruptcy Court**" shall have the meaning given to such term in the definition of "Alaska Case Milestones".

"**Bankruptcy Event**" shall mean, with respect to any Person, such Person becomes the subject of a bankruptcy, liquidation, provisional liquidation, winding-up, restructuring, reorganization, foreclosure, arrangement or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors, liquidator, provisional liquidator, restructuring officer or similar Person charged with the reorganization, liquidation, provisional liquidation or restructuring of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, *provided* that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, *provided*, *further*, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

"**Bankruptcy Law**" shall mean the Bankruptcy Code or any similar federal, state or foreign law relating to reorganization, restructuring, arrangement, adjustment, winding-up, liquidation (including provisional liquidation), dissolution, composition or other debtor relief, including, without limitation, Part V and sections 86-88 (inclusive) of the Companies Act (as amended) of the Cayman Islands and the Companies Winding Up Rules (as amended) of the Cayman Islands, each as amended from time to time, and any bankruptcy, insolvency, winding up, liquidation (including provisional liquidation), restructuring, reorganization or similar law enacted under the laws of the Cayman Islands or any other applicable jurisdiction.

"**Benchmark**" shall mean, initially, the Term SOFR Reference Rate; *provided* that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.09(a).

"**Benchmark Replacement**" shall mean, with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) Daily Simple SOFR; or

the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by

the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S.

dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, if the Benchmark Replacement would be less than 0.00%, the Benchmark Replacement will be deemed to be 0.00% for the purposes of this Agreement and the other Loan Documents.

"**Benchmark Replacement Adjustment**" shall mean, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

"**Benchmark Replacement Date**" shall mean the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; *provided* that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, if such Benchmark is a term rate, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" shall mean the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if such Benchmark is a term rate, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" shall mean the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.09 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.09.

"**Beneficial Owner**" shall have the meaning set forth in Rule 13d-3 and Rule 13d-5 under the Exchange Act. The terms "**Beneficially Owns**" and "**Beneficially Owned**" have a corresponding meaning.

"**Beneficial Ownership Certification**" shall mean a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"**Beneficial Ownership Regulation**" shall mean 31 C.F.R. § 1010.230. "**Benefit Plan**" shall mean 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 Section 3(42) of ERISA 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**" shall mean, with respect to any party, an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"**Board**" shall mean the Board of Governors of the Federal Reserve System of the United States.

"**Board of Directors**" shall mean:

1. with respect to a corporation or an exempted company, the board of directors of the corporation or exempted company, as applicable, or any committee thereof duly authorized to act on behalf of such board;

2. with respect to a partnership, the board of directors of the general partner of the partnership;

3. with respect to a limited liability company, the managing member or members, manager or managers or any controlling committee of managing members or managers thereof; and

4. with respect to any other Person, the board or committee of such Person serving a similar function.

"**Borrower**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Borrowing**" shall mean the incurrence of a single Class of Term Loans made from all the applicable Lenders on a single date.

"**Borrower-to-HoldCo Data IP License**" means that certain Intellectual Property (Data) License Agreement, dated on or prior to the Closing Date and in the form attached as Exhibit G-2, between the Borrower, as licensor, and HoldCo, as licensee.

"**Business Day**" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City, or such other domestic city in which the corporate trust office of the Collateral Administrator, Master Collateral Agent or the Depositary is located (in each case, as set forth in Section 10.01(a), as such locations may be updated pursuant to Section 10.01(c)) are required or authorized to remain closed; *provided*, that, when used in connection with the borrowing or repayment of a SOFR Term Loan, the term "**Business Day**" shall also exclude any day which is not a U.S. Government Securities Business Day.

"**Capital Lease Obligation**" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized and reflected as a liability on a balance sheet prepared in accordance with GAAP, and the stated maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"**Capital Markets Offering**" shall mean any offering of "securities" (as defined under the Securities Act) in (a) a public offering registered under the Securities Act, or (b) an offering not required to be registered under the Securities Act (including, without limitation, a private placement under Section 4(a)(2) of the Securities Act, an exempt offering pursuant to Rule 144A and/or Regulation S of the Securities Act and an offering of exempt securities).

"**Cash Bond**" shall have the meaning given to such term in the definition of "Alaska Case Milestones".

"**Cash Equivalents**" shall mean:

(1) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the federal government of the United States (or by any agency or instrumentality thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;

(2) direct obligations of state, provincial and local government entities, in each case maturing within one year from the date of acquisition thereof, which have, at the date of such acquisition, a rating of at least A- (or the equivalent thereof) from S&P or Fitch or A-3 (or the equivalent thereof) from Moody's;

(3) obligations of domestic or foreign companies and their subsidiaries, including, without limitation, bills, notes, bonds, debentures, and mortgage-backed securities, in each case maturing within one year from the date of acquisition thereof and which have, at the date of such acquisition, a rating of at least A- (or the equivalent thereof) from S&P or Fitch or A-3 (or the equivalent thereof) from Moody's;

commercial paper maturing within 365 days from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 (or the equivalent thereof) from S&P or Fitch or P-2 (or the equivalent thereof) from Moody's;

(4) certificates of deposit, banker's acceptances, banker's discount notes, time deposits, US Dollar time deposits or overnight bank deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any other commercial bank of recognized standing organized under the laws of the United States or any state thereof or the District of Columbia that has a combined capital and surplus and undivided profits of not less than $100,000,000;

(5) fully collateralized repurchase agreements with a term of not more than six months for underlying securities that would otherwise be eligible for investment;

(6) Investments in money in an investment company organized under the 40 Act, or in pooled accounts or funds offered through mutual funds, investment advisors, banks and brokerage houses which invest 95% of their assets in obligations of the type described in clauses (1) through (6) above, including money market funds or short-term and intermediate bonds funds;

(7) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the 40 Act or with the criteria set forth in National Instrument 81-102—Mutual Funds, as amended, (ii) are rated AAA (or the equivalent thereof) by S&P or Fitch or Aaa (or the equivalent thereof) by Moody's and (iii) have portfolio assets of at least $500,000,000;

(8) deposits available for withdrawal on demand with commercial banks organized in the United States having capital and surplus in excess of $100,000,000;

(9) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A- (or the equivalent thereof) by S&P or Fitch or A-3 (or the equivalent thereof) by Moody's; and

(10) any other securities or pools of securities that are classified under GAAP as cash equivalents or short-term investments on a balance sheet.

"**Cayman Share Mortgages**" shall mean (i) the Cayman Islands law governed equitable mortgage over shares in the Borrower, dated the Closing Date, between HoldCo and the Master Collateral Agent and (ii) the Cayman Islands law governed equitable mortgage over shares in HoldCo, dated the Closing Date, between Alaska and the Master Collateral Agent.

"**Certificate Re: Non-Bank Status**" shall have the meaning given to it in Section 2.16(g).

"**CFC**" shall mean "controlled foreign corporation" within the meaning of Section 957(a) of the Code; *provided*, for the avoidance of doubt, that no SPV Party shall be considered to be a CFC.

"**Change in Law**" shall mean, after the date hereof, (a) the adoption of any law, rule or regulation after the date of this Agreement (including any request, rule, regulation, guideline, requirement or directive 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 II or Basel III) or
(b) compliance by any Lender (or, for purposes of Section 2.14(b), by any lending office of such Lender through which Term Loans are issued or maintained or by such Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that, notwithstanding anything herein to the contrary, the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof shall be deemed to be a "**Change in Law**," regardless of the date enacted, adopted, issued or implemented.

"**Class**", when used in reference to any Term Loan or Borrowing, shall refer to whether such Term Loan, or the Term Loans comprising such Borrowing, are Initial Term Loans, 2026 Incremental Term Loans or Incremental Term Loans that are ~~not~~neither Initial Term Loans nor 2026 Incremental Term Loans. In addition, any extended tranche of Term Loans shall constitute a Class of Loans separate from which they were converted. Notwithstanding anything to the contrary, any Term Loans having the exact same terms and conditions shall be deemed a part of the same Class.

"**Closing Date**" shall mean the date on which this Agreement has been executed and the conditions precedent set forth in Section 4.01 have been satisfied or waived.

"**Code**" shall mean the United States Internal Revenue Code of 1986, as amended from time to time.

"**Collateral**" shall mean the assets and properties of the Grantors upon which Liens have been granted to the Master Collateral Agent or the Collateral Administrator to secure the Obligations, including without limitation all of the "**Collateral**" as defined in the Collateral Documents, but excluding all such assets and properties released from such Liens pursuant to the applicable Collateral Document or otherwise constituting Excluded Property.

"**Collateral Administrator**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Collateral Administrator and Master Collateral Agent Fee Letter**" shall have the meaning set forth in Section 2.19.

"**Collateral Agency and Accounts Agreement**" shall mean that certain Collateral Agency and Accounts Agreement dated as of the Closing Date and substantially in the

form attached as Exhibit A among the Borrower, each Grantor from time to time party thereto, the Depositary, the Collateral Administrator, each other Senior Secured Debt Representative (as defined therein) from time to time party thereto and the Master Collateral Agent.

"**Collateral Custodian**" shall mean U.S. Bank, National Association, as account bank with respect to the Term Loan Payment Account and the Term Loan Reserve Account, together with its permitted successors and assigns in such capacity.

"**Collateral Documents**" shall mean, collectively, any Account Control Agreements, the Security Agreement, the Alaska Security Agreement, each IP Security Agreement, the Collateral Agency and Accounts Agreement, the Cayman Share Mortgages and other agreements, instruments or documents that create or purport to create a Lien in favor of the Master Collateral Agent or the Collateral Administrator for the benefit of the Secured Parties, in each case, so long as such agreement, instrument or document shall not have been terminated in accordance with its terms.

"**Collateral Sale**" shall mean the Disposition of any Collateral.

"**Collection Account**" shall mean the account of the Borrower held at the Depositary with the account name: "AS Mileage Plan IP Ltd", account number: 138110571838, and which account is established and maintained at the Seattle, Washington office of the Depositary and under the control of the Master Collateral Agent pursuant to the Collateral Agency and Accounts Agreement.

"**Collections**" shall mean, with respect to any Quarterly Reporting Period, the aggregate amount of Transaction Revenues deposited in the Collection Account during such Quarterly Reporting Period. For the avoidance of doubt, (i) Permitted Deposit Amounts and (ii) any other funds in the Collection Account not constituting Transaction Revenues shall not constitute Collections.

"**Communication**" means this Agreement, any Loan Document and any document, any amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to any Loan Document.

"**Conforming Changes**" shall mean, with respect to either the use or administration of Term SOFR Reference Rate or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period," or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods and other technical, administrative or operational matters) that the Administrative Agent decides in consultation with the Borrower may be appropriate to reflect the adoption and implementation of any such Benchmark Replacement or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with

market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides in consultation with the Borrower is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"**Contingent Payment Event**" shall mean any indemnity, termination payment or liquidated damages under a Mileage Plan Agreement, an IP Agreement or an Intercompany Agreement.

"**Contribution Agreements**" shall mean each of the agreements set forth on Schedule 1.01(a) and each other contribution, assignment or transfer agreement entered into after the date hereof pursuant to which Alaska and HoldCo contribute, assign or transfer (i) all of their respective rights, title and interest in and to the Mileage Intellectual Property that each of Alaska and HoldCo, respectively, own or purport to own, or later develop or acquire and own (excluding the Specified Intellectual Property), (ii) all of their respective rights to establish, create, organize, initiate, participate, operate, assist, benefit from, promote or otherwise be involved in or associated with, in any capacity, the Mileage Plan Program or any other customer loyalty miles program or any similar customer loyalty program (other than with respect to a Specified Minority Owned Program or a Permitted Acquisition Loyalty Program), and (iii) all of their respective Assigned Mileage Plan Agreement Rights, in each case, directly or indirectly to the Borrower (it being understood that any such contributed property will be transferred subject to existing third party use rights to such contributed property under the Mileage Plan Agreements).

"**Corresponding Tenor**" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

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

"**Covered Party**" shall have the meaning set forth in Section 10.21. "**Cure Amounts**"

shall have the meaning set forth in Section 2.24.

"**Currency**" shall mean miles, points and/or other units that are a medium of exchange constituting a convertible, virtual and private currency that is tradable property and that can be sold or issued.

"**Daily Simple SOFR**" with respect to any applicable determination date means the SOFR published on such date on the Federal Reserve Bank of New York's website (or any

successor source).

"**Data IP Licenses**" means (a) the HoldCo-to-Alaska Data IP Sublicense and (b) the Borrower-to-HoldCo Data IP License.

"**Data Protection Laws**" shall mean all laws, rules and regulations applicable to each applicable Loan Party or Subsidiary thereof regarding privacy, data protection and data security, including with respect to the collection, storage, transmission, transfer (including cross-border transfers), processing, encryption, security, safeguarding, loss, disclosure and use of Personal Data (including Personal Data of employees, contractors, customers, loan applicants and third parties), On-line Tracking Data, and email and mobile communications, including any approvals or notices required in connection therewith.

"**Dated Mileage Plan Member Profile Data**" shall mean, as of any date, Mileage Plan Member Profile Data set forth in clauses (d) and (e) of the definition thereof that was generated more than three years before such date.

"**Day Count Fraction**" shall mean, the actual number of days elapsed over a year of 360 days (or, when the Alternate Base Rate is applicable, a year of 365 days or 366 days in a leap year).

"**Debtors**" shall have the meaning given to such term in the definition of "**Alaska Case Milestones**".

"**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.

"**Debt Service Coverage Ratio (Senior Debt)**" shall mean, with respect to any Determination Date, the ratio obtained by dividing (i) the sum (without duplication) of (x) the aggregate amount of Collections deposited to the Collection Account during the related DSCR Measurement Period and (y) Cure Amounts deposited to the Collection Account on or prior to such Determination Date (and which remain on deposit in the Collection Account on such Determination Date) by (ii) the Semi-Annual Debt Service (Senior Debt) for such Determination Date; *provided*, *however*, that any amounts due during a Quarterly Reporting Period but deposited into the Collection Account no later than the Determination Date related to such Quarterly Reporting Period may at the Borrower's option upon notice to the Master Collateral Agent and the Administrative Agent, be treated as if such amounts were on deposit in the Collection Account as of the end of such Quarterly Reporting Period and if so treated, such amounts shall not be considered Collections for any other Payment Date for purposes of the Debt Service Coverage Ratio (Senior Debt) calculation.

"**Debt Service Coverage Ratio (Senior Debt and Junior Debt)**" means, with respect to any Determination Date, the ratio obtained by dividing (i) the sum (without duplication) of (x) the aggregate amount of Collections deposited to the Collection Account

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during the related DSCR Measurement Period and (y) Cure Amounts deposited to the Collection Account during the DSCR Measurement Period (and which remain on deposit in the Collection Account on such Determination Date) by (ii) the Semi-Annual Debt Service (Senior Debt and Junior Debt) for such Determination Date; *provided*, *however*, that any amounts due during a Quarterly Reporting Period but deposited into the Collection Account no later than the Determination Date related to such Quarterly Reporting Period may at the Borrower's option upon notice to the Master Collateral Agent and the Administrative Agent, be treated as if such amounts were on deposit in the Collection Account as of the end of such Quarterly Reporting Period and if so treated, such amounts shall not be considered Collections for any other Payment Date for purposes of the Debt Service Coverage Ratio (Senior Debt and Junior Debt) calculation.

"**Debt Service Coverage Ratio Test**" shall be satisfied as of any Determination Date if the Debt Service Coverage Ratio (Senior Debt) is not less than (i) for the Determination Dates in April 2025, July 2025 and October 2025, 1.25 to 1.00; (ii) for the Determination Dates in January 2026, April 2026, July 2026 and October 2026, 1.50 to 1.00; and (iii) for any Determination Date thereafter, 1.75 to 1.00; provided that, the Debt Service Coverage Ratio Test shall be deemed to be satisfied on the Determination Date occurring in January 2025.

"**Deeds of Undertaking**" shall mean (i) the deed of undertaking to be entered into on or about the date hereof among the Borrower, HoldCo, the Master Collateral Agent and Walkers Fiduciary Limited and (ii) the deed of undertaking to be entered into on or about the date hereof among HoldCo, Alaska, the Master Collateral Agent and Walkers Fiduciary Limited.

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

"**Default Interest**" shall have the meaning specified in Section 2.08.

"**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**" shall mean, at any time, any Lender (including any Agent in its capacity as a Lender) that (a) has failed, within two (2) Business Days of the date required to be funded or paid by it hereunder, to fund or pay (x) any portion of the Term Loans or (y) any other amount required to be paid by it hereunder to the Administrative Agent or any other Lender (or its banking Affiliates), (b) has notified the Borrower, Alaska, the Administrative Agent or any other Lender in writing, or has made a public statement (verbally or in writing) to the effect, that it does not intend or expect to comply with any of its funding obligations (i) under this Agreement (unless such notification or public statement states that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied (other than as a result of the action or inaction of such Lender)) or (ii) on or prior to the Closing Date (or with respect to the funding of any Incremental Term Loans, on or prior to such funding date), generally under other agreements

in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by the Administrative Agent, any other Lender or the Borrower, acting in good faith, to provide a confirmation in writing from an

authorized officer or other authorized representative of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Term Loans under this Agreement, *provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the Administrative Agent's, such other Lender's or the Borrower's, as applicable, receipt of such confirmation in form and substance satisfactory to it, the Administrative Agent and the Borrower, or (d) has become, or has had its Parent Company become, the subject of a Bankruptcy Event or a Bail-In Action. If the Administrative Agent determines that a Lender is a Defaulting Lender under any of clauses (a) through (d) above, such Lender will be deemed to be a Defaulting Lender upon notification of such determination by the Administrative Agent to the Borrower and the Lenders.

"**Depositary**" shall mean Bank of America, N.A. in its capacity as Depositary for all Priority Lien Debt under the Collateral Agency and Accounts Agreement.

"**Determination Date**" shall mean, with respect to any Quarterly Reporting Period, the Payment Date occurring in the immediately succeeding fiscal quarter, unless an Early Amortization Period is in effect as of the last day of such Quarterly Reporting Period, in which case it shall mean the third Business Day preceding such Payment Date.

"**Direct IP License**" means that certain Intellectual Property (Direct) License Agreement, dated on or prior to the Closing Date and in the form attached as Exhibit G-3, between the Borrower, as licensor, and Alaska, as licensee.

"**Direction of Payment**" shall mean a notice to each counterparty of a Mileage Plan Agreement (other than the Intercompany Agreement), substantially in the form of Exhibit F, which shall include instructions to such counterparties to pay all amounts due to Alaska, the Borrower or any of their respective Affiliates under the applicable Mileage Plan Agreement directly to the Collection Account.

"**Disposition**" shall mean, with respect to any property, any sale, lease, sale and leaseback, conveyance, transfer or other disposition thereof. The terms "**Dispose**" and "**Disposed of**" shall have correlative meanings.

"**DSCR Measurement Period**" means, with respect to any Determination Date, the period comprised of (a) the most recently completed Quarterly Reporting Period and (b) the Quarterly Reporting Period immediately preceding such most recently completed Quarterly Reporting Period.

"**Disqualified Lender**" shall mean (a) any Person identified by Alaska in writing to the Administrative Agent on or prior to the Closing Date and (b) any Person that is or becomes a competitor of Alaska or the Borrower or is a vendor or manufacturer in respect of Alaska or the Borrower and, in each case, is designated by Alaska as such in a writing provided to the Administrative Agent prior to or after the Closing Date, including, in each case, reasonably identifiable (solely on the basis of name) Affiliates thereof.

"**Dollars**" and "**$**" shall mean lawful money of the United States of America. "**DOT**" shall mean the United States Department of Transportation and any successor thereto.

"**Early Amortization Cure**" shall be deemed to occur on, (a) in the case of an Early Amortization Event that arises under clause (a) of the definition thereof, earlier of (i) the date Cure Amounts related to the Early Amortization Event have been deposited to the Collection Account and (ii) the first day of the Quarterly Reporting Period following the Quarterly Reporting Period related to the Determination Date on which the Debt Service Coverage Ratio is satisfied, (b) in the case of an Early Amortization Event that arises under clause (b) of the definition thereof, the date on which the balance in the Term Loan Reserve Account is at least equal to the Term Loan Reserve Account Required Balance, (c) in the case of an Early Amortization Event under clause (c) or clause (d) of the definition thereof, the date that no Event of Default under this Agreement or "Event of Default" under and as defined in any other Senior Secured Debt Document, as applicable, shall exist or be continuing.

"**Early Amortization Event**" shall mean the occurrence of any of the following events:

(a) the Debt Service Coverage Ratio Test is not satisfied on the related Determination Date as set forth in the report to be delivered pursuant to Section 5.01(d);

(b) the balance in the Term Loan Reserve Account is less than the Term Loan Reserve Account Required Balance on any Payment Date after giving effect to the deposits set forth in Section 2.10(b) hereof on such Payment Date;

(c) the Borrower has received written notice or has actual knowledge that an Event of Default shall have occurred; or

(d) the Borrower has received written notice or has actual knowledge that a Senior Secured Debt Event of Default shall have occurred under any other Senior Secured Debt Document.

"**Early Amortization Payment**" shall mean, with respect to any Payment Date, if an Early Amortization Period was in effect as of the last day of the most recently completed Quarterly Reporting Period, an amount equal to the lesser of:

(i) 50% of the excess of:

the Term Loans' Pro Rata Share of the sum of (1) the aggregate amount of Collections received in the Collection Account during such Quarterly Reporting Period *minus* (2) if such Early Amortization Period was not in effect on the first day of such Quarterly Reporting Period,

the aggregate amount of Collections received in the Collection Account during such Quarterly Reporting Period prior to the first day of such Early Amortization Period *plus* (3)

any Cure Amounts attributable to such Quarterly Reporting Period deposited in the Collection Account on or prior to the related Determination Date,

over

(A) the amount as most recently estimated by Alaska to be distributed pursuant to Section 2.10(b)(i) through (viii) on the related Payment Date;

and

(ii) the amount necessary to pay the outstanding principal balance of the Term Loans (and accrued interest thereon) in full; provided that, in each case, if an Early Amortization Cure has occurred on or prior to such Payment Date or the Early Amortization Period is otherwise no longer in effect as of such Payment Date, the "Early Amortization Payment" with respect to such Payment Date shall be zero.

"**Early Amortization Period**" shall mean the period commencing on the occurrence of an Early Amortization Event, and ending on the earlier of (a) the date (if any) on which the Early Amortization Cure is consummated and (b) the date all Obligations (other than contingent obligations not due and owing) have been paid in full in cash.

"**EEA Financial Institution**" shall mean (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**" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" shall mean 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**" shall mean (a) a commercial bank having total assets in excess of $1,000,000,000, (b) a finance company, insurance company or other financial institution or fund, in each case reasonably acceptable to the Administrative Agent, which in the ordinary course of business extends credit of the type contemplated herein or invests therein and has total assets in excess of $200,000,000 and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or Section 406 of ERISA, (c) any Lender or any Affiliate of any Lender, (d) an Approved Fund of any Lender, (e) any other Person (other than a Defaulting Lender, Disqualified Lender or natural Person or a holding company,

investment vehicle or trust for, or owned and operated by or for the primary benefit of natural persons or any Affiliates of the foregoing) reasonably satisfactory to the Administrative Agent

and, so long as no Event of Default under Section 7.01(b), 7.01(f), 7.01(g) or 7.01(o) has occurred and is continuing, the Borrower and (f) solely with respect to assignments of Term Loans and solely to the extent permitted pursuant to Section 10.02(g), the Borrower; *provided* that, no Defaulting Lender or Disqualified Lender shall constitute an "Eligible Assignee", in each case unless otherwise consented by the Borrower, provided further that no natural person or, except as provided in clauses (e) and (f) above, no subsidiary of Alaska shall constitute an "Eligible Assignee".

"**Eligible Deposit Account**" shall mean (a) a segregated deposit account maintained with a depository institution or trust company whose short term unsecured debt obligations are rated at least, if rated by S&P, A-1 by S&P, if rated by Moody's, P-1 by Moody's, and, if rated by Fitch, F-1 by Fitch, (b) a segregated account which is maintained with a depository institution or trust company whose long term unsecured debt obligations are rated at least, if rated by S&P, A by S&P, if rated by Moody's, A2 by Moody's and, if rated by Fitch, BBB- by Fitch or (c) a segregated trust account maintained in the corporate trust department of a federally or state chartered depository institution whose long-term unsecured debt obligations are rated at least, if rated by S&P, A by S&P, if rated by Moody's, A2 by Moody's and, if rated by Fitch, BBB- by Fitch, subject to regulations regarding fiduciary funds on deposit substantially similar to 12 C.F.R. §9.10(b) in effect on the date hereof.

"**Environmental Laws**" shall mean all applicable laws (including common law), statutes, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions or legally binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating to the protection of the environment, preservation or reclamation of natural resources, the handling, treatment, storage, disposal, Release or threatened Release of, or the exposure of any human (including employees) to, any Hazardous Materials.

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

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

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

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that, together with Alaska, is treated as a single employer under Section 414(b) or (c) of the Code, or solely for purposes of Section 302 of ERISA and Section 412 and 430 of the Code, is treated as a single employer under Section 414 of the Code.

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

"**EU Bail-In Legislation Schedule**" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"**Event of Default**" shall have the meaning given such term in Section 7.01. "**Excess Disposition Proceeds**" shall have the meaning set forth in Section 2.12(c)

"**Excess Proceeds**" shall have the meaning set forth in Section 2.12(b). "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended. "**Excluded Intellectual Property**" shall mean all (a) Intellectual Property other than the Mileage Plan Intellectual Property and (b) Alaska Traveler Related Data.

"**Excluded Property**" has (a) with respect to Collateral granted by an SPV Party, the meaning set forth in the Security Agreement, and (b) with respect to Collateral granted by Alaska, the meaning set forth in the Alaska Security Agreement.

"**Excluded Taxes**" shall mean, with respect to any Agent, any Lender or any other recipient of any payment to be made by or on account of any Obligation of the Borrower or any Guarantor hereunder or under any Loan Document, (a) any Taxes imposed on (or measured

by) its net income, gross receipts, profits or capital (in each case, however denominated), and any franchise or similar Taxes, imposed by the United States of America or any political subdivision thereof or by any jurisdiction under the laws of which such recipient is organized or in which its principal office is located or in which it conducts or is deemed to conduct business (other than solely as a result of the transactions contemplated herein) or, in the case of any Lender, in which its applicable lending office is located, (b) any Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such Taxes (other than a connection arising solely from such recipient's having executed, delivered, enforced, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to, or enforced, this Agreement or any Loan Document, or sold or assigned an interest in this Agreement or any Loan Document), (c) any Taxes caused by such Person's gross negligence or willful misconduct or any breach of such Person's obligations contained herein, (d) any branch profits Taxes imposed by the United States of America or any similar Tax imposed by any other jurisdiction described in clause (a) above, (e) in the case of a Lender, any withholding Tax or gross income Tax that is imposed on amounts payable to or for the account of such Lender at the time such Lender becomes a party to this Agreement (or designates a new lending office), except, and then only to the extent that, such Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding Tax pursuant to Section 2.16(a), (f) any withholding Tax that is attributable to such recipient's failure to deliver the documentation described in Section 2.16(f), 2.16(g), 2.16(h), or 2.16(k) and (g) any withholding Tax that is imposed by reason of FATCA.

"**Extended Term Loan**" shall have the meaning set forth in Section 2.28(a)(ii). "**Extension**" shall have the meaning set forth in Section 2.28(a).

"**Extension Amendment**" shall have the meaning set forth in Section 2.28(d). "**Extension Offer**" shall have the meaning set forth in Section 2.28(a). "**Extension Offer Date**" shall have the meaning set forth in Section 2.28(a)(i).

"**Extraordinary Resolution**" has the meaning ascribed to such term in the Specified Organization Documents of each SPV Party, as applicable.

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

"**Facility**" shall mean each of the Term Loan Commitments and the Term Loans made thereunder.

"**Fair Market Value**" shall mean the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by an officer of Alaska or Parent (unless otherwise provided in this Agreement); *provided* that any such officer of Alaska or Parent shall be permitted to consider the

circumstances existing at such time (including, without limitation, economic or other conditions affecting the United States airline industry generally and any relevant legal compulsion, judicial proceeding or administrative order or the possibility thereof) in determining such Fair Market Value in connection with such transaction.

"**FATCA**" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement, any amended or successor provisions that are similar thereto and not materially more onerous to comply with, any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreements, treaty or convention among Governmental Authorities and implementing any of the foregoing (together with any Requirement of Law implementing such agreement involving any U.S. or non-U.S. regulations, fiscal or regulatory legislation, rules, guidance notes or practices adopted pursuant to any intergovernmental agreement or official guidance).

"**Federal Funds Effective Rate**" shall mean, for any day, the rate calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; *provided* that, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"**Fee Letter**" shall have the meaning set forth in Section 2.19. "**Fees**" shall collectively

mean the fees referred to in Section 2.19.

"**Finance Lease Obligation**" shall mean, as applied to any Person, an obligation that is required to be accounted for as a finance or capital lease (and not an operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a finance or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

"**First Amendment**" shall mean the First Amendment to Term Loan Credit and Guaranty Agreement, dated as of the First Amendment Effective Date, among the Borrower, the Administrative Agent and the Lenders party thereto.

"**First Amendment Effective Date**" shall mean August 6, 2025.

"**Fitch**" shall mean Fitch Ratings, Inc., also known as Fitch Ratings, and its successors.

"**Foreign Lender**" shall mean any Lender that is organized under the laws of a jurisdiction other than the United States of America, any State thereof or the District of Columbia.

"**Fraudulent Transfer Laws**" shall have the meaning set forth in Section 2.05(a). "**FSHCO**" shall mean any Subsidiary substantially all the assets of which consist of equity interests (including, for this purpose, any debt or other instrument treated as equity for U.S. federal income tax purposes) in one or more (a) CFCs and/or (b) other Subsidiaries substantially all the assets of which consist (directly or indirectly) of equity interests (including, for this purpose, any debt or other instrument treated as equity for U.S. federal income tax purposes) in one or more CFCs; *provided* that no SPV Party shall be considered to be a FSHCO.

"**GAAP**" shall mean generally accepted accounting principles in the United States of America, which are in effect from time to time, including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, statements and pronouncements of the Financial Accounting Standards Board, such other statements by such other entity as have been approved by a significant segment of the accounting profession and the rules and regulations of the SEC governing the inclusion of financial statements in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the SEC.

"**Governmental Authority**" shall mean the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank organization, or other entity exercising executive, legislative, judicial, taxing or regulatory powers or functions of or pertaining to government. Governmental Authority shall not include any Person in its capacity as an Airport Authority.

"**Grantor**" shall mean each Loan Party that shall at any time pledge Collateral under a Collateral Document.

"**GS**" shall have the meaning set forth in the first paragraph of this Agreement. "**Guarantee**" means a guarantee (other than (a) by endorsement of negotiable instruments for collection or (b) customary contractual indemnities, in each case in the ordinary course of business), direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions).

"**Guaranteed Obligations**" shall have the meaning given such term in Section 9.01(a).

"**Guarantors**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Hazardous Materials**" shall mean all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas and all other substances or wastes of any nature that are regulated as hazardous pursuant to, or, due to their hazardous qualities, could reasonably be expected to give rise to liability under any Environmental Law.

"**Hedging Obligations**" means, with respect to any Person, all obligations and liabilities of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, fuel prices or other commodity prices, but excluding (x) clauses in purchase agreements and maintenance agreements pertaining to future prices and (y) fuel purchase agreements and fuel sales that are for physical delivery of the relevant commodity.

"**HoldCo**" shall have the meaning set forth in the first paragraph of this Agreement.

"**HoldCo-to-Alaska Data IP Sublicense**" shall mean that certain Intellectual Property (Data) Sublicense Agreement, dated on or prior to the Closing Date and in the form attached as Exhibit G-1, between HoldCo, as licensor, and Alaska, as licensee.

"**Increase Effective Date**" shall have the meaning set forth in Section 2.27(a). "**Increase Joinder**" shall have the meaning set forth in Section 2.27(c). "**Incremental Commitments**" shall have the meaning set forth in Section

2.27(a).

"**Incremental Lender**" shall have the meaning set forth in Section 2.27(a). "**Incremental Term Loans**" shall have the meaning set forth in Section 2.27(a). "**Indebtedness**" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed, but excluding in any event trade payables arising in the ordinary course of business; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person. Indebtedness shall be calculated without giving effect to the effects of Financial Accounting Standards Board Accounting Standards Codification 815 – Derivatives and Hedging and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Agreement as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"**Indemnified Taxes**" shall mean Taxes, other than Excluded Taxes, imposed on or with respect to any payments made by the Borrower or any Guarantor under this Agreement or any other Loan Document.

"**Indemnitee**" shall have the meaning given such term in Section 10.04(b). "**Indenture**" shall have the

meaning set forth in the Collateral Agency and

Accounts Agreement.

"**Independent Director**" shall mean, at any time with respect to any SPV Party, a director of such SPV Party that (1)(a) is appointed as Independent Director on the Closing Date and satisfies the Independent Director Criteria at such time or (b) is an Approved Replacement Independent Director that has been selected by the ordinary shareholder(s) of such SPV Party and (2) is a duly appointed "Independent Director" under and as defined in the constitutional documents of such SPV Party.

"**Independent Director Criteria**" shall mean criteria that shall be satisfied only in respect of a natural person that (a) is a director who has prior experience as an independent director, independent manager or independent member with at least three years of employment

experience; (b) either is approved by both Alaska and the Administrative Agent or is provided by a company nationally recognized in the United States or the Cayman Islands for providing professional independent managers, that is not an Affiliate of any Loan Party or the Master Collateral Agent and that provides professional independent managers or directors and other corporate services in the ordinary course of its business, and which individual is duly appointed as an Independent Director; and (c) is not, and has never been, and will not while serving as Independent Director be, any of the following: (i) a member, partner, equityholder, manager, director, officer or employee of the Borrower or any of its equityholders, the Master Collateral Agent or any Affiliates of the foregoing (other than (A) equity ownership in Alaska which (x) constitutes an immaterial amount of Alaska stock and (y) is not material to the net worth of such Independent Director or (B) as an Independent Director of any SPV Party or any other Affiliate of the Borrower that is required by a creditor to be a single purpose bankruptcy-remote entity, *provided* that such Person either is approved by the Administrative Agent or is employed by a company that routinely provides professional independent managers or directors); (ii) a creditor, supplier or service provider (including provider of professional services) to the Borrower, the Master Collateral Agent or any of their respective equityholders or Affiliates (other than a nationally recognized company that routinely provides professional independent managers or directors and other corporate services to the Borrower, the Master Collateral Agent or any of their respective equityholders or Affiliates in the ordinary course of business); (iii) a family member of any such member, partner, equityholder, manager, director, officer, employee, creditor, supplier or service provider; or (iv) a Person that controls (whether directly, indirectly or otherwise) any of clause (i), (ii) or (iii) above.

"**Initial Lenders**" shall mean each Lender having a Term Loan Commitment for an Initial Term Loan or, as the case may be, an outstanding Initial Term Loan.

"**Initial 2026 Incremental Term Loan Amortization Date**" shall mean with respect to the 2026 Incremental Term Loans, the Payment Date in July, 2026.

"**Initial Term Loan**" shall have the meaning given such term in Section 2.01. "**Intellectual Property**"

shall mean all issued patents and patent applications,

registered trademarks or service marks and applications to register any trademarks or service marks, brand names, trade dress, registered copyrights and applications for registration of copyrights, Trade Secrets, domain names, social media accounts and other intellectual property, whether registered or unregistered, including unregistered copyrights in software and source code and applications to register any of the foregoing.

"**Intercompany Agreements**" shall mean all currently existing or future agreements between Alaska and its Subsidiaries governing (a) the sale, transfer or redemption of Miles, or (b) the provision of services by Alaska or any of its Subsidiaries to the Borrower in connection with the Mileage Plan Program including: the Intercompany Agreement, dated as of the Closing Date, between Alaska and the Borrower, which, for the avoidance of doubt, is the only Intercompany Agreement in effect on the Closing Date.

"**Intercreditor Agreement**" shall mean any Junior Lien Intercreditor Agreement and the Collateral Agency and Accounts Agreement.

"**Interest Distribution Amount**" shall mean, with respect to each Payment Date, the sum for each Class of Term Loans of the amount equal to (a) the product of (i) the applicable Interest Rate for the related Interest Period, *multiplied by* (ii) the Day Count Fraction, *multiplied by* (iii) the outstanding principal amount of Term Loans of such Class as of the first day of the related Interest Period, *plus* (b) any unpaid Interest Distribution Amounts in respect thereof from prior Payment Dates *plus*, to the extent permitted by law, interest thereon at the applicable Interest Rate for each day such unpaid amount was outstanding during the related Interest Period.

"**Interest Period**" shall mean for each Payment Date, the three-month (if applicable) period from and including the Payment Date immediately preceding such Payment Date (or, (a) in the case of any Initial Term Loans funded on the Closing Date, with respect to the initial Payment Date, the Closing Date or, (b) in the case of the 2026 Incremental Term Loans, with respect to the first Payment Date following the initial Borrowing of such 2026 Incremental Term Loans, the Second Amendment Effective Date) to but excluding such Payment Date.

"**Interest Rate**" shall mean the rate of interest applicable to each Term Loan as set forth in Section 2.07(a), as such rate may be modified by Section 2.08 or Section 2.09.

"**Investment Grade**" shall mean a rating of BBB- or better by Fitch (or its equivalent under any successor rating category of Fitch); a rating of Baa3 or better by Moody's (or its equivalent under any successor rating category of Moody's); and a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P).

"**Investments**" shall mean, with respect to any Person, all direct or indirect investments made from and after the Closing Date by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees), capital contributions or advances (but excluding advance payments and deposits for goods and services and similar advances to officers, employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities of other Persons, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP.

"**IP Agreements**" shall mean (a) the Contribution Agreements, (b) the IP Licenses, (c) the IP Management Agreement, and (d) each other contribution agreement, license or sublicense related to the Mileage Plan Intellectual Property that is required to be entered into after the Closing Date pursuant to the terms of the Loan Documents and mutually specified as an "IP Agreement".

"**IP Licenses**" shall mean (a) the Data IP Licenses and (b) the Direct IP License. "**IP Management Agreement**" shall mean that certain Management Agreement, dated the Closing Date and substantially in the form of Exhibit H hereto, among the Borrower,

the IP Manager and the Master Collateral Agent pursuant to which the IP Manager will provide certain services to the Borrower with respect to Mileage Plan Intellectual Property.

"**IP Manager**" shall mean Alaska (or any of its affiliates to the extent a permitted successor or assign), in its capacity as IP Manager under the IP Management Agreement, or any Successor Manager (as such term is defined under the IP Management Agreement).

"**IP Security Agreements**" shall have the meaning set forth in the Security Agreement.

"**Junior Lien Debt**" shall mean, any Indebtedness owed to any other Person, so long as (i) such Indebtedness is expressly subordinated in right of payment to the Priority Lien Debt in the agreement, indenture or other instrument governing such Indebtedness and in a Junior Lien Intercreditor Agreement, (ii) the Liens on the Collateral securing such Indebtedness are subordinated to the Liens on the Collateral securing the Term Loans, and such Indebtedness of the Loan Parties shall be subordinated to the Term Loans, in each case pursuant to a Junior Lien Intercreditor Agreement, (iii) the Weighted Average Life to Maturity of such Indebtedness shall be no shorter than the remaining Weighted Average Life to Maturity of the existing Term Loans, (iv) the maturity date for such Indebtedness shall be at least 91 days after the Latest Maturity Date, and (v) the terms and conditions governing such Indebtedness of the Loan Parties shall (a) be reasonably acceptable to the Administrative Agent or (b) not be materially more restrictive, when taken as a whole, on the SPV Parties (as determined in good faith by the Borrower), than the terms of the then-outstanding Term Loans (except for (x) terms that are conformed (or added) in the Loan Documents for the benefit of the Lenders holding then-outstanding Term Loans pursuant to an amendment hereto or thereto subject solely to the reasonable satisfaction of the Borrower and the Administrative Agent, (y) covenants, events of default and guarantees applicable only to periods after the Latest Maturity Date (as of the date of the incurrence of such Junior Lien Debt) and (z) pricing, fees, rate floors, premiums, optional prepayment or redemption terms) unless the Lenders under the then-outstanding Term Loans, receive the benefit of such more restrictive terms; *provided* that (A) in no event shall such Indebtedness be subject to events of default, mandatory prepayment or acceleration resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Alaska Bankruptcy Event" (or the occurrence of any such event with respect to any Subsidiary of Alaska other than any SPV Party) except on the same terms as the then-outstanding Term Loans and (B) any such Indebtedness shall include separateness provisions regarding each SPV Party substantially similar to the provisions of Section 5.07.

"**Junior Lien Debt Documents**" shall mean any documents, instruments, notes, credit agreements, purchase agreements or other agreements entered into in connection with the incurrence or issuance of any Junior Lien Debt.

"**Junior Lien Secured Amortization Amount**" means, with respect to any Payment Date, the sum of the "Scheduled Principal Amortization Amounts" (as such term, or

such similar or analogous term, is defined in the other applicable Junior Lien Debt Documents) that will be due on such Payment Date for each series of Junior Lien Debt (but excluding, for the

avoidance of doubt, any balloon or bullet payments of all or substantially all of the principal amount thereof at final maturity thereof).

"**Latest Maturity Date**" shall mean, at any date of determination, the latest maturity date of any then-outstanding Term Loan or of any other Priority Lien Debt.

"**Lead Arrangers**" shall mean, collectively, Bank of America, N.A., Citibank, N.A., Morgan Stanley Senior Funding, Inc., Goldman Sachs Bank USA, Barclays Bank plc, BNP Paribas Securities Corp., U.S. Bank National Association and Loop Capital Markets LLC.

"**Lenders**" shall have the meaning set forth in the first paragraph of this Agreement.

"**Lien**" shall mean (a) any mortgage, deed of trust, pledge, deed to secure debt, hypothecation, security interest, easement (including, without limitation, reciprocal easement agreements and utility agreements), rights-of-ways, reservations, encroachments, zoning and other land use restrictions, claim or any other title defect, lease, encumbrance, restriction, lien or charge of any kind whatsoever and (b) the interest of a vendor or a lessor under any conditional sale, capital lease or other title retention agreement (or any Finance Lease Obligations having substantially the same economic effect as any of the foregoing, but in any event not in respect of any Non-Finance Lease Obligations).

"**Loan Documents**" shall mean this Agreement, the Collateral Documents, the Fee Letter, any promissory notes executed in favor of a Lender and any other instrument or agreement (which is designated as a Loan Document therein) executed and delivered by any Loan Party to the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or any Lender.

"**Loan Parties**" shall mean the Borrower and the Guarantors.

"**Loan Request**" shall mean a request by the Borrower, executed by a Responsible Officer of the Borrower, for a Term Loan in accordance with Section 2.03 in substantially the form of Exhibit D.

"**Loyalty Program**" shall mean any customer loyalty program available to individuals (i.e., natural persons) that grants members in such program Currency based on a member's purchasing behavior and that allows a member to accrue and redeem such Currency for a benefit or reward, including flights and/or other goods and services. For clarity, Alaska's lounges or clubs and any memberships related thereto shall not constitute, and shall not be deemed to constitute, "Loyalty Programs."

"**LTV Ratio**" means each of the LTV Ratio (Senior Debt) or the LTV Ratio (Senior Debt and Junior Debt), as the context may require.

"**LTV Ratio (Senior Debt)**" means, on any date, the ratio (expressed as a percentage) equal to (a) the aggregate principal amount of Senior Secured Debt outstanding on

such date, divided by (b) the value of the Collateral determined pursuant to the most recent Appraisal submitted to the Administrative Agent and the Master Collateral Agent in accordance with the terms hereof (including any additional Appraisal submitted to the Administrative and the Master Collateral Agent in accordance with the terms hereof).

"**LTV Ratio (Senior Debt and Junior Debt)**" means, on any date, the ratio (expressed as a percentage) equal to (a) the sum of (1) the aggregate principal amount of Senior Secured Debt outstanding on such date and (2) the aggregate principal amount of Junior Lien Debt outstanding on such date, divided by (b) the value of the Collateral determined pursuant to the most recent Appraisal submitted to the Administrative Agent and the Master Collateral Agent in accordance with the terms hereof (including any additional Appraisal submitted to the Administrative and the Master Collateral Agent in accordance with the terms hereof).

"**Master Collateral Agent**" shall mean U.S. Bank Trust Company, National Association in its capacity as Master Collateral Agent under the Loan Documents.

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

"**Material Adverse Effect**" shall mean a material adverse effect on (a) the consolidated business, operations or financial condition of Parent and its Subsidiaries, taken as a whole, (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Secured Parties, (c) the ability of the Borrower to pay the Obligations, (d) the validity, enforceability or collectability of the Material Mileage Plan Agreements, the IP Licenses or the Contribution Agreements generally or any material portion of the Material Mileage Plan Agreements, the IP Licenses or the Contribution Agreements, taken as a whole, (e) the business and operations of the Mileage Plan Program or (f) the ability of the Loan Parties to perform their material obligations under the IP Agreements, the Alaska Intercompany Loan or the Material Mileage Plan Agreements to which it is a party; provided, that no condition or event that has been disclosed in the public filings for Parent or Alaska on or prior to the Closing Date shall be considered a "Material Adverse Effect" hereunder.

"**Material Indebtedness**" shall mean Indebtedness of any Loan Party (other than the Term Loans) outstanding under the same agreement in a principal amount exceeding
$200,000,000.

"**Material Mileage Plan Agreements**" shall mean (a) each Intercompany Agreement, (b) the Bank of America Co-Branded Agreements, together with the related Bank of America Co-Branded Consent, (c) each Permitted Replacement Mileage Plan Agreement, and
(d) as of any date, each other Mileage Plan Agreement that generated Transaction Revenues equal to 25% or more of Transaction Revenues from Mileage Plan Agreements received over the twelve months prior to such date, in each case, as amended, restated, supplemented, or otherwise modified from time to time as permitted by the Loan Documents.

“**Material Modification**” shall mean:

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(1) any amendment or waiver of, or modification or supplement to, a Material Mileage Plan Agreement (other than the Intercompany Agreements) executed or effected on or after the Closing Date which: (a) extends, waives, delays or contractually or structurally subordinates one or more payments due to any Loan Party with respect to such Material Mileage Plan Agreement; (b) reduces the rate or amount of payments due to any Loan Party with respect to such Material Mileage Plan Agreement; (c) gives any Person other than Loan Parties party to such Material Mileage Plan Agreement additional or improved termination rights with respect to such Material Mileage Plan Agreement; (d) shortens the term of such Material Mileage Plan Agreement or expands or improves any counterparty's rights or remedies following a termination; or (e) imposes new financial obligations on any Loan Party under such Material Mileage Plan Agreement, in each case, to the extent such amendment, waiver, modification or other supplement would reasonably be expected to result in a Payment Material Adverse Effect; and

(2) any amendment or waiver of, or modification or supplement to, an Intercompany Agreement or the Alaska Intercompany Loan which: (a) sets or shortens the scheduled maturity or term of any Intercompany Agreement to a date earlier than the Latest Maturity Date then in effect, (b) (i) sets or shortens the scheduled maturity of the Alaska Intercompany Loan to a date earlier than the Latest Maturity Date then in effect, (ii) changes the obligor on the Alaska Intercompany Loan, or (iii) reduces the outstanding principal amount of the Alaska Intercompany Loan held by Loyalty Co to be less than the aggregate outstanding principal amount of the Senior Secured Debt outstanding, (iv) changes the ability of Alaska to repay the Alaska Intercompany Loan or the payee under the Alaska Intercompany Loan to demand payment in a manner that would result in the outstanding principal amount of the Alaska Intercompany Loan held by Loyalty Co to be less than the aggregate outstanding principal amount of the Senior Secured Debt outstanding, (c) amends, modifies or otherwise changes the EBITDA Margin for Miles payments payable by Alaska to the Borrower as specified in Section 3.3

of the Intercompany Agreement (including changes to the definitions of "EBITDA Margin" and "Excluded Miles" in the Intercompany Agreement or Exhibit 1 to the Intercompany Agreement) in a manner reducing the amount payable to the Borrower or reduces the frequency of payments under any Intercompany Agreement to be less frequent than monthly,
(d) amends, modifies or otherwise changes the calculation or rate of fees, expenses or termination payments due and owing under the Intercompany Agreement except to the extent addressed in clause (c) above, in a manner reducing the amount owed to the Borrower, (e) changes the contractual subordination of payments thereunder in a manner materially adverse to the Lenders, (f) changes the ability for the Master Collateral Agent to demand payment under the Alaska Intercompany Loan, (g) permits payments due to the Borrower to be deposited to an account other than the Collection Account, (h) changes the amendment standards applicable to such agreement (other than changes affecting rights of the Administrative Agent or the Master Collateral Agent to consent to amendments, which is covered by clause (i)), (i) materially impairs the rights of the Administrative Agent or the Master Collateral Agent to enforce or

consent to amendments to any provisions of any such agreement in accordance therewith, (j) changes Section 2.3 of the Intercompany Agreement such that the Borrower no longer has the

exclusive right to issue and create Miles (other than those attributable to any arrangement or transaction with any non-airline third parties) with respect to the Mileage Plan (provided that, for the avoidance of doubt, Alaska shall be permitted to credit or transfer Miles purchased and/or transferred from the Borrower to Alaska's customers and counterparties to any Mileage Plan Agreement, Alaska Airline Business Agreement or Retained Agreement) or (k) amends, modifies or otherwise changes Section 2.1 of the Intercompany Agreement in any manner that materially and adversely affects the Borrower's ability to perform its obligations under the Mileage Plan Agreements or any other agreement related to the Mileage Plan Program, and in the case of clauses (c), (d), (f) and (h) if the amendment, waiver, modification or supplement would reasonably be expected to cause a Payment Material Adverse Effect (provided that in the case of clause (c), any change to the 20% EBITDA Margin or to the inclusion of redemption cost or operating expense in EBITDA Margin will not be subject to a Payment Material Adverse Effect qualification).

Notwithstanding anything to the contrary in this definition, the entrance into a Permitted Replacement Mileage Plan Agreement shall not constitute a Material Modification.

"**Mileage Plan Agreements**" shall mean all currently existing, future and successor co-branding, partnering or similar agreements related to or entered into in connection with the Mileage Plan Program including each Material Mileage Plan Agreement, but excluding
(i) agreements used to operate the airline business of Parent and its Subsidiaries that, even if used in connection with the Mileage Plan Program, would be used to operate the airline business of Parent and its Subsidiaries in the absence of a Loyalty Program (it being agreed that the agreements set forth in clause (i) shall not include any credit card co-branding, partnering or similar agreements) ("**Alaska Airline Business Agreements**") and (ii) any Retained Agreements.

"**Mileage Plan Customer Data**" shall mean all data owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by Alaska or the Borrower and used, generated or produced as part of the Mileage Plan Program, including all of the following: (a) a list of all members of the Mileage Plan Program; and (b) the Mileage Plan Member Profile Data for each member of the Mileage Plan Program, but excluding Alaska Traveler Related Data.

"**Mileage Plan Customer Database**" shall have the meaning given to such term in Section 4.03(b).

"**Mileage Plan Intellectual Property**" shall mean (a) Mileage Plan Customer Data, (b) the proprietary source code set forth on Schedule 1.01(c), (c) the registered trademarks and trademark applications set forth on Schedule 1.01(c), (d) the issued patents and patent applications set forth on Schedule 1.01(c), (e) the registered copyrights set forth on Schedule 1.01(c), and (f) other data, proprietary source code, registered trademarks, issued patents, registered copyrights and applications for the foregoing, in each case, that are owned or purported to be owned by Alaska or its Subsidiaries and are used in the Mileage Plan Program

and which are required to be contributed to the Borrower from time to time as set forth in Section 5.06 of this Agreement. For the avoidance of doubt, the Mileage Plan Intellectual

Property shall exclude all Airlines Business Intellectual Property.

"**Mileage Plan Member Profile Data**" shall mean, with respect to each member of the Mileage Plan Program, such member's (a) name, mailing address, email address, and phone numbers, (b) communication and promotion opt-ins, (c) total miles balance, (d) third party engagement history, (e) accrual and redemption activity, (f) Mileage Plan Program account number, and (g) annual member status (e.g., MVP, etc.); *provided*, that clauses (b) through (e) shall exclude Alaska Traveler Related Data.

"**Mileage Plan Program**" shall mean any Loyalty Program which is operated, owned or controlled, directly or indirectly by the Borrower, Alaska or any of its subsidiaries, or principally associated with the Borrower, Alaska or any of its subsidiaries, as in effect from time to time, whether under the "Mileage Plan" name or otherwise, in each case including any successor program but excluding any Permitted Acquisition Loyalty Program and any Specified Minority Owned Program.

"**Mileage Plan Revenues**" shall mean, with respect to any period, the aggregate amount of payments in cash paid to Parent or any of its Subsidiaries that is attributable to the Mileage Plan Program during such period (including any cash revenue attributable to the Retained Agreements and the Intercompany Agreements).

"**Miles**" shall mean the Currency under the Mileage Plan Program.

"**Minimum Extension Condition**" shall have the meaning given such term in Section 2.28(c).

"**Moody's**" shall mean Moody's Investors Service, Inc., together with its successors.

"**Net Proceeds**" means (a) with respect to any Collateral Sale, Recovery Event or Contingent Payment Event, the aggregate cash proceeds and Cash Equivalents received by Alaska or any of its Subsidiaries in respect thereof, net of: (i) the direct costs and expenses relating to such Collateral Sale, Recovery Event or Contingent Payment Event, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Collateral Sale, Recovery Event or Contingent Payment Event, taxes paid or payable as a result of the Collateral Sale, Recovery Event or Contingent Payment Event, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements; and (ii) any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with GAAP; and (b) with respect to any issuance or incurrence of Indebtedness (including Qualifying Note Debt or Permitted Pre-paid Miles Purchases), the cash proceeds thereof, net of (i) any fees, underwriting discounts and commissions, premiums, and other costs and expenses incurred in connection with such issuance and (ii) attorney's fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges,

transfer taxes, deed or mortgage recording taxes, other customary expenses, and brokerage, consultant, accountant, and other customary fees.

"**Non-Consenting Lender**" shall have the meaning set forth in Section 10.08. "**Non-Control Investment**" means an investment in an airline in which Alaska does not possess, directly or indirectly, (a) more than 50% of the voting power of the ownership interests of such airline or the entity that operates any Loyalty Program thereof or (b) the ability to appoint a majority of the members of the Board of Directors (or equivalent governing body) of such airline or the entity that operates the loyalty program thereof.

"**Non-Defaulting Lender**" shall mean, at any time, a Lender that is not a Defaulting Lender.

"**Non-Extending Lender**" shall have the meaning set forth in Section 10.08. "**Non-Finance Lease Obligations**" shall mean a lease obligation that is not required to be accounted for as a finance or capital lease on both the balance sheet and the income statement for financial reporting purposes in accordance with GAAP. An operating lease shall be considered a Non-Finance Lease Obligation.

"**Obligations**" shall mean the unpaid principal of and interest on (including interest accruing after the maturity of the Term Loans and interest accruing after the filing of any petition of bankruptcy, or the commencement of any insolvency, reorganization, restructuring, liquidation (including provisional liquidation), winding up or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), the Term Loans, and all other obligations and liabilities of the Borrower to any Agent or any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which arise under this Agreement or any other Loan Document, whether on account of principal, interest, reimbursement obligations, fees, indemnities, out-of-pocket costs, and expenses (including all fees, charges and disbursements of counsel to any Agent or any Lender that are required to be paid by the Borrower pursuant hereto or under any other Loan Document) or otherwise.

"**Officer**" shall mean, (i) with respect to any Loan Party other than Alaska, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary, any Director, any Manager, any Managing Member or any Vice-President of such Person and (ii) with respect to Alaska or Parent, its respective chief executive officer, president, chief financial officer, treasurer, assistant treasurer, vice president, controller, chief accounting officer, secretary or assistant secretary, but in any event, with respect to financial matters, its respective chief financial officer, treasurer, assistant treasurer, controller or chief accounting officer.

"**Officer's Certificate**" shall mean a certificate signed on behalf of the Borrower (or such other applicable Person) by an Officer of the Borrower (or such other applicable Person), respectively.

"**On-line Tracking Data**" shall mean any information or data collected in relation to on-line activities that can reasonably be associated with a particular user or computer or other device.

"**ordinary course of business**" shall mean with respect to Parent or any of its Subsidiaries, (a) in the ordinary course of business of, or in furtherance of an objective that is in the ordinary course of business of, Parent and its Subsidiaries, as applicable, (b) customary and usual in the commercial airline industry in the United States or (c) consistent with the past or current practice of one or more commercial air carriers in the United States.

"**Other Taxes**" shall mean any and all present or future stamp, mortgage, intangible, recording, filing or documentary taxes or any other similar taxes, similar charges or similar levies arising from any payment made under this Agreement or any Loan Document or from the execution, performance, delivery, registration of or enforcement of this Agreement or any other Loan Document excluding, in each case, (a) any such Tax resulting from an Assignment and Acceptance or transfer or assignment to or designation of a new applicable lending office or other office for receiving payments under any Loan Document (an "**Assignment Tax**") but only if (i) such Assignment Tax is imposed as a result of a present or former connection of the assignor or assignee with the jurisdiction imposing such Assignment Tax (other than any connection arising solely 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 transaction pursuant to or enforced any Loan Documents or sold or assigned an interest in any Term Loan or Loan Documents or any transactions contemplated thereby) and (ii) such Assignment Tax does not arise as a result of an assignment (or designation of a new applicable lending office) pursuant to a request by the Borrower under Section 2.18 and (b) any Excluded Taxes.

"**Parent Change of Control**" shall mean the occurrence of any of the following:

(a) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of Parent and its Subsidiaries, taken as a whole, to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) (other than Parent or any of its Subsidiaries;

(b) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any "person" (as defined above)) becomes the Beneficial Owner, directly or indirectly, of more than 50% of the

Voting Stock of Parent (measured by voting power rather than number of shares), other than, in the case of clause (a) above or this clause (b),

any such transaction where the Voting Stock of Parent (measured

by voting power rather than number of shares) outstanding immediately prior to such transaction constitutes or is converted into or exchanged for a majority of the outstanding shares of the Voting Stock of such Person or Beneficial Owner (measured by voting power rather than number of shares) or

(i) any sale, transfer, conveyance or other disposition to, or any merger or consolidation of Parent with or into any Person (including any "person" (as defined above)) which owns or operates (directly or indirectly through a contractual arrangement) a Permitted Business (a "**Permitted Person**") or a Subsidiary of a Permitted Person, in each case under this clause (B), if immediately after such transaction no Person (including any "person" (as defined above)) is the Beneficial Owner, directly or indirectly, of more than 50% of the total Voting Stock of such Permitted Person (measured by voting power rather than number of shares).

For the avoidance of doubt, neither any Airline/Parent Merger nor any Airlines Merger will be a Parent Change of Control under this Agreement.

"**Parent Change of Control Triggering Event**" means the occurrence of both a Parent Change of Control and a Rating Decline.

"**Parent Company**" shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

"**Participant**" shall have the meaning given to such term in Section 10.02(d). "**Participant Register**"

shall have the meaning given to such term in

Section 10.02(d).

"**Patriot Act**" shall mean the USA Patriot Act, Title III of Pub. L. 107-56, signed into law on October 26, 2001 and any subsequent legislation that amends or supplements such Act or any subsequent legislation that supersedes such Act.

"**Payment Date**" shall mean (a) the 20th calendar day of January, April, July and October of each year, or if such day is not a Business Day, the next succeeding Business Day, commencing January 20, 2025 and (b) the Termination Date.

"**Payment Date Statement**" shall mean a written statement substantially in the form attached hereto as Exhibit B, setting forth (i) in reasonable detail, compliance with the Debt Service Coverage Ratio Test as of the last day of the most recently completed Quarterly Reporting Period and (ii) the amounts to be paid pursuant to Section 2.10(b) on the related Payment Date.

"**Payment Material Adverse Effect**" shall mean a material adverse effect on (a) the ability of the Borrower to pay the Obligations, (b) the validity or enforceability of the Loan Documents or the rights or remedies of the Secured Parties, or (c) the validity, enforceability or collectability of the Mileage Plan Agreements, the IP Licenses or the Contribution Agreements generally or any material portion of the Mileage Plan Agreements, the IP Licenses or the Contribution Agreements, taken as a whole; *provided* that no condition or event that has been disclosed in the public filings for Parent or its Subsidiaries on or prior to the Closing Date shall be considered a "Payment Material Adverse Effect" hereunder.

"**Payroll Accounts**" shall mean depository accounts used only for payroll. "**PBGC**" shall mean the

Pension Benefit Guaranty Corporation, or any successor

agency or entity performing substantially the same functions.

"**Permitted Acquisition Loyalty Program**" shall mean a Loyalty Program owned, operated or controlled, directly or indirectly by a Specified Acquisition Entity or any of its Subsidiaries, or principally associated with such Specified Acquisition Entity or any of its Subsidiaries so long as: (1) the Specified Acquisition Entity's Loyalty Program is operated so that it is not more competitive, taken as a whole, than the Mileage Plan Program (as determined by Alaska in good faith), (2) Alaska does not take any action that would reasonably be expected to materially disadvantage the Mileage Plan Program relative to the Specified Acquisition Entity's Loyalty Program, (3) no members of the Mileage Plan Program are targeted for membership in the Specified Acquisition Entity's Loyalty Program; provided that this clause (3) shall not prohibit general advertisements, promotions or similar general marketing activities related to the Specified Acquisition Entity, (4) except as attributable to market or business conditions as determined in good faith by Alaska, Alaska will devote substantially similar resources to the Mileage Plan Program, including to Alaska distribution and marketing channels, as were applicable immediately prior to the consummation of the acquisition of the Specified Acquisition Entity; and (5) Alaska does not announce to the public, the members of the Mileage Plan Program or the members of the Specified Acquisition Entity's Loyalty Program that the Specified Acquisition Entity's Loyalty Program is the primary Loyalty Program for Alaska.

"**Permitted Business**" shall mean, (a) with respect to Parent and its Subsidiaries, any business that is similar, or reasonably related, ancillary, supportive or complementary to, or any reasonable extension of the businesses in which Parent and its Subsidiaries are engaged on the Closing Date, and (b) with respect to the SPV Parties, any business that is similar, or reasonably related, ancillary, supportive or complementary to, or any reasonable extension of the businesses in which the SPV Parties are engaged (including the operation of the Mileage Plan Program) on the Closing Date.

"**Permitted Deposit Amounts**" has the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Permitted Disposition**" shall mean any of the following:

(a) the Disposition of Collateral permitted under the applicable Collateral

Documents;

(b) the licensing or sub-licensing or granting of similar rights of Intellectual Property or other general intangibles pursuant to any Mileage Plan Agreement or as otherwise permitted by (or pursuant to) the IP Agreements;

(c) the abandonment or cancellation of Intellectual Property in the ordinary course of business;

(d) any transfer, deletion, de-identification or purge of any Personal Data that is required or permitted under applicable privacy laws, under any of the Loan Parties' public-facing privacy policies or in the ordinary course of business (including in connection with terminating inactive Mileage Plan Program member accounts) pursuant to the applicable Loan Party's privacy and data retention policies consistent with past practice;

(e) the Disposition of cash or Cash Equivalents constituting Collateral in exchange for other cash or Cash Equivalents constituting Collateral and having reasonably equivalent value therefor;

(f) to the extent constituting a Disposition, (i) the incurrence of Liens that are permitted to be incurred pursuant to Section 6.06, (ii) the making of (x) any Restricted Payment that is permitted to be made, and is made, pursuant to Section 6.01 or (y) any Permitted Investment or (iii) to the extent permitted by Section 5.16(i), the re-designation of any Mileage Plan Agreement as a Retained Agreement (and the corresponding release thereof from the Collateral);

(g) Dispositions in connection with any Intercompany Agreement or IP Agreement;

(h) condemnation, expropriation or any similar action on assets or other dispositions required by a Governmental Authority or casualty or insured damage to assets;

(i) surrender or waive contractual rights and settle, release, surrender or waive contractual or litigation claims (or other Disposition of assets in connection therewith);

(j) the expiration of the following registered Intellectual Property: (A) any copyright, the term of which has expired under applicable law; (B) any patent, the term of which has expired under applicable law, taking into account all patent term adjustments and extensions, and provided that all maintenance fees are paid; and (C) any trademark or service mark, the term of which has expired under applicable law because a declaration or statement of use to maintain the registration cannot be submitted to, or has been rejected by, the relevant governmental authority because such trademark or service mark is no longer in use; in each case, subject to the terms and conditions of the IP Management Agreement;

(k) [Reserved];

(l) the sale of Miles in the ordinary course of business under the terms of the

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Mileage Plan Agreements;

(m) the disposition or discount of inventory, accounts receivable, or notes receivable in the ordinary course of business or the conversion of accounts receivable to notes receivable, in each case other than in respect of (A) any Intercompany Agreement and (B) the Mileage Plan Agreements;

(n) contributions of Collateral (i) from HoldCo to the Borrower and (ii) solely with respect the assets of a Permitted Acquisition Loyalty Program, from Loyalty Co to a Permitted Loyalty Subsidiary; and

(o) the sale, lease or other transfer of any Currency in the ordinary course of business or in accordance with any Mileage Plan Agreement as in existence on the Closing Date (or any (i) permitted successor agreement thereto or (ii) new Mileage Plan Agreement permitted under this Agreement, in each case that is included in the Collateral), or subsequently approved by the Administrative Agent.

"**Permitted Disposition Amount**" shall have the meaning set forth in Section 2.12(c)

"**Permitted HoldCo Equity Minority Stake Sale**" shall have the meaning set forth in Section 6.04(b).

"**Permitted Investments**" shall mean:

1. to the extent constituting an Investment, Investments in any SPV Party arising from the transactions contemplated in any Loan Document;

2. any Investment in cash, Cash Equivalents and any foreign equivalents;

3. any Investments received in a good faith compromise or resolution of (i) obligations of trade creditors or customers that were incurred in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (ii) litigation, arbitration or other disputes;

4. prepayment of any Term Loans in accordance with the terms and conditions of this Agreement;

5. any guarantee of Indebtedness of the SPV Parties to the extent otherwise permitted under this Agreement;

6. accounts receivable arising in the ordinary course of business; and

Investments in connection with outsourcing initiatives in the ordinary course of business.

"**Permitted Liens**" shall mean:

(1) Liens securing the Priority Lien Debt, including pursuant to the Loan Documents, so long as such Indebtedness and such Liens are subject to the Collateral Agency and Accounts Agreement;

(2) Liens securing Junior Lien Debt; *provided* that such Liens secured by the Collateral shall (i) rank junior to the Liens secured by the Collateral securing the Obligations and
(ii) be subject to a Junior Lien Intercreditor Agreement;

(3) Liens of a collection bank arising under Section 4-208 of the New York Uniform Commercial Code or any comparable or successor provision on items in the course of collection;

(4) (i) any overdrafts and related liabilities arising from treasury, netting, depository and cash management services or in connection with any automated clearing house transfers of funds, in each case as it relates to cash or Cash Equivalents, if any, (ii) Liens in favor of depositary banks or a securities intermediary arising as a matter of law or that are contractual rights of set off encumbering deposits and that are within the general parameters customary in the banking or finance industry and (iii) other than with respect to the SPV Parties, attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business;

(5) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings; provided that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(6) Liens imposed by law, including as carriers', vendors', materialmen's, warehousemen's, landlord's, mechanics', repairmen's, employees' or other like Liens, in each case, incurred in the ordinary course of business;

(7) Liens arising by operation of law in connection with judgments, attachments or awards which do not constitute an Event of Default hereunder;

(8) to the extent constituting Liens, the rights granted by any Loan Party to another Loan Party or the Master Collateral Agent pursuant to any Intercompany Agreement or IP Agreement (other than any rights granted thereunder following any amendment or modification thereof that is not permitted by the terms of such agreement or this Agreement);

(i) leases and subleases by any Grantor as they relate to any Collateral and to the extent such leases or subleases (A) do not interfere in any material respect with the business of such Grantor and (B) do not relate to Intellectual Property or Mileage Plan Agreements or (ii) to the

extent constituting Liens, licenses, sub-licenses and similar rights as they relate to any Mileage Plan Intellectual Property (A) granted to any third-party counterparty of any Mileage Plan Agreements pursuant to the terms of such agreement or (B) as otherwise expressly

permitted by the IP Licenses and the Collateral Documents to be granted to any Person (other than any sub-license or similar right granted thereunder following any amendment or modification thereof that is not permitted by the terms of such agreement or this Agreement);

(9) Liens on cash and Cash Equivalents that are earmarked to be used to satisfy or discharge Priority Lien Debt or Junior Lien Debt in connection with a permitted repayment thereof and in favor of the Master Collateral Agent (in the case of Priority Lien Debt) or the collateral agent, administrative agent or trustee in respect of such Junior Lien Debt; *provided* that
(a) such cash and/or Cash Equivalents are deposited into an account from which payment is to be made, directly or indirectly, to the Person or Persons holding the Indebtedness that is to be satisfied or discharged, (b) such Liens extend solely to the account in which such cash and/or Cash Equivalents are deposited and are solely in favor of the Person or Persons holding the Indebtedness (or any agent or trustee for such Person or Persons) that is to be satisfied or discharged, and (c) the satisfaction or discharge of such Indebtedness is expressly permitted hereunder;

(10) Liens consisting of an agreement to dispose of any property pursuant to a Disposition permitted hereunder;

(11) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant, or permit held by any Grantor or by a statutory provision, to terminate any such lease, license, franchise, grant, or permit, or to require annual or periodic payments as a condition to the continuance thereof, in each case so long as such rights (A) do not interfere in any material respect with the business of such Grantor and (B) do not relate to Intellectual Property or Mileage Plan Agreements except as provided in the Collateral Documents;

(12) (i) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal, or similar bonds or with respect to other regulatory requirements in connection therewith or (ii) letters of credit or bankers' acceptances issued, and completion guarantees provided for, in each case pursuant to the request of and for the account of such Person in the ordinary course of its business;

(13) Liens in favor of banking or other financial institutions or other electronic payment service providers arising as a matter of law or customary contract encumbering deposits, including deposits in "pooled deposit" or "sweep" accounts (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(14) Liens existing on the Closing Date set forth on Schedule 1.01(b); and

(15) any extension, modification, renewal, refinancing or replacement of the Liens described in clauses (1) through (15) above, provided that such extension, modification, renewal or replacement does not increase the amount of Indebtedness associated therewith.

"**Permitted Loyalty Subsidiary**" shall mean, at any time, a Subsidiary of an SPV Party (x) formed in connection with the transactions contemplated under Sections 5.16(e) and/or

(h) and designated as a Permitted Loyalty Subsidiary by the Borrower in accordance with Section 5.16(k) and such Subsidiary is an exempted company incorporated with limited liability under the laws of the Cayman Islands or such other jurisdiction agreed between the Borrower and the Administrative Agent or (y) that is any of Hawaiian Brand Intellectual Property, Ltd., Hawaiian Miles Loyalty, Ltd., Hawaiian Finance 1, Ltd. and/or Hawaiian Finance 2, Ltd. and becomes such a Subsidiary after the Closing Date; provided in each case that any such Subsidiary shall only be a Permitted Loyalty Subsidiary so long as (1) such Subsidiary satisfies each of the requirements set forth in Section 5.08, (2) such Subsidiary is a wholly-owned Subsidiary of Loyalty Co (or another SPV Party, so long as the Administrative Agent has consented thereto),
(3) 100% of the Equity Interests in such Subsidiary and all of its assets are pledged as Collateral (except to the extent such assets constitute Excluded Property, and subject to Permitted Liens),
(4) such Subsidiary is a "Grantor" (as defined in the Security Agreement) under and in accordance with the Security Agreement and (5) such Subsidiary is a Guarantor hereunder and guarantees the Guaranteed Obligations in accordance with Section 9.01.

"**Permitted Pre-paid Miles Purchases**" shall mean Pre-paid Miles Purchases permitted by Section 6.02(b).

"**Permitted Replacement Mileage Plan Agreement**" shall mean any Mileage Plan Agreement entered into by Alaska or any SPV Party (including any amendment or other modification to an existing Mileage Plan Agreement) to replace another Mileage Plan Agreement that is a Material Mileage Plan Agreement (other than an Intercompany Agreement) that has been (or will be) terminated, cancelled or expired; provided that:

(a) [Reserved;]

(b) the counterparty to such Permitted Replacement Mileage Plan Agreement shall have a corporate rating from at least two of S&P, Moody's and Fitch of not lower than BBB, Baa2 and BBB (or in each case, the equivalent thereof), respectively;

(c) the projected cash payments (as determined in good faith by Alaska and/or the SPV Parties) under such Permitted Replacement Mileage Plan Agreement for the immediately succeeding 24 months shall equal no less than 75% of the actual cash revenues of the Material Mileage Plan Agreement that it is replacing determined on an annualized basis using the 12 months preceding the termination of such Material Mileage Plan Agreement;

(d) such Permitted Replacement Mileage Plan Agreement (if not an existing Mileage Plan Agreement) shall expressly permit the Alaska or the applicable SPV Party to pledge its rights thereunder to the Master Collateral Agent;

such Permitted Replacement Mileage Plan Agreement (if not an existing Mileage Plan Agreement) shall have confidentiality obligations that are not materially more restrictive (taken

as a whole) than the confidentiality obligations in the Material Mileage Plan Agreements in existence on the date hereof (as determined in good faith by Alaska and the SPV Parties);

(e) such Permitted Replacement Mileage Plan Agreement shall not have a scheduled termination date prior to the Latest Maturity Date (or, in the case of a Permitted Replacement Mileage Plan Agreement that is also an existing Mileage Plan Agreement, not prior to the scheduled termination date in effect prior to the related amendment or other modification); *provided* that any such Permitted Replacement Mileage Plan Agreement that automatically renews at periodic intervals shall be deemed to have satisfied this clause (f); and

(f) no Early Amortization Event or Event of Default would result therefrom.

It being acknowledged and agreed that so long as the conditions in clauses (a) through (g) of this definition are satisfied, an amendment and restatement, amendment and/or extension of a then existing Material Mileage Plan Agreement with an existing counterparty shall constitute a Permitted Replacement Mileage Plan Agreement.

"**Person**" shall mean any natural person, corporation, division of a corporation, partnership, limited liability company, exempted company, trust, joint venture, association, company, estate, unincorporated organization, Airport Authority or Governmental Authority or any agency or political subdivision thereof.

"**Personal Data**" shall mean (i) any information or data that alone or together with any other data or information can be used to identify, directly or indirectly, a natural person or otherwise relates to an identified or identifiable natural person and (ii) any other information or data considered to be personally identifiable information or data under applicable law.

"**Petition Date**" shall have the meaning given to such term in the definition of "Alaska Case Milestones".

"**Plan**" shall mean a single employer plan, as defined in Section 4001(a)(15) of ERISA, that is a pension plan subject to the provisions of Title IV of ERISA, Sections 412 or 430 of the Code or Section 302 of ERISA.

"**Portfolio Interest Exemption**" shall have the meaning set forth in Section 2.16(g)(iv).

"**Pre-paid Miles Purchases**" shall mean the sale by the Loan Parties of pre-paid Miles to a counterparty of a Mileage Plan Agreement or any similar transaction involving a counterparty of a Mileage Plan Agreement advancing funds to Alaska or any of its Subsidiaries against future payments to Alaska or any of its Subsidiaries by such counterparty under such Mileage Plan Agreement.

"**Premium**" shall mean any amounts under clauses (a), (b), (c) or (d) of Section 2.21.

"**Prime Rate**" shall mean the rate of interest last quoted by The Wall Street

Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve

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Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"**Priority Lien Debt**" shall mean (i) the Term Loans; (ii) any Qualifying Note Debt; and (iii) any incremental Term Loans or other Indebtedness incurred under one or more other indenture(s) and/or one or more other loan or credit agreements, in each case, incurred or issued after the Closing Date, pursuant to and in accordance with Section 6.02(c).

"**Priority Lien Debt Documents**" shall mean any documents, instruments, notes, credit agreements, purchase agreements or other agreements entered into in connection with the incurrence or issuance of any Priority Lien Debt.

"**Pro Rata Share**" means, on any date, a proportion equal to (a) the aggregate principal amount of Term Loans outstanding on such date *divided by* (b) the aggregate principal amount of Priority Lien Debt outstanding on such date.

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

"**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).

"**QFC Credit Support**" shall have the meaning set forth in Section 10.21. "**Qualified Professional Asset Manager**" shall have the meaning set forth in Section 10.20(a)(iii)(A).

"**Qualified Replacement Assets**" shall mean assets used or useful in the business of the Loan Parties that shall be pledged as Collateral on a first lien basis.

"**Qualifying Note Debt**" shall mean Indebtedness issued in a Capital Markets Offering by the Borrower on or around the Closing Date or in connection with the primary syndication of the Term Loans.

"**Quarterly Reporting Period**" means (a) initially, the period commencing on the Closing Date and ending on December 31, 2024 and (b) thereafter, each successive period of three consecutive months.

"**Rating Agency**" shall mean (1) each of Fitch and Moody's and (2) if either of Fitch or Moody's ceases to rate the Term Loans or fails to make a rating of the Term Loans

publicly available for reasons outside of Alaska's control, a "nationally recognized statistical rating organization" as defined in Section 3 (a)(62) of the Exchange Act, selected by Alaska (as

certified by a Responsible Officer of Alaska) as a replacement agency for Fitch or Moody's, or both of them, as the case may be.

"**Rating Decline**" shall mean with respect to the Term Loans, if, within sixty (60) days after public notice of the occurrence of a Parent Change of Control (which period shall be extended so long as the rating of the Term Loans is under publicly announced consideration for possible downgrade by any Rating Agency providing a rating for the Facility pursuant to Section 5.15), the rating of the Term Loans by each Rating Agency that has at such time provided a rating for the Term Loans pursuant to Section 5.15 shall be decreased by one or more gradations and in each case below Investment Grade; *provided* that a Rating Decline shall not be deemed to have occurred if such Rating Agencies have not expressly indicated that such downgrade is a result of such Parent Change of Control.

"**Recovery Event**" shall mean any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any Collateral.

"**Refinanced Term Loans**" shall have the meaning set forth in Section 10.08(a). "**Register**" shall have the meaning set forth in Section 10.02(b)(iv).

"**Related Parties**" shall mean, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, partners, members, employees, agents and advisors of such Person and such Person's Affiliates.

"**Release**" shall have the meaning specified in Section 101(22) of the Comprehensive Environmental Response Compensation and Liability Act.

"**Relevant Governmental Body**" shall mean the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**Replacement Term Loans**" shall have the meaning set forth in Section 10.08(a).

"**Rescindable Amount**" means any payment that the Administrative Agent makes for the account of the Lenders hereunder as to which the Administrative Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies:
(1) the Borrower has not in fact made such payment; (2) the Administrative Agent has made a payment in excess of the amount so paid by the Borrower (whether or not then owed); or (3) the Administrative agent has for any reason otherwise erroneously made such payment.

"**Required Class Lenders**" shall mean, at any time, Lenders holding more than 50% of the Term Loans (or Term Loan Commitments) of any Class.

"**Required Lenders**" shall mean, at any time, Lenders holding more than 50% of

~~(a) until the funding of the Initial Term Loans, the Term Loan Commitments then in effect and~~
~~(b)~~ ~~thereafter,~~ the aggregate principal amount of all Term Loans outstanding. The outstanding

Term Loans and Term Loan Commitments of any Defaulting Lender shall be disregarded in determining the "**Required Lenders**" at any time.

"**Required Number of Independent Directors**" means, with respect to the Borrower, two (2) Independent Directors, and, with respect to all other SPV Parties, one (1) Independent Director.

"**Requirement of Law**" shall mean, with respect to any Person, the common law and any federal, state, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, or requirements of, any Governmental Authority, in each case having the force of law and that are applicable to or binding upon such Person or any of its Property or to which such Person or any of its Property is subject.

"**Resignation Effective Date**" shall have the meaning given to such term in Section 8.05.

"**Resolution Authority**" shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority. "**Responsible Officer**" shall mean an Officer.

"**Restricted Investment**" shall mean an Investment other than a Permitted Investment.

"**Restricted Payments**" shall have the meaning set forth in Section 6.01(a). "**Retained Agreements**" shall mean, as of any date of determination, all currently existing co-branding, partnering or similar agreements related to or entered into in connection with the Mileage Plan Program and with respect to which the rights therein have not been transferred to the Borrower to the extent permitted under Section 5.16(i), but excluding the Alaska Airline Business Agreements.

"**S&P**" shall mean S&P Global Ratings Services, together with its successors. "**Sale of a Grantor**" shall mean, with respect to any Collateral, an issuance, sale, lease, conveyance, transfer or other disposition of the Equity Interests of the applicable Grantor that owns such Collateral.

"**Sanctioned Country**" shall mean, at any time, a country, territory or region which is itself the subject or target of any Sanctions, which as of the Closing Date include Crimea, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic regions of Ukraine, Cuba, Iran, North Korea and Syria.

"**Sanctioned Person**" shall mean, at any time, (a) a Person which is subject or target of any Sanctions or (b) any Person owned or controlled by any such Person or Persons.

"**Sanctions**" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the United States government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

"**Scheduled Principal Amortization Amount**" shall mean, with respect to each Payment Date, and each class of Term Loans the sum of: (a)(i) with respect to the Initial Term Loans, $1,875,000 ~~as~~or (ii) with respect to the 2026 Incremental Term Loans, $1,250,000, as each such amount may be adjusted with respect to any prepayments applied to reduce Scheduled Principal Amortization Amounts in accordance with Section 2.12 or Section 2.13 prior to such Payment Date and as may be adjusted in connection with the incurrence of any Incremental Term Loans, Extended Term Loans or Replacement Term Loans *plus* (b) any unpaid Scheduled Principal Amortization Amounts with respect to the applicable Class of Term Loans from prior Payment Dates.

"**SEC**" shall mean the United States Securities and Exchange Commission. "**Second Amendment**" shall mean the Second Amendment to Term Loan Credit and Guaranty Agreement dated as of May 12, 2026 among the Borrower, the Guarantors, the Administrative Agent and the 2026 Incremental Term Lender party thereto.

"**Second Amendment Effective Date**" shall mean the effective date of the Second Amendment.

"**Secured Parties**" shall mean the Agents and the Lenders. "**Securities Act**" shall mean the Securities Act of 1933, as amended.

"**Security Agreement**" shall mean that certain Security Agreement, dated as of the Closing Date, among the Borrower, HoldCo, certain other grantors party thereto from time to time, and the Master Collateral Agent.

"**Semi-Annual Debt Service (Senior Debt)**" means, for any Determination Date, an amount equal to the sum of:

(a) An amount equal to (i) the Senior Secured Amortization Amount for the related Payment Date plus (ii) the Senior Secured Amortization Amount for the immediately preceding Payment Date;

an amount equal to (i) the Interest Distribution Amount that is or will be due on the related Payment Date plus (ii) the Interest Distribution Amount that was due on the Payment Date immediately preceding such Payment Date; and

(b) an amount equal to (i) the sum of the "Interest Distribution Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Senior Secured Debt Documents) that are or will be due on the related Payment Date for each Series of Senior Secured Debt (other than the Term Loans) plus (ii) the sum of the "Interest Distribution Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Senior Secured Debt Documents) that was due on the Payment Date immediately preceding such Payment Date for each Series of Senior Secured Debt (other than the Term Loans).

"**Semi-Annual Debt Service (Senior Debt and Junior Debt)**" means, for any Determination Date, an amount equal to the sum of:

(a) An amount equal to (i) the Senior Secured Amortization Amount for the related Payment Date plus (ii) the Senior Secured Amortization Amount for the immediately preceding Payment Date;

(b) An amount equal to (i) the Junior Lien Secured Amortization Amount for the related Payment Date plus (ii) the Junior Lien Secured Amortization Amount for the immediately preceding Payment Date;

(c) an amount equal to (i) the Interest Distribution Amount that is or will be due on the related Payment Date plus (ii) the Interest Distribution Amount that was due on the Payment Date immediately preceding such Payment Date;

(d) an amount equal to (i) the sum of the "Interest Distribution Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Senior Secured Debt Documents) that are or will be due on the related Payment Date for each Series of Senior Secured Debt (other than the Term Loans) plus (ii) the sum of the "Interest Distribution Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Senior Secured Debt Documents) that was due on the Payment Date immediately preceding such Payment Date for each Series of Senior Secured Debt (other than the Term Loans); and

(e) an amount equal to (i) the sum of the "Interest Distribution Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Junior Lien Debt Documents) that are or will be due on the related Payment Date for each series of Junior Lien Debt plus (ii) the sum of the "Interest Distribution Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Junior Lien Debt Documents) that was due on the Payment Date immediately preceding such Payment Date for each series of Junior Lien Debt.

"**Senior Secured Amortization Amount**" means, with respect to any Payment Date, the sum of:

(a) the Scheduled Principal Amortization Amount that will be due on such Payment Date for ~~the~~each Class of Term Loans; and

the sum of the "Scheduled Principal Amortization Amounts" (as such term, or such similar or analogous term, is defined in the other applicable Senior Secured Debt

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Documents) that will be due on such Payment Date for each Series of Senior Secured Debt (other than the Term Loans) (but excluding, for the avoidance of doubt, any balloon or bullet payments of the principal amount thereof at final maturity thereof), if any.

"**Senior Secured Debt**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Senior Secured Debt Documents**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Senior Secured Debt Obligations**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Senior Secured Debt Representative**" shall have the meaning set forth in the Collateral Agency and Accounts Agreement.

"**Shortfall Period**" shall have the meaning set forth in Section 2.24.

"**SOFR**" means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

"**SOFR Term Loan**" means a Term Loan that bears interest at a rate based on Term SOFR.

"**Solvent**" shall mean, for any Person, that (a) the fair market value of its assets (on a going concern basis) exceeds its liabilities, (b) it has and will have sufficient cash flow to pay its debts as they mature in the ordinary course of business and (c) it does not and will not have unreasonably small capital to engage in the business in which it is engaged and proposes to engage.

"**Specified Acquisition Entity**" shall mean (1) Hawaiian Airlines, Inc. and (2) any entity that is (x) acquired by Parent or any of its Subsidiaries (other than any SPV Party) after the Closing Date (whether such entity becomes wholly or less than 100% owned by Parent or any of its Subsidiaries (other than any SPV Party)) or (y) another commercial airline (including any business lines or divisions thereof) with which Alaska or such a Subsidiary of Parent merges or enters into an acquisition transaction.

"**Specified Intellectual Property**" means the Intellectual Property and data listed in any Contribution Agreement as being Specified Intellectual Property and any trademarks developed or acquired after the Closing Date, in each case, which cannot be transferred or contributed due to applicable law or regulation in any applicable jurisdictions, applicable privacy policy restrictions, domain registrar restrictions or existing contractual restrictions.

"**Specified Minority Owned Program**" means the primary Loyalty Program operated by any airlines in which Parent and its Subsidiaries have a Non-Control Investment, in

each case only so long as such entity remains a Non-Control Investment of Parent and its Subsidiaries.

"Specified Organization Documents" shall mean (i) the Amended and Restated Memorandum of Association of the Borrower, adopted on the date hereof, (ii) the Amended and Restated Memorandum of Association of HoldCo, adopted on the date hereof and (iii) the Amended and Restated Memorandum of Association of each Permitted Loyalty Subsidiary (if any).

"**SPV Parties**" shall mean the Borrower and HoldCo and any Permitted Loyalty "**SPV Party** Subsidiaries.

Change of Control" shall mean the occurrence of any of the following:

(1) (x) the failure of Alaska to directly own more than 50% of the Equity Interests in HoldCo (excluding any special share(s) issued to Walkers Fiduciary Limited (or its successors)) or (y) the failure of Alaska to directly own any of the Equity Interests in HoldCo (excluding any special share(s) issued to Walkers Fiduciary Limited (or its successors)) unless such Equity Interest were sold or transferred pursuant to a Permitted HoldCo Equity Minority Stake Sale; or

(2) the failure of HoldCo to directly own 100% of the Equity Interests in the Borrower (excluding any special share(s) issued to Walkers Fiduciary Limited (or its successors)).

"**SPV Provisions**" shall mean the definitions and articles specified in the definition of "Prohibited Resolutions" in the Specified Organization Documents of each SPV Party.

"**Stated Maturity**" shall mean, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Closing Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"**Subsidiary**" shall mean, with respect to any Person (in this definition referred to as the "parent"), any corporation, association or other business entity (whether now existing or hereafter organized) of which at least a majority of the securities or other ownership or membership interests having ordinary voting power for the election of directors (or equivalent governing body) is, at the time as of which any determination is being made, owned or controlled by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"**Subsidiary Guarantor**" shall mean, with respect to any Person, any Subsidiary of such Person that is a Guarantor.

"**Successor Company**" shall have the meaning set forth in Section 6.10(a). "**Supported QFC**"

shall have the meaning set forth in Section 10.21.

"**Swap Contract**" shall mean (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, that 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.

"**Taxes**" shall mean any and all present or future taxes, levies, imposts, duties, assessments, fees, deductions, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Term Lender**" shall mean each Lender having a Term Loan Commitment or, as the case may be, an outstanding Term Loan.

"**Term Loans**" shall mean the Initial Term Loans, ~~any~~the 2026 Incremental Term Loans, any other Incremental Term Loans, any Extended Term Loans, any Refinanced Term Loans and any Replacement Term Loans, as applicable.

"**Term Loan Commitment**" shall mean the commitment of each Term Lender to make a Class of Term Loans hereunder and, (i) in the case of the Initial Term Loans in an aggregate principal amount equal to the amount set forth under the heading "**Initial Term Loan Commitment**" opposite its name in Annex A hereto or in the Assignment and Acceptance pursuant to which such Lender became a party hereto and (ii) in the case of the 2026 Incremental Term Loans in an aggregate principal amount equal to the amount set forth under the heading "2026 Incremental Term Loans" opposite its name in the 2026 Incremental Term Loan Commitment Schedule or in the Assignment and Acceptance pursuant to which such Lender became a party hereto. The aggregate amount of (i) the Initial Term Loan Commitments is

$750,000,000. and (ii) the 2026 Incremental Term Loan Commitments is $500,000,000. The

Term Loan Commitments as of the Second Amendment Effective Date are for 2026 Incremental Term Loans.

"**Term Loan Maturity Date**" shall mean, (a)(i) with respect to the Initial Term Loans that have not been extended pursuant to Section 2.28, October 15, 2031 and (ii) with respect to the 2026 Incremental Term Loans that have not been extended pursuant to Section 2.28, May 12, 2033 and (b) with respect to the Extended Term Loans, the final maturity date therefor as specified in the Extension Offer accepted by the respective Term Loans (as the same may be further extended pursuant to Section 2.28).

"**Term Loan Payment Account**" shall have the meaning set forth in Section 5.18(a).

"**Term Loan Reserve Account**" shall have the meaning given such term in Section 5.17(a).

"**Term Loan Reserve Account Required Balance**" shall mean, with respect to any date, an amount equal to the Interest Distribution Amount due with respect to ~~the~~each Class of Term Loans on the most recent Payment Date; *provided* that (a) at any time prior to the second Payment Date following the Closing Date, the Term Loan Reserve Account Required Balance shall be an amount equal to the Interest Distribution Amount that would be payable on the next occurring Payment Date assuming the Day Count Fraction is determined using an elapsed period of ninety (90) days ~~and~~, (b) at any time on and after the Second Amendment Effective Date and prior to the second Payment Date following the Second Amendment Effective Date, the "Interest Distribution Amount" for the 2026 Incremental Term Loans for purposes of determining the Term Loan Reserve Account Required Balance shall be the Interest Distribution Amount with respect to the 2026 Incremental Term Loans that would be payable on the next occurring Payment Date assuming the Day Count Fraction is determined using an elapsed period of ninety (90) days and (c) for the avoidance of doubt, on each Payment Date (other than the first Payment Date following the Closing Date and the first Payment Date following the Second Amendment Effective Date) the Term Loan Reserve Account Required Balance shall be the Interest Distribution Amount that is due on such Payment Date.

"**Term SOFR**" means:

(a) for any Interest Period with respect to a SOFR Term Loan, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto for which the Term SOFR Screen Rate for such term was published, in each case; and

for any interest calculation with respect to a ABR Term Loan on any date, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to such date with a term of one month commencing that day;

provided that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto for which the Term SOFR Screen Rate for such term was published, in each case;

provided that if Term SOFR determined in accordance with either of the foregoing provisions (a) or (b) of this definition would otherwise be less than zero, Term SOFR shall be deemed zero for purposes of this Agreement.

"**Term SOFR Screen Rate**" means the forward-looking SOFR term rate administered by CME (or any successor administrator selected by the Administrative Agent after consultation with Alaska) and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time after consultation with Alaska).

"**Termination Date**" shall mean the earlier to occur of (a) the Term Loan Maturity Date and (b) the date of acceleration of the Term Loans in accordance with the terms hereof.

"**Third Party Processor**" shall mean a third party provider or other third party that accesses, collects, stores, transmits, transfers, processes, discloses or uses Personal Data on behalf of the Borrower.

"**Threshold Amount**" shall have the meaning set forth in Section 2.12(b).

"**Title 14**" shall mean Title 14 of the U.S. Code of Federal Regulations, including Part 93, Subparts K and S thereof, as amended from time to time or any successor or recodified regulation.

"**Title 49**" shall mean Title 49 of the United States Code, which, among other things, recodified and replaced the U.S. Federal Aviation Act of 1958, and the rules and regulations promulgated pursuant thereto, and any subsequent legislation that amends, supplements or supersedes such provisions.

"**Trade Secrets**" shall mean confidential and proprietary information, including trade secrets (as defined under the Uniform Trade Secrets Act or the federal Defend Trade Secrets Act of 2016) and proprietary know-how, which may include all inventions (whether or not patentable), invention disclosures, methods, processes, designs, algorithms, source code, customer lists and data (including Mileage Plan Customer Data), databases, compilations, collections of data, practices, processes, specifications, test procedures, flow diagrams, research and development, and formulas.

"**Transaction Documents**" shall mean the Loan Documents, the IP Agreements the Intercompany Agreements, the Alaska Intercompany Note, the Deeds of Undertaking, each Administration Agreement, and the Specified Organization Documents.

"**Transaction Revenue**" shall mean, without duplication, (a) all payments in cash paid to any Loan Party under the Mileage Plan Agreements other than the Intercompany Agreements, (b) all payments in cash paid to the Borrower under the Intercompany Agreements and the IP Licenses and (c) all other payments in cash received by the Borrower (in each case, without duplication). For the avoidance of doubt, Transaction Revenues shall not include (i) payments made by any SPV Party to any other SPV Party, (ii) any Permitted Deposit Amounts and (iii) any taxes paid to the Borrower that the Borrower collects for, or on behalf of, any Governmental Authority.

"**Transactions**" shall mean the execution, delivery and performance by the Loan Parties of this Agreement and the other Transaction Documents to which they may be a party, the creation of the Liens in the Collateral in favor of the Master Collateral Agent and the Collateral Administrator, in each case for the benefit of the Secured Parties, the borrowing of Term Loans and the use of the proceeds thereof.

"**U.S. Government Securities Business Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**U.S. Special Resolution Regimes**" shall have the meaning set forth in Section 10.21.

"**UCC**" shall mean the Uniform Commercial Code as in effect from time to time in any applicable jurisdiction.

"**UK Financial Institution**" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**United States Citizen**" shall have the meaning set forth in Section 3.02. "**Voting Stock**" of any specified person as of any date shall mean the capital stock of such person that is at the time entitled to vote generally in the election or appointment of the board of directors of such person.

"**Weighted Average Life to Maturity**" shall mean, when applied to any Indebtedness at any date, the number of years obtained by dividing:

1. the sum of the products obtained by multiplying (A) the amount of each

then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (B) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

2. the then outstanding principal amount of such Indebtedness. "**Withholding Agent**" shall mean

each Loan Party and the Administrative Agent. "**Write-Down and Conversion Powers**" shall mean,

(a) with respect to any EEA

Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and

(b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented, extended, amended and restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or therein), (b) any reference herein to any Person shall be construed to include such Person's permitted successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, unless expressly provided otherwise,

(e) 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, (f) "knowledge" or "aware" or words of similar import shall mean, when used in reference to the Borrower or the Guarantors, the actual knowledge of any Responsible Officer, and (g) 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".

In the case of any cure or waiver under the Loan Documents, the Borrower, the applicable Loan Parties, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default cured or

waived pursuant to the Loan Documents shall be deemed to be cured and not continuing, it being understood that no such cure or waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon and (i) any reference to any Internal Revenue Service form shall be construed to include any successor form.

Section 1.03 Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided* that, if Alaska notifies the Administrative Agent that Alaska requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies Alaska that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Upon any such request for an amendment, Alaska, the Required Lenders and the Administrative Agent agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating Alaska's consolidated financial condition shall be the same after such accounting changes as if such accounting changes had not occurred.

Section 1.04 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

Section 1.05 Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under 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.

Section 1.06 References to Agreements, Laws, Etc. Unless otherwise expressly provided herein, (a) references to organizational or constitutional documents, agreements (including the Loan Documents), and other contractual requirements shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements, modifications, restructurings, replacements, refinancings, renewals, or increases (in each case, where applicable, whether pursuant to one or more agreements or with different lenders or agents and whether provided under the original credit agreement or one or more other credit agreements, indentures, financing agreements or otherwise, including any agreement extending

the maturity thereof, otherwise restructuring all or any portion of the Indebtedness thereunder, increasing the amount loaned or issued thereunder, altering the maturity thereof or providing for other Indebtedness), but only to the extent that such amendments, restatements,

amendment, and restatements, extensions, supplements, modifications, replacements, restructurings, refinancings, renewals, or increases are not prohibited by any Loan Document;
(b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting such Requirement of Law; and (c) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all of the functions thereof.

Section 1.07 Exchange Rate.

(a) Any amount specified in this Agreement (other than in Section 2) or any of the other Loan Documents to be in Dollars shall also include the equivalent of such amount in any currency other than Dollars, such equivalent amount to be determined at the rate of exchange quoted by the Reuters World Currency Page for the applicable currency at 11:00 a.m. (London time) on such day (or, in the event such rate does not appear on any Reuters World Currency Page, by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrower, or, in the absence of such agreement, by reference to such publicly available service for displaying exchange rates as the Administrative Agent selects in its reasonable discretion).

(b) [Reserved].

(c) Notwithstanding the foregoing, for purposes of determining compliance with Section 6 or the definitions of "Permitted Dispositions" "Permitted Investments" and "Permitted Liens" (and, in each case, other definitions used therein) with respect to the amount of any Indebtedness, Lien, disposition, Investment, Restricted Payment or other applicable transaction in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of currency exchange occurring after the time such Indebtedness or Lien is incurred or such disposition, Investment, Restricted Payment or other applicable transaction is made (so long as such Indebtedness, Lien, disposition, Investment, Restricted Payment or other applicable transaction at the time incurred or made was permitted hereunder). No Default or Event of Default shall arise as a result of any limitation or threshold set forth in Dollars in Section 7 being exceeded solely as a result of changes in currency exchange rates from those rates applicable on the last day of the fiscal quarter immediately preceding the fiscal quarter in which such determination occurs or in respect of which such determination is being made.

(d) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify with the Borrower's prior written consent to appropriately reflect a change in currency of any country and any relevant market conventions or practices relating to such change in currency.

Section 1.08 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York City time (daylight or standard, as applicable).

Section 1.09 Timing of Payment or Performance. Except as otherwise expressly provided herein, when the payment of any obligation or the performance of any covenant, duty, or obligation is stated to be due or performance required on (or before) a day which is not a Business Day, the date of such payment or performance shall extend to the immediately succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

Section 1.10 Certifications. All certifications to be made hereunder by a Responsible Officer or representative of a Loan Party shall be made by such a Person in his or her capacity solely as a Responsible Officer or a representative of such Loan Party, on such Loan Party's behalf and not in such Person's individual capacity.

Section 1.11 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Alternate Base Rate, the Term SOFR Screen Rate or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Alternate Base Rate, the Term SOFR Screen Rate, Term SOFR, or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Alternate Base Rate, the Term SOFR Screen Rate, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Alternate Base Rate, the Term SOFR Screen Rate, Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

SECTION 2.

AMOUNT AND TERMS OF CREDIT

Section 2.01 Commitments of the Lenders; Term Loans.

(a) *Initial Term Loan Commitments*. Each Initial Lender severally, and not jointly with the other Initial Lenders, agrees, upon the terms and subject to the conditions herein set forth, to make a term loan denominated in Dollars (each an "**Initial Term Loan**" and

collectively the "**Initial Term Loans**") to the Borrower on the Closing Date, in an aggregate principal amount not to exceed Term Loan Commitment for Initial Term Loans of such Initial

Lender, which Initial Term Loans, collectively, shall constitute Term Loans for all purposes of the Agreement and shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(a) and subsequently repaid or prepaid may not be reborrowed. Each Initial Lender's Term Loan Commitment for Initial Term Loans shall terminate immediately and without further action on the Closing Date after giving effect to the funding by such Initial Lender of each Initial Term Loan to be made by it on such date.

(b) *2026 Incremental Term Loan Commitments.* On the Second Amendment Effective Date, each 2026 Incremental Term Lender agrees to make to the Borrower the 2026 Incremental Term Loans denominated in Dollars in an aggregate principal amount equal to such 2026 Incremental Term Lender's 2026 Incremental Term Loan Commitment as of the Second Amendment Effective Date in accordance with the terms and conditions of the Second Amendment. The 2026 Incremental Term Loans shall constitute Term Loans for all purposes of this Agreement and shall be repaid in accordance with the provisions of this Agreement. Any amount borrowed under this Section 2.01(b) and subsequently repaid or prepaid may not be reborrowed. Each 2026 Incremental Term Lender's Term Loan Commitment for 2026 Incremental Term Loans shall terminate immediately and without further action on the Second Amendment Effective Date after giving effect to the funding by such 2026 Incremental Term Lender of each 2026 Incremental Term Loan to be made by it on such date.

(~~b~~c) *Type of Borrowing*. Each Lender at its option may make any Term Loan by causing any domestic or foreign branch, or Affiliate of, such Lender to make such Term Loan; *provided* that any exercise of such option shall not affect the obligation of the Borrower to repay such Term Loan in accordance with the terms of this Agreement.

Section 2.02 [Reserved].

Section 2.03 Requests for Loans. Unless otherwise agreed to by the Administrative Agent, to request the ~~Initial~~2026 Incremental Term Loans on the ~~Closing~~Second Amendment Effective Date, the Borrower shall notify the Administrative Agent of such request in a written Loan Request signed by the Borrower not later than 2:00 p.m. (New York City time), one (1) Business Day before the ~~Closing Date~~proposed date of Borrowing (or such shorter period as the Borrower and the Administrative Agent may agree). Such written request shall be irrevocable ~~and~~but may be conditioned on the consummation of the Second Amendment Effective Date. Such written request shall specify the aggregate amount of such ~~Initial~~2026 Incremental Term Loans.

Section 2.04 Funding of Term Loans

~~.~~(a) Each Initial Lender shall make each Initial Term Loan to be made by it hereunder on the Closing Date by wire transfer of immediately available funds by 12:00 p.m. (New York City time), or such earlier time as may be reasonably practicable, to the account of the Administrative Agent most recently designated by the Administrative Agent for such purpose by notice to the Lenders. Upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent will make the proceeds of the Initial Term Loans available to

the Borrower, on behalf of the Borrower, by promptly crediting such proceeds so received, in like funds, to one or more accounts designated by, or on behalf of, the Borrower.

(b) Each 2026 Incremental Term Lender shall make each 2026 Incremental Term Loan to be made by it hereunder on the Second Amendment Effective Date by wire transfer of immediately available funds by 12:00 p.m. (New York City time), or such earlier time as may be reasonably practicable, to the account of the Administrative Agent most recently designated by the Administrative Agent for such purpose by notice to the Lenders. Upon satisfaction or waiver of the conditions precedent specified in the Second Amendment, the Administrative Agent will make the proceeds of the 2026 Incremental Term Loans available to the Borrower, on behalf of the Borrower, by promptly crediting such proceeds so received, in like funds, to one or more accounts designated by, or on behalf of, the Borrower.

Section 2.05 [Reserved].

Section 2.06 Alternate Rate of Interest. Subject to Section 2.09, in the event, and on each occasion, that on the date that is two (2) Business Days prior to the commencement of any Interest Period for a SOFR Term Loan, the Administrative Agent shall have reasonably determined (which determination shall be conclusive and binding upon the Borrower absent manifest error) that reasonable means do not exist for ascertaining the applicable Term SOFR, the Administrative Agent shall, promptly thereafter, give written or facsimile notice of such determination to the Borrower, Alaska and the Lenders and, until the circumstances giving rise to such notice no longer exist, (i) the Borrower may revoke any request for a Borrowing of SOFR Term Loans and, failing that, any request by the Borrower for a Borrowing of SOFR Term Loans hereunder (including pursuant to a refinancing with SOFR Term Loans and including any request to continue, or to convert to SOFR Term Loans) shall be deemed a request for a Borrowing of ABR Term Loans and (ii) any outstanding SOFR Term Loans hereunder shall be converted to ABR Term Loans at the end of the then current Interest Period.

Section 2.07 Interest on Term Loans.

(a) Subject to the provisions of Section 2.08 and 2.09, each Term Loan shall bear interest (computed using the Day Count Fraction) at a rate per annum equal, during each Interest Period applicable thereto, to Term SOFR for such Interest Period plus the Applicable Margin (or, if the Alternate Base Rate shall apply instead of Term SOFR pursuant to Section 2.09, the Alternate Base Rate plus the Applicable Margin).

(b) Accrued interest on all Term Loans shall be payable in arrears on each Payment Date, on the Termination Date and thereafter on written demand and upon any repayment or prepayment thereof (on the amount repaid or prepaid).

Section 2.08 Default Interest. If the Borrower or any Guarantor, as the case may be, shall default in the payment of the principal of or interest on any Term Loan or in the payment of any fee becoming due hereunder, whether at stated maturity, by acceleration or otherwise, the

Borrower or such Guarantor, as the case may be, shall on written demand of the Administrative Agent (which written demand shall only be given at the request of the Required Lenders) from

time to time pay interest, to the extent permitted by law, on all overdue amounts up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum (computed using the Day Count Fraction) equal to (a) with respect to the principal amount of any Term Loan, the rate then applicable for such Borrowings plus 2.0%, and (b) in the case of interest and fees, the Alternate Base Rate plus 2.0%.

Section 2.09 Benchmark Replacement Setting.

(a) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and
(y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is based upon Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(b) In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent (with the consent of the Borrower) will have the right to make Conforming Changes from time to time (including, without limitation, upon the occurrence of the event described in clause (e) below) and, subject to the parenthetical above but notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) The Administrative Agent will promptly notify the Borrower, Alaska and the Lenders of (i) any occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section
2.09 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from

taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this

Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.09.

(d) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may (in consultation with the Borrower) modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may (in consultation with the Borrower) modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, (a) the Borrower may revoke any pending request for a SOFR Term Loan of, conversion to or continuation of SOFR Term Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or a conversion to ABR Term Loans and (b) all calculations of interest by reference to the Term SOFR Reference Rate hereunder shall instead be made by reference to the Alternate Base Rate.

(f) The Borrower and the Administrative Agent will reasonably cooperate with each other to effect any adoption of a new or replacement Benchmark (and any other modification of the terms of the Loan Documents) as contemplated by this Section 2.09 in a manner that does not result in a deemed exchange of any indebtedness issued in connection with this Agreement pursuant to Section 1001 of the Code.

Section 2.10 Repayment of Term Loans; Evidence of Debt.

(a) The Term Loans, together with all other Obligations (other than contingent obligations not due and owing) shall, in any event, be paid in full in cash no later than the Termination Date.

Subject to Section 7.01, on each Payment Date on which no Event of Default has occurred and is continuing, Available Funds in the Term Loan Payment Account as of such Payment Date (based upon instructions in the Payment Date Statement furnished to the

Collateral Administrator and Collateral Custodian on the related Determination date by the Borrower) shall be distributed by the Collateral Administrator in the following order of priority:

(i) *first*, (v) to the payment of the Term Loans' Pro Rata Share of any Cayman Islands governmental fees owing by the SPV Parties in an amount not to exceed $200,000 in the aggregate per annum, and *then* (w) ratably to (i) the Master Collateral Agent, the Term Loans' Pro Rata Share of any Fees, costs, expenses, reimbursements and indemnification amounts due and payable to such Person pursuant to the terms of the Loan Documents and (ii) the Collateral Administrator and the Collateral Custodian, the amount of any fees, costs, expenses, reimbursements and indemnification amounts due and payable to the Collateral Administrator and the Collateral Custodian pursuant to the terms of the Loan Documents, in an amount not to exceed $200,000 in the aggregate per annum, and *then* (x) to the Depositary the Term Loans' Pro Rata Share of any Fees, costs, expenses, reimbursements and indemnification amounts due and payable to such Person pursuant to the terms of the Loan Documents, and *then* (y) ratably to the Administrative Agent, the amount of any Fees, costs, expenses, reimbursements and indemnification amounts due and payable to the Administrative Agent pursuant to the terms of the Loan Documents in an amount not to exceed $200,000 in the aggregate per Payment Date and *then* (z) ratably, the Term Loans' Pro Rata Share of the amount of any fees, expenses and other amounts due and owing to the Cayman Islands registered office and/or corporate service provider (including the Administrator and Walkers Fiduciary Limited (or its successors)) as share trustee of any SPV Party and any Independent Director of any SPV Party, in an amount not to exceed $200,000 in the aggregate per Payment Date, in the case of each of clause (v), (w) (x), (y) and (z), to the extent not otherwise paid or provided for or to the extent such parties have agreed with the Borrower for payment at a later date;

(ii) *second*, to the Administrative Agent, on behalf of the Lenders, with respect to each Class of Term Loans, an amount equal to the Interest Distribution Amount for such Class with respect to such Payment Date *minus* the amount of interest paid by the Borrower on the Term Loans of such Class after the immediately preceding Payment Date and prior to such Payment Date;

(iii) *third*, to the Administrative Agent, on behalf of the Lenders, in an amount equal to the Scheduled Principal Amortization Amount (if any) for each Class of Term Loans due and payable on such Payment Date;

(iv) *fourth*, to the Term Loan Reserve Account if the amount on deposit in the Term Loan Reserve Account is less than the Term Loan Reserve Account Required Balance on the Payment Date, the amount of such shortfall;

fifth, to the extent not already paid, to the Administrative Agent, on behalf of the Lenders, the amount of any outstanding mandatory prepayments

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required pursuant to Section 2.12 (including any related Premium due with respect thereto) to be applied in accordance with the terms thereof;

(v) *sixth*, after the fifth anniversary of the Closing Date, any "AHYDO catchup payments" on the Term Loans;

(vi) *seventh*, without duplication, any Premium due and unpaid as of such Payment Date;

(vii) *eighth*, to pay (w) ratably to the Collateral Administrator, the Collateral Custodian and the Master Collateral Agent, and *then* (x) to the Depositary, and *then* (y) to the Administrative Agent, and *then* (z) any other Person (other than Parent and any of its Subsidiaries (*provided* that any payment to the IP Manager pursuant to the IP Management Agreement shall be permitted pursuant to this clause (viii))), including any Independent Director of any SPV Party and the IP Manager, any additional Obligations due and payable to such Person on such Payment Date, in the case of clause (w), (x), (y) and (z), to the extent not otherwise paid or provided for or to the extent such parties have agreed with the Borrower for payment at a later date;

(viii) *ninth*, if an Early Amortization Period was in effect as of the last day of the most recently completed Quarterly Reporting Period, then, to the Administrative Agent on behalf of the Lenders, as a reduction in the outstanding principal balance of the Term Loans, an amount equal to the Early Amortization Payment for such Payment Date;

(ix) *tenth*, to the extent any amounts are due and owing under any other Priority Lien Debt, to the Master Collateral Agent for further distribution to the appropriate Person pursuant to the Collateral Agency and Accounts Agreement; and

(x) *eleventh*, all remaining amounts shall be released to or at the direction of the Borrower.

For the avoidance of doubt, to the extent Available Funds with respect to any Payment Date are insufficient to pay amounts due hereunder to the Agents, Lenders or any other Person on such Payment Date, the Borrower and, to the extent provided in Section 9 hereof, the Guarantors, are fully obligated to timely pay such amounts to the Agents, Lenders or other Persons.

Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Term Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Term Loan made hereunder, the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof, which in all circumstances shall be consistent with the Register maintained pursuant to Section 10.02(c). The Borrower shall have the right, upon reasonable notice, to request information regarding the accounts referred to in the preceding sentence.

(c) The entries made in the accounts maintained pursuant to paragraph (c) or (d) of this Section 2.10 shall be prima facie evidence (absent manifest error) of the existence and amounts of the obligations recorded therein; *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Term Loans in accordance with the terms of this Agreement.

(d) Any Lender may request that Term Loans made by it be evidenced by a promissory note. In such event, the Borrower shall promptly execute and deliver to such Lender a promissory note payable to such Lender and its registered assigns in a form furnished by the Administrative Agent and reasonably acceptable to the Borrower. Thereafter, the Term Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.02) be represented by one or more promissory notes in such form payable to such payee and its registered assigns.

Section 2.11 [Reserved].

Section 2.12 Mandatory Prepayment of Term Loans.

(a) Within five (5) Business Days of the Borrower or any other SPV Party receiving any Net Proceeds from the issuance or incurrence of any Indebtedness of the Borrower or any other SPV Party (other than with respect to any Indebtedness permitted to be incurred pursuant to Section 6.02), the Borrower shall prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such Net Proceeds.

(b) No later than ten (10) Business Days following the date of receipt by Alaska or any of its Subsidiaries of any Net Proceeds in respect of any Recovery Event (in each case, in respect of Collateral) which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Recovery Events since the Closing Date, are in excess of $10,000,000 (the "**Threshold Amount**", and all such Net Proceeds in excess of the Threshold Amount, "**Excess Proceeds**"), the Borrower shall (i) give written notice to the Administrative Agent of such Recovery Event and (ii) offer to prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such Excess Proceeds (other than any such Excess Proceeds withheld for reinvestment pursuant to the proviso in this clause (b)) no later than the tenth (10th) Business Day following the date of receipt of such Net Proceeds; *provided* that (1) so long as no Event of Default shall have occurred and be

continuing at the time of receipt of such Excess Proceeds, the Borrower shall have the option to (x) invest such Excess Proceeds

within 365 days of receipt thereof in Qualified Replacement Assets (or, if a binding commitment for any such investment has been entered into within such 365-day period, within 180 days after the end of such 365-day period) or (y) repair, replace or restore the assets which are the subject of such Recovery Event; and (2) within ten (10) Business Days of the end of such permitted reinvestment period (or earlier if the Borrower so elects), the Borrower shall offer to prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of the aggregate amount of such Excess Proceeds not used in accordance with the preceding subclause (1). Any Lender may elect, by notice to the Administrative Agent at least two Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term Loans pursuant to this Section 2.12(b), in which case the aggregate amount of the prepayment that would have been applied to prepay such Term Loans but was so declined shall be retained by the Borrower (or Alaska or such other applicable Subsidiary).

(c) No later than ten (10) Business Days following the date of receipt by Alaska or any of its Subsidiaries of any Net Proceeds in respect of (x) any Collateral Sale of Mileage Plan Intellectual Property (other than with respect to any Permitted Pre-paid Miles Purchase or Permitted Disposition) or (y) any Collateral Sale which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Collateral Sales (other than with respect to any Permitted Pre-paid Miles Purchase or Permitted Disposition) during the fiscal year in which such date occurs, are in excess of $10,000,000 (the "**Permitted Disposition Amount**", and all such Net Proceeds in excess of the Permitted Disposition Amount together with all Net Proceeds of any Collateral Sale of Mileage Plan Intellectual Property (other than with respect to any Permitted Pre-paid Miles Purchase or Permitted Disposition), "**Excess Disposition Proceeds**"), the Borrower shall offer to prepay the Term Loans in an aggregate amount equal to Term Loans' Pro Rata Share of such Excess Disposition Proceeds no later than the tenth (10th) Business Day following the date of receipt of such Excess Disposition Proceeds. Any Lender may elect, by notice to the Administrative Agent at least two Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term Loans pursuant to this Section 2.12(c), in which case the aggregate amount of the prepayment that would have been applied to prepay such Term Loans but was so declined shall be retained by the Borrower (or Alaska or such other applicable Subsidiary). Notwithstanding anything herein to the contrary, no sales of Collateral shall be permitted during the continuance of any Early Amortization Period or Event of Default or if an Early Amortization Event or Event of Default would result therefrom.

Within ten (10) Business Days of Alaska or any of its Subsidiaries receiving any Net Proceeds as a result of any Contingent Payment Event which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Contingent Payment Events since the Closing Date, are in excess of $50,000,000, the Borrower shall offer to prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such excess Net Proceeds. Any Lender may elect, by notice to the Administrative Agent at least two Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term

Loans pursuant to this Section 2.12(d), in which case the aggregate amount of the prepayment that would have been applied to prepay such Term Loans

but was so declined shall be retained by the Borrower (or Alaska or such other applicable Subsidiary).

(d) Within ten (10) Business Days of Alaska or any of its Subsidiaries receiving any Net Proceeds of a Pre-paid Miles Purchase which Net Proceeds, together with the aggregate amount of Net Proceeds previously received from Pre-paid Miles Purchases since the Closing Date, are in excess of $500,000,000, the Borrower shall prepay the Term Loans in an aggregate amount equal to the Term Loans' Pro Rata Share of such excess Net Proceeds; *provided* that the Borrower shall not be required to make such prepayment so long as the aggregate amount of Net Proceeds received from Pre-Paid Miles Purchases since the Closing Date is less than $550,000,000.

(e) Within five (5) Business Days following the occurrence of a Parent Change of Control Triggering Event, the Borrower shall offer to prepay all of each Lender's Term Loans at a purchase price in cash equal to 100% of the aggregate principal amount of the Term Loans prepaid. The repayment date shall be no later than thirty (30) days from the date such offer is made. Any Lender may elect, by notice to the Administrative Agent at least two (2) Business Days prior to the prepayment date, to decline all (but not less than all) of the prepayment of any Class of its Term Loans pursuant to this Section 2.12(f).

(f) Amounts required to be applied to the prepayment of Term Loans pursuant to Section 2.12(a) through (f) shall be applied to prepay on a pro rata basis the remaining Scheduled Principal Amortization Amounts of the Term Loans. To the extent that such amounts are not applied on a Payment Date pursuant to Section 2.10(b), the Borrower shall provide the Collateral Administrator and the Administrative Agent with written payment instructions setting forth the applicable amounts, and the Collateral Administrator shall distribute funds from the Term Loan Payment Account to the Administrative Agent (on behalf of the Lenders) as specified therein and the Collateral Administrator shall be entitled to conclusively rely on such instructions. All prepayments under Section 2.12 shall be accompanied (inclusive of all Premiums (if any) owed on account of any such prepayment) by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees (if any) included in, and any losses, costs and expenses, as more fully described in Section 2.15. Term Loans prepaid pursuant to Section 2.12 may not be reborrowed. On any Payment Date, to the extent that any amounts required to be applied as a prepayment pursuant to this Section 2.12 are on deposit in the Term Loan Payment Account on such Payment Date and no Event of Default has occurred and is then continuing, such amounts shall be applied as Available Funds on such Payment Date pursuant to Section 2.10(b).

Section 2.13 Optional Prepayment of Term Loans.

The Borrower shall have the right, at any time and from time to time, to prepay any Term Loans of any Class, in whole or in part, upon (i) upon delivery of a written notice of prepayment, which notice may be conditional, by facsimile or electronic mail to the Administrative

Agent, in any case received by 1:00 p.m., on the date that is three (3) Business Days prior to the proposed date of prepayment; provided that each such partial prepayment, if

any, shall be in an amount not less than $1,000,000 and in integral multiples of $1,000,000 in excess thereof.

(g) Any prepayments under Section 2.13 shall be applied to prepay on a pro rata basis the remaining Scheduled Principal Amortization Amounts of the Term Loans of the applicable Class. To the extent that such amounts are not applied on a Payment Date pursuant to Section 2.10(b), the Borrower shall provide the Collateral Administrator and the Administrative Agent with written payment instructions setting forth the applicable amounts, and the Collateral Administrator shall distribute funds from the Term Loan Payment Account to the Administrative Agent (on behalf of the Lenders) as specified therein and the Collateral Administrator shall be entitled to conclusively rely on such instructions. All prepayments under Section 2.13 shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment, plus any Fees (if any), Premiums (if any), and any losses, costs and expenses, as more fully described in Sections 2.15 hereof. Term Loans prepaid pursuant to Section 2.13 may not be reborrowed.

(h) Each notice of prepayment shall specify the prepayment date, the Class of Term Loans and the principal amount of the Term Loans to be prepaid and shall be irrevocable (except as provided in the following proviso) and commit the Borrower to prepay such Term Loan in the amount and on the date stated therein; provided that the Borrower may revoke any notice of prepayment under this Section 2.13 if such prepayment would have resulted from a refinancing of any or all of the Obligations hereunder or the occurrence of another event or condition and such refinancing or event or condition shall not be consummated or shall otherwise be delayed or (y) in accordance with Section 2.13(a), if the notice of prepayment was a conditional notice. The Administrative Agent shall, promptly after receiving notice from the Borrower hereunder, notify each Lender of the principal amount of the Term Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

Section 2.14 Increased Costs.

(a) If any Change in Law shall:

(i) 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 by, any Lender (except any such reserve requirement subject to Section 2.14(c)); or

(ii) impose on any Lender any other condition, cost or expense (in each case, other than Taxes) affecting this Agreement or SOFR Term Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting into, continuing or maintaining any SOFR Term Loan (or of maintaining its obligation to make any such Term

Loan) or to reduce the amount of any sum received or receivable by such Lender hereunder with respect to any SOFR Term Loan (whether of principal,

interest or otherwise), then, upon the request of such Lender, the Borrower will pay to the Administrative Agent for the account of such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender reasonably determines in good faith that any Change in Law affecting such Lender or such Lender's holding company regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the SOFR Term Loan made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to the Administrative Agent for the account of such Lender such additional amount or amounts, in each case as documented by such Lender to the Borrower as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) [Reserved.]

(d) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section 2.14 and the basis for calculating such amount or amounts shall be delivered to the Borrower and shall be *prima facie* evidence of the amount due (absent manifest error). The Borrower shall pay to the Administrative Agent for the account of such Lender the amount due within fifteen (15) days after receipt of such certificate.

(e) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.14 shall not constitute a waiver of such Lender's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender pursuant to this Section 2.14 for any increased costs or reductions incurred more than one hundred eighty (180) days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; *provided further* that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof. The protection of this Section 2.14 shall be available to each Lender regardless of any possible contention as to the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

(f) The Borrower shall not be required to make payments under this Section 2.14 to or for the account of any Lender if (A) a claim hereunder arises solely through circumstances peculiar to such Lender and which do not affect commercial banks in the jurisdiction of organization of such Lender generally, (B) the claim arises out of a voluntary

relocation by such Lender of its applicable lending office (it being understood that any such relocation effected pursuant to Section 2.18 is not "voluntary"), or (C) such Lender is not

seeking similar compensation for such costs to which it is entitled from its borrowers generally in commercial loans of a similar size.

(g) Notwithstanding anything herein to the contrary, regulations, requests, rules, guidelines or directives implemented after the Closing Date pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change in Law; *provided* that any determination by a Lender of amounts owed pursuant to this Section 2.14 to such Lender due to any such Change in Law shall be made in good faith in a manner generally consistent with such Lender's standard practice.

Section 2.15 Break Funding Payments. In the event of (a) the payment of any principal of any SOFR Term Loan other than on a Payment Date (including as a result of the occurrence and continuance of an Event of Default), (b) the failure to borrow, convert, continue or prepay any SOFR Term Loan on the date specified in any notice delivered pursuant hereto (other than with respect to a conditional notice that is revoked in accordance with the terms of this Agreement), or (c) the assignment (or reallocation) of any SOFR Term Loan other than on a Payment Date as a result of a request by the Borrower pursuant to Section 2.18 or Section 10.08(d), then, in any such event, at the request of such Lender, the Borrower shall compensate such Lender for the loss, cost and expense sustained by such Lender attributable to such event (if any); *provided* that in no case shall this Section 2.15 apply to any payment pursuant to Section 2.10(b). Such loss, cost or expense to any Lender shall be deemed to include an amount reasonably determined in good faith by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Term Loan had such event not occurred, at the applicable rate of interest for such Term Loan (excluding, however the Applicable Margin included therein, if any), for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue for the period that would have been the Interest Period for such Term Loan), over (ii) the amount of interest (as reasonably determined by such Lender) which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts (and the basis for requesting such amount or amounts) that such Lender is entitled to receive pursuant to this Section 2.15 shall be delivered to the Borrower and shall be *prima facie* evidence of the amount due (absent manifest error). The Borrower shall pay to the Administrative Agent for the account of such Lender the amount due within fifteen (15) days after receipt of such certificate.

Section 2.16 Taxes.

(a) Any and all payments by or on account of any Obligation of any Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any Indemnified Taxes or Other Taxes; *provided* that if any Indemnified Taxes or Other Taxes are required to be deducted or withheld from any amounts payable to any Agent or any Lender, as determined in good faith by the applicable Withholding

Agent, then (i) the sum payable by the applicable Loan Party shall be increased as necessary so that after making all required deductions or withholdings for any Indemnified Taxes or Other

Taxes (including deductions or withholdings for any Indemnified Taxes or Other Taxes applicable to additional sums payable under this Section 2.16), the applicable Agent or Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the applicable Withholding Agent shall make such deductions or withholdings and (iii) the applicable Withholding Agent shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law.

(b) In addition (and without duplication of any payments with respect to Other Taxes pursuant to Section 2.16(a)), the Borrower, shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Without duplication of amounts payable pursuant to Section 2.16(a) or 2.16(b), the Borrower shall indemnify each Agent and each Lender, within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by or on behalf of or withheld or deducted from payments owing to such Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of any Loan Party hereunder or under any other Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. After an Agent or a Lender, as the case may be, learns of the imposition of Indemnified Taxes or Other Taxes, such party will act in good faith to notify the Borrower promptly of its obligation thereunder. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender, by the Administrative Agent on its own behalf or on behalf of a Lender, or by the Collateral Administrator or the Master Collateral Agent on its own behalf, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment to the extent available, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

Each Lender shall, within ten (10) days after written demand therefor, indemnify the Administrative Agent, the Collateral Administrator and the Master Collateral Agent (to the extent the Administrative Agent, the Collateral Administrator or the Master Collateral Agent has not been reimbursed by the Borrower) for the full amount of any Taxes imposed by any Governmental Authority that are attributable to such Lender and that are payable or paid by the Administrative Agent, the Collateral Administrator or the Master Collateral Agent, together with all interest, penalties, reasonable costs and expenses arising therefrom or with respect thereto, as determined by the Administrative Agent, the Collateral Administrator or the Master Collateral Agent, respectively in good faith. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent, the Collateral

Administrator or the Master Collateral Agent, as applicable, shall be conclusive absent manifest error.

(e) Any Lender that is entitled to an exemption from or reduction of withholding tax with respect to payments under this Agreement or any Loan Document shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law and as reasonably requested by the Borrower, such properly completed and executed documentation prescribed by applicable law or requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate. In addition, the Administrative Agent and any Lender shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law and as reasonably requested by the Administrative Agent or the Borrower, such properly completed and executed documentation prescribed by applicable law or requested by the Administrative Agent or the Borrower as will enable the Administrative Agent or the Borrower to determine whether the Administrative Agent or such Lender is subject to backup withholding or information reporting requirements; *provided* that such Lender shall not be required to deliver any documentation pursuant to this Section 2.16(f) that such Lender is not legally able to deliver.

(f) (1) Without limiting the generality of the foregoing, each Lender that is not a "United States person" (as such term is defined in Section 7701(a)(30) of the Code) 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 when the previously delivered certificates and/or forms expire, or upon request of the Borrower or the Administrative Agent) whichever of the following is applicable:

(i) two (2) properly completed and duly executed originals of the applicable Internal Revenue Service Form W-8BEN or W-8BEN-E (or any successor form), claiming eligibility for benefits of an income tax treaty to which the United States of America is a party,

(ii) two (2) properly completed and duly executed originals of Internal Revenue Service Form W-8ECI (or any successor form),

(iii) two (2) properly completed and duly executed originals of Internal Revenue Service Form W-8IMY (or any successor form), accompanied by Internal Revenue Service Form W-8ECI (or any successor form), the applicable Internal Revenue Service Form W-8BEN or W-8BEN-E (or any successor form), Internal Revenue Service Form W-9 (or any successor form), and/or other certification documents from each beneficial owner, as applicable,

(iv) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code (the "**Portfolio Interest Exemption**"), (x) a certificate in customary form to the effect that such Foreign Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of

the Code, (B) a "10 percent shareholder" of the Borrower or Parent within the meaning of Section 881(c)(3)(B) of the Code, (C) a "controlled foreign

corporation" described in Section 881(c)(3)(C) of the Code or (D) conducting a trade or business in the United States with which the relevant interest payments are effectively connected (such certificate, a "**Certificate Re: Non-Bank Status**"), or if such Foreign Lender is an entity treated as a partnership, an Internal Revenue Service Form W-8IMY (or any successor form), together with a Certificate Re: Non-Bank Status on behalf of any beneficial owners claiming the Portfolio Interest Exemption, and (y) two (2) properly completed and duly executed originals of the applicable Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E (or any successor form), or in the case of a Foreign Lender that is treated as a partnership, two (2) properly completed and duly executed originals of Internal Revenue Service Form W-8IMY (or any successor form), together with the appropriate Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E (or any successor form) on behalf of each beneficial owner claiming the Portfolio Interest Exemption, or

(v) any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in United States federal withholding tax, properly completed and duly executed together with such supplementary documentation as may be prescribed by applicable law and reasonably requested by the Borrower or the Administrative Agent to permit the Borrower to determine the withholding or deduction required to be made.

(g) Any Lender that is a "United States person" (as such term is defined in Section 7701(a)(30) of the Code) shall deliver to the Administrative Agent and the Borrower, on or prior to the date on which such Lender becomes a party to this Agreement (and from time to time thereafter when the previously delivered certificates and/or forms expire, or upon request of the Borrower or the Administrative Agent), two (2) copies of Internal Revenue Service Form W-9 (or any successor form), properly completed and duly executed by such Lender, certifying that such Lender is entitled to an exemption from United States backup withholding tax.

(h) If a payment made to a Lender under this Agreement or any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower or the Administrative Agent to comply with their obligations under FATCA, to determine that such Lender has or has not complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment.

(i) If an Agent or a Lender determines, in its sole discretion, reasonably exercised in good faith, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by one or more Loan Parties or with respect to which one or more Loan

Parties have paid additional amounts pursuant to this Section 2.16, it shall pay over an amount equal to such refund to the applicable Loan Parties (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Parties under this Section 2.16 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of such Agent or such Lender incurred in obtaining such refund (including Taxes imposed with respect to such refund) and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that such Loan Parties, upon the request of such Agent or such Lender, agree to repay the amount paid over to such Loan Parties (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Agent or such Lender in the event such Agent or such Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (j), in no event will any Agent or any Lender be required to pay any amount to the Borrower pursuant to this paragraph (j) if, and then only to the extent, the payment of such amount would place such Agent or such Lender in a less favorable net after-Tax position than such Agent or such Lender would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This Section 2.16(j) shall not be construed to require any Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Borrower or any other Person.

(j) Each of the Administrative Agent and the Collateral Administrator shall provide the Borrower with two (2) properly completed and duly executed originals of, if it is a "United States person" (as defined in Section 7701(a)(30) of the Code), Internal Revenue Service Form W-9 certifying that it is exempt from U.S. federal backup withholding tax, and, if it is not a United States person, (1) Internal Revenue Service Form W-8ECI with respect to payments to be received by it as a beneficial owner and (2) Internal Revenue Service Form W-8IMY (together with required accompanying documentation) with respect to payments to be received by it for the account of others, certifying that it is a "U.S. branch" and that the payments it receives for the account of others are not effectively connected with the conduct of its trade or business within the United States and that it is using such form as evidence of its agreement with the Borrower to be treated as a U.S. person with respect to such payments (and the Borrower and the Administrative Agent or the Collateral Administrator, as the case may be, agree to so treat the Administrative Agent or the Collateral Administrator, as the case may be, as a U.S. person with respect to such payments as contemplated by Section 1.1441-1(b)(2)(iv) of the United States Treasury Regulations), and shall update such forms periodically upon the reasonable request of the Borrower.

Section 2.17 Payments Generally; Pro Rata Treatment.

The Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest or fees, or of amounts payable under Section 2.14, 2.15, 10.04 or otherwise) prior to 3:00 p.m., on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the reasonable discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at One Bryant Park, New York, New

York 10036, pursuant to wire instructions to be provided by the Administrative Agent. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. All payments hereunder shall be made in U.S. Dollars.

(a) [Reserved].

(b) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(c) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04, 8.04, 8.07 or 10.04(d), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(d) Pro Rata Treatment.

(i) Each payment by the Borrower in respect of the Term Loans shall be applied to the amounts of such obligations owing to the Lenders pro rata according to the respective amounts then due and owing to the Lenders.

(ii) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Term Loans shall be made to the applicable Class or Classes of Term Loans pro rata according to the respective outstanding principal amounts of the Term Loans then held by the Lenders.

Section 2.18 Mitigation Obligations; Replacement of Lenders.

If the Borrower is required to pay any additional amount or indemnification payment to any Lender under Section 2.14 or to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Term Loans hereunder, to assign its rights and obligations hereunder to another of its offices, branches or affiliates, to file any certificate or document reasonably requested by the Borrower or to take other reasonable measures, if, in the

judgment of such Lender, such designation, assignment, filing or other measures (i) would eliminate or reduce amounts payable pursuant to

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Section 2.14 or 2.16, as the case may be, and (ii) would not subject such Lender to any unreimbursed cost or expense (other than immaterial costs and expenses) and would not otherwise be materially disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment. Furthermore, in the event a Lender exercises an option described in Section 2.01(~~b~~c), and as a result the Borrower incurs any additional cost or obligation that would not have occurred but for the exercise of such option, such Lender shall cooperate with the Borrower in good faith to reduce or eliminate such cost or obligation.

(i) If, after the date hereof, any Lender requests compensation under Section 2.14 or if the Borrower is required to pay any additional amount or indemnification payment to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, or if any Lender becomes a Defaulting Lender, Non-Extending Lender or Non-Consenting Lender then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, (i) prepay such Lender's outstanding Term Loans (on a non-pro rata basis), or (ii) require such Lender to assign, without recourse (in accordance with and subject to the restrictions contained in Section 10.02), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), in any case as of a Business Day specified in such notice from the Borrower; *provided* that (i) such terminated or assigning Lender shall have received payment of an amount equal to the outstanding principal of its Term Loans, accrued interest thereon, accrued fees and all other amounts due, owing and payable to it hereunder at the time of such termination or assignment, from the assignee (to the extent of such outstanding principal and accrued interest and fees in the case of an assignment) or the Borrower (in the case of all other amounts) and (ii) in the case of an assignment due to payments required to be made pursuant to Section 2.16, such assignment will result in a reduction in such compensation or payments.

Section 2.19 Certain Fees. The Borrower shall pay (i) to the Administrative Agent and the Lead Arrangers, the fees to which each is respectively entitled as set forth in the Fee Letter, among the Lead Arrangers and the Borrower, and the Administrative Agent Fee Letter, among the Administrative Agent and the Borrower, each dated as of the Closing Date (together, the "**Fee Letter**"), and (ii) to the Collateral Administrator, Collateral Custodian and the Master Collateral Agent the fees set forth in the Collateral Administrator and Master Collateral Agent Fee Letter, dated as of the date hereof (the "**Collateral Administrator and Master Collateral Agent Fee Letter**"), among the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent and the Borrower dated as of the date hereof, in each case at the times set forth therein. Other than the amounts to be paid on the Closing Date, all amounts due and owing pursuant to the Fee Letter shall be subject to the payment priorities set forth in Section 2.10(b).

Section 2.20 [Reserved].

Section 2.21 Premium. Upon the occurrence of an Applicable Trigger Event, the Borrower agrees to pay to the Administrative Agent for the benefit of each Lender that holds an applicable 2026 Incremental Term Loan:

(a) If such Applicable Trigger Event occurs prior to the six month anniversary of the ~~Closing~~Second Amendment Effective Date, 1.0% of the amount prepaid or repaid (or deemed prepaid or repaid), unless such amount is waived by the applicable Lender.

(b) If such Applicable Trigger Event occurs on or after the six month anniversary of the ~~Closing~~Second Amendment Effective Date, 0.0% of the amount prepaid or repaid (or deemed prepaid or repaid).

Any amounts payable in accordance with this Section 2.21 shall be presumed to be equal to the liquidated damages sustained by the Lenders as the result of the occurrence of the Applicable Trigger Event, and the Borrower agrees that it is reasonable under the circumstances currently existing. The Loan Parties expressly agree that (i) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel, (ii) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made, (iii) there has been a course of conduct between Lenders and the Borrower giving specific consideration in the transaction for such agreement to pay the premium,
(iv) the Loan Parties shall be estopped hereafter from claiming differently than as agreed to in this Section 2.21, Section 2.12 and Section 2.13, (v) the agreement to pay the premium is a material inducement to the Lenders to make the Term Loans, and (vi) the premium represents a good faith, reasonable estimate and calculation of the lost profits or damages of the Lenders and that it would be impractical and extremely difficult to ascertain the actual amount of damages to the Lenders or profits lost by the Lenders as a result of such Applicable Trigger Event.

THE PREMIUM IS DEEMED TO CONSTITUTE LIQUIDATED DAMAGES, AND THE PARTIES HERETO (OTHER THAN THE COLLATERAL ADMINISTRATOR AND THE COLLATERAL CUSTODIAN) EACH ACKNOWLEDGE AND AGREE THAT SUCH DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE AND THAT THE SETTLEMENT AMOUNT IS INTENDED TO BE A REASONABLE APPROXIMATION OF THE AMOUNT OF SUCH DAMAGES AND NOT A PENALTY.

Section 2.22 Nature of Fees. Except as otherwise specified in the Fee Letter or the Collateral Administrator and Master Collateral Agent Fee Letter, as applicable, all Fees shall be paid on the dates due, in immediately available funds, (a) to the Administrative Agent, as provided herein and in the Fee Letter or (b) the Collateral Administrator, Collateral Custodian or Master Collateral Agent, as applicable, as provided in the Collateral Administrator and Master Collateral Agent Fee Letter, as applicable. Once paid, none of the Fees shall be refundable under any circumstances.

Section 2.23 Right of Set-Off. Upon the occurrence and during the continuance of any Event of Default pursuant to Section 7.01(b), the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and each Lender (and their respective banking Affiliates) are hereby authorized at any time and from time to time, to the

fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final but excluding the Escrow Accounts) at any time held and other indebtedness at any time owing by the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and each Lender (or any of such banking Affiliates) to or for the credit or the account of any Loan Party against any and all of any such overdue amounts owing to such Person under the Loan Documents, irrespective of whether or not the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian or such Lender shall have made any demand under any Loan Document; *provided* that in the event that any Defaulting Lender exercises any such right of setoff, (a) all amounts so set off will be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.26(d) and, pending such payment, will be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (b) the Defaulting Lender will provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and the Administrative Agent agree promptly to notify the Loan Parties after any such set-off and application made by such Lender, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian or the Administrative Agent (or any of such banking Affiliates), as the case may be, *provided* that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian and the Administrative Agent under this Section 2.23 are in addition to other rights and remedies which such Lender, the Administrative Agent, the Master Collateral Agent, the Collateral Custodian and the Collateral Administrator may have upon the occurrence and during the continuance of any Event of Default.

Section 2.24 Debt Service Coverage Cure. As of any Determination date, to the extent that Collections received in the Collection Account for the related DSCR Measurement Period are insufficient to satisfy the Debt Service Coverage Ratio Test for such DSCR Measurement Period (the "**Shortfall Period**"), at any time prior to such Determination Date the Borrower may deposit, or cause to be deposited into the Collection Account, funds in an amount necessary to satisfy the Debt Service Coverage Ratio Test for such Shortfall Period (determined as if such deposited funds constitute Collections attributable to such Shortfall Period); *provided* that (x) deposits made pursuant to this Section 2.24 shall not occur more than five times in the aggregate prior to the Term Loan Maturity Date and no more than two times in any 12 month period, (y) any such amounts received in the Collection Account on or prior to the applicable Determination Date in accordance with this Section 2.24 will be treated as Collections for the Shortfall Period for purposes of the Debt Service Coverage Ratio Test and all other purposes and (z) amounts deposited in the Collection Account after such Determination Date and designated as Cure Amounts by the Borrower shall be treated as Collections for the Quarterly Reporting Period in which such funds were deposited and shall not be included in the Debt Service Coverage Ratio Test for the Shortfall Period (amounts deposited pursuant to this paragraph being, "**Cure Amounts**").

Section 2.25 Payment of Obligations. Subject to the provisions of Section 7.01, upon the maturity (whether by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Loan Parties, the Lenders shall be entitled to immediate payment of such Obligations.

Section 2.26 Defaulting Lenders.

(a) If at any time any Lender becomes a Defaulting Lender, then the Borrower may replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 10.02(b) (with the assignment fee to be waived in such instance and subject to any consents required by such Section) all of its rights and obligations under this Agreement to one or more assignees; *provided* that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender.

(b) Any Lender being replaced pursuant to Section 2.26(a) shall (i) execute and deliver to the Administrative Agent, an Assignment and Acceptance with respect to such Lender's outstanding Term Loan Commitments and Term Loans, and (ii) deliver any documentation evidencing such Term Loans to the Borrower or the Administrative Agent. Pursuant to such Assignment and Acceptance, (A) the assignee Lender shall acquire all or a portion, as specified by the Borrower and such assignee, of the assigning Lender's outstanding Term Loan Commitments and Term Loans, (B) all obligations of the Borrower owing to the assigning Lender relating to the Term Loan Commitments and Term Loans so assigned shall be paid in full by the assignee Lender to such assigning Lender concurrently with such Assignment and Acceptance (including, without limitation, any amounts owed under Section 2.15 due to such replacement occurring on a day other than a Payment Date), and (C) upon such payment and, if so requested by the assignee Lender, delivery to the assignee Lender of the appropriate documentation executed by the Borrower, the assignee Lender shall become a Lender hereunder and the assigning Lender shall cease to constitute a Lender hereunder with respect to such assigned Term Loan Commitments and Term Loans, except with respect to indemnification provisions under this Agreement, which shall survive as to such assigning Lender; *provided* that an assignment contemplated by this Section 2.26(b) shall become effective notwithstanding the failure by the assigning Lender to deliver the Assignment and Acceptance contemplated by this Section 2.26(b), so long as the other actions specified in this Section 2.26(b) shall have been taken.

(c) 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, 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 10.08.

(d) Any amount paid by the Borrower or otherwise received by the Administrative Agent for the account of a Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will not be paid or

distributed to such Defaulting Lender, but shall instead be retained by the Administrative Agent in a segregated account until (subject to Section 2.26(f)) the termination of the Term Loan

Commitments and payment in full of all obligations of the Borrower hereunder and will be applied by the Collateral Administrator, to the fullest extent permitted by law, to the making of payments from time to time, as set forth in a written instruction from the Administrative Agent, in the following order of priority:

first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent;

second, to the payment of the Default Interest and then current interest due and payable to the Lenders which are Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such interest then due and payable to them,

third, to the payment of fees then due and payable to the Non-Defaulting Lenders hereunder, ratably among them in accordance with the amounts of such fees then due and payable to them,

fourth, to pay principal then due and payable to the Non-Defaulting Lenders hereunder ratably in accordance with the amounts thereof then due and payable to them,

fifth, to the ratable payment of other amounts then due and payable to the Non-Defaulting Lenders, and

sixth, after the termination of the Term Loan Commitments and payment in full of all obligations of the Borrower hereunder, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

(e) The Borrower may terminate the unused amount of the Term Loan Commitment of any Lender that is a Defaulting Lender upon not less than five (5) Business Days' prior notice to the Administrative Agent (which shall promptly notify the Non-Defaulting Lenders thereof), and in such event the provisions of Section 2.26(d) will apply to all amounts thereafter paid by the Borrower for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts), *provided* that (i) no Event of Default shall have occurred and be continuing and (ii) such termination shall not be deemed to be a waiver or release of any claim the Borrower, the Administrative Agent, or any Lender may have against such Defaulting Lender.

If the Borrower and the Administrative Agent agree in writing that a Lender that is a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the Non-Defaulting Lenders, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any amounts then held in the segregated account referred to in Section 2.26(d)), such Lender shall purchase at par such portions of outstanding Term Loans of the other Lenders, and/or make such other adjustments, as the Administrative Agent may determine to be necessary to cause the Lenders to hold Term Loans on a pro rata basis in accordance with their respective ratable shares, whereupon such Lender shall cease to be a Defaulting Lender and will be a Non-Defaulting Lender; *provided* that no adjustments shall be

made retroactively with respect to fees accrued while such Lender was a Defaulting Lender; and *provided, further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender shall constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

(f) Notwithstanding anything to the contrary herein, the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 8.05.

Section 2.27 Incremental Term Loans.

(a) *Borrower Request*. The Borrower may, by written notice to the Administrative Agent from time to time, request an increase to the existing Facility or one or more new term loan facilities (the commitments thereunder, the "**Incremental Commitments**" and the Term Loans thereunder, the "**Incremental Term Loans**") in an amount not less than
$25,000,000 individually from one or more Incremental Lenders (which may include any existing Lender) willing to provide such Incremental Commitments in their sole discretion; *provided* that each Incremental Lender (which is not an existing Lender) shall be subject to the approval requirements of Section 10.02. Each such notice shall specify (i) the date (each, an "**Increase Effective Date**") on which the Borrower ~~propose~~proposes that the proposed Incremental Commitments shall be effective, which shall be a date not less than ten (10) Business Days after the date on which such notice is delivered to the Administrative Agent (or such shorter notice as agreed to by the Administrative Agent, it being understood that such notice requirement has been waived with respect to the 2026 Incremental Term Loans) and (ii) the identity of each Eligible Assignee to whom the Borrower propose any portion of such Incremental Commitments be allocated and the amounts of such allocations (each provider of the Incremental Commitments referred to herein as an "**Incremental Lender**"); *provided* that any existing Lender approached to provide all or a portion of the proposed Incremental Commitments may elect or decline, in its sole discretion, to provide such Incremental Commitment.

(b) *Conditions*. Any new Incremental Commitments shall become effective as of such Increase Effective Date *provided* that:

(i) each of the conditions set forth in Section 4.02 shall be satisfied or waived by the Incremental Lenders on or prior to such Increase Effective Date;

(ii) no Event of Default or Early Amortization Event shall have occurred and be continuing or would result from giving effect to the Incremental Commitments on, or the making of any Incremental Term Loans on, such Increase Effective Date; and

the pro forma LTV Ratio (Senior Debt) immediately after giving effect to the making of the Incremental Term Loans shall not exceed 55.0%.

(c) *Terms of Incremental Commitments*. The terms and provisions of Term Loans made pursuant to any Incremental Commitments shall be as follows:

(i) terms and provisions with respect to interest rates, maturity date and amortization schedule of Incremental Term Loans made pursuant to any Incremental Commitments shall be as agreed upon between the Borrower and the applicable Lenders providing such Incremental Term Loans (it being understood that the Incremental Term Loans may be part of the Initial Term Loans, the 2026 Incremental Term Loans, or any other Class of Term Loans);

(ii) the Weighted Average Life to Maturity of any Term Loans made pursuant to Incremental Commitments shall be no shorter than the remaining Weighted Average Life to Maturity of the then-outstanding Term Loans;

(iii) the maturity date for such Incremental Term Loans shall be on or after the Latest Maturity Date;

(iv) to the extent that the terms and provisions of Incremental Term Loans are not identical to an outstanding Class of Term Loans (except to the extent permitted by clauses (i), (ii) and (iii) above or clause (vi) below), such terms and conditions shall (A) be reasonably acceptable to the Administrative Agent or
(B) not be materially more restrictive to the Borrower (as determined in good faith by the Borrower) than the terms of the then-outstanding Term Loans (except for
(1) covenants, events of default and guarantees applicable only to periods after the Latest Maturity Date (as of the date of the incurrence of such Incremental Term Loans) and (2) subject to clause (vi), pricing, fees, rate floors, premiums, optional prepayment or redemption terms) unless the Lenders under the then-outstanding Term Loans, receive the benefit of such more restrictive terms; *provided* that in no event shall such Incremental Term Loans be subject to events of default resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Alaska Bankruptcy Event" (or the occurrence of any such event with respect to any Subsidiary of Alaska other than any SPV Party) except on the same terms as the then-outstanding Term Loans;

(v) such Incremental Term Loans shall not be subject to any Guarantee by any Person other than a Loan Party and shall not be secured by a Lien on any asset other than any asset constituting Collateral (except to the extent that any additional collateral security is added to the Collateral to secure, and additional guarantees are added for the benefit of, the then-outstanding Term Loans); and

(vi) the All-In Yield applicable to any Incremental Term Loans shall be determined by the Borrower and the applicable Lenders providing such Incremental Term Loans; *provided* that, if the All-In Yield of any such Incremental Term Loans incurred within six months of the Closing Date exceeds the All-In Yield on any then-outstanding Term Loans (calculated in the same manner and

after giving effect to any amendment to interest rate margins applicable to such outstanding Term Loans after the Closing Date but immediately prior to the time of the making of such Incremental Term Loans) by more than 0.50%, the applicable margins applicable to such outstanding Term Loans shall be increased to the extent necessary so that the yield on such Incremental Term Loans is no more than 0.50% greater than the All-In Yield on such then-outstanding Term Loans (it being agreed that any increase in yield to such outstanding Term Loans required due to the application of a SOFR or Alternate Base Rate floor on any Incremental Term Loans shall be effected solely through an increase in (or implementation of, as applicable) any SOFR or Alternate Base Rate floor applicable to such outstanding Term Loans).

The Incremental Commitments shall be effected by a joinder agreement (the "**Increase Joinder**") executed by the Borrower, the Administrative Agent and each Incremental Lender making such Incremental Commitment, in form and substance satisfactory to each of them; provided that if the terms of such Increase Joinder do not require the approval of the Administrative Agent pursuant to any other provision of this Agreement, then the Administrative Agent's consent to the execution of such Increase Joinder will not be unreasonably withheld, conditioned or delayed. The Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section 2.27. In addition, unless otherwise specifically provided herein, all references in the Loan Documents to Term Loans shall be deemed, unless the context otherwise requires, to include references to any Term Loans made pursuant to Incremental Commitments and this Agreement.

(d) *Making of New Term Loans*. On any Increase Effective Date on which one or more Incremental Commitments becomes effective, subject to the satisfaction of the foregoing terms and conditions, each Incremental Lender holding such Incremental Commitment shall make an Incremental Term Loan to the Borrower in an amount equal to its Incremental Commitment.

(e) *Equal and Ratable Benefit*. The Incremental Term Loans and Incremental Commitments established pursuant to this Section 2.27 shall constitute Term Loans and Term Loan Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents and shall, without limiting the foregoing, benefit equally and ratably from the security interests created by the Collateral Documents.

Section 2.28 Extension of Term Loans.

(a) Notwithstanding anything to the contrary in this Agreement, pursuant to one or more offers (each, a "**Extension Offer**"), made from time to time by the Borrower to all Lenders holding Term Loans with like maturity date, on a pro rata basis (based on the aggregate Term Loan Commitments with like maturity date) and on the same terms to each such Lender,

the Borrower is hereby permitted to consummate from time to time transactions with individual Lenders that accept the terms contained in any such Extension Offers to extend the scheduled

maturity date with respect to all or a portion of any outstanding principal amount of such Lender's Term Loans and otherwise modify the terms of such Term Loans pursuant to the terms of the relevant Extension Offer (including, without limitation, by changing the interest rate or fees payable in respect of such Term Loan Commitments) (each, an "**Extension**", and subject to the last sentence of the definition of "Class", each group of Term Loans, as so extended, as well as the original Term Loans not so extended, being a "**tranche of Term Loans**", and any Extended Term Loan shall constitute a separate tranche of Term Loans from the tranche of Term Loans from which they were converted), so long as the following terms are satisfied or waived:

(i) no Event of Default shall have occurred and be continuing at the time the offering document in respect of an Extension Offer is delivered to the applicable Lenders (the "**Extension Offer Date**");

(ii) except as to interest rates, fees, scheduled amortization payments of principal and final maturity (which shall be as set forth in the relevant Extension Offer), the Term Loan of any Lender that agrees to an Extension with respect to such Term Loan extended pursuant to an Extension Amendment (an "**Extended Term Loan**"), shall be a Term Loan with the same terms as the original Term Loans; *provided* that (1) the permanent repayment of Extended Term Loans after the applicable Extension shall be made on a pro rata basis with all other Term Loans, except that the Borrower shall be permitted to permanently repay any such tranche of Term Loans on a better than a pro rata basis as compared to any other tranche of Term Loans with a later maturity date than such tranche of Term Loans, (2) assignments and participations of Extended Term Loans shall be governed by the same assignment and participation provisions applicable to Term Loans, (3) the relevant Extension Amendment may provide for other covenants and terms that apply solely to any period after the Latest Maturity Date that is in effect on the effective date of such Extension Amendment (immediately prior to the establishment of such Extended Term Loans), (4) Extended Term Loans may have call protection as may be agreed by the Borrower and the applicable Lenders of such Extended Term Loans, (5) no Extended Term Loans may be optionally prepaid prior to the date on which all Term Loans with an earlier Term Loan Maturity Date are repaid in full, unless such optional prepayment is accompanied by a pro rata optional prepayment of such other Term Loans and (6) at no time shall there be Term Loans hereunder (including Extended Term Loans and any original Term Loans) which have more than five different maturity dates;

(iii) all documentation in respect of such Extension shall be consistent with the foregoing;

the Borrower may amend, revoke or replace an Extension Offer at any time prior to the date on which Lenders under the tranche of Term Loans are requested to respond to the offer; and

(iv) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrower.

For the avoidance of doubt, no Lender shall be obligated to accept any Extension Offer.

(b) [Reserved].

(c) With respect to all Extensions consummated by the Borrower pursuant to this Section 2.28, (i) such Extensions shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 2.12 or Section 2.13 and (ii) each Extension Offer shall specify the minimum amount of Term Loans to be tendered, which shall be a minimum amount reasonably approved by the Administrative Agent (a "**Minimum Extension Condition**"). The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this Section 2.28 (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Term Loans on such terms as may be set forth in the relevant Extension Offer) and hereby waive the requirements of any provision of this Agreement (including, without limitation, Sections 2.12, 2.17 and 8.08) or any other Loan Document that may otherwise prohibit any such Extension or any other transaction contemplated by this Section 2.28.

(d) The consent of the Administrative Agent shall not be required to effectuate any Extension. No consent of any Lender shall be required to effectuate any Extension, other than the consent of each Lender agreeing to such Extension with respect to one or more of its Term Loans (or a portion thereof), as applicable. All Extended Term Loans and all obligations in respect thereof shall be Obligations under this Agreement and the other Loan Documents that are secured by the Collateral on a *pari passu* basis with all other applicable Obligations under this Agreement and the other Loan Documents. The Lenders hereby irrevocably authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents (each, an "**Extension Amendment**") with the Borrower as may be necessary in order to establish new tranches or sub-tranches or Classes in respect of Term Loans so extended and such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower in connection with the establishment of such new tranches or sub-tranches or Classes, in each case on terms consistent with this Section 2.28.

(e) In connection with any Extension, the Borrower shall provide the Administrative Agent at least five (5) Business Days (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and shall agree to such procedures (including, without limitation, regarding timing, rounding and other adjustments and to ensure reasonable administrative management of the credit facilities hereunder after such Extension), if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.28.

SECTION 3.

REPRESENTATIONS AND WARRANTIES

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In order to induce the Lenders to make Term Loans hereunder, each Loan Party jointly and severally represents and warrants as follows:

Section 3.01 Organization and Authority. Each of the Loan Parties (a) is duly organized or incorporated, validly existing and in good standing (to the extent such concept is applicable in the applicable jurisdiction) under the laws of the jurisdiction of its organization or incorporation and is duly qualified and in good standing in each other jurisdiction in which the failure to so qualify would have a Material Adverse Effect and (b) has the requisite corporate or limited liability company power and authority to effect the Transactions and (c) has the requisite power and authority and the legal right to own or lease and operate their properties, pledge or grant other security interests over the Collateral and to conduct their business as now or currently proposed to be conducted.

Section 3.02 Air Carrier Status. As of the date hereof, Alaska is an "air carrier" within the meaning of Section 40102 of Title 49 and holds a certificate under Section 41102 of Title 49. Alaska holds an air carrier operating certificate issued pursuant to Chapter 447 of Title 49. Alaska is a "citizen of the United States" as defined in Section 40102(a)(15) of Title 49 and as that statutory provision has been interpreted by the DOT pursuant to its policies (a "**United States Citizen**"). Alaska possesses or co-possesses all necessary certificates, franchises, licenses, permits, rights, designations, authorizations, exemptions, concessions, frequencies and consents which relate to the operation of the routes flown by it and the conduct of its business and operations as currently conducted except where failure to so possess would not, in the aggregate, have a Material Adverse Effect.

Section 3.03 Due Execution. The execution, delivery and performance by the Loan Parties of each of the Transaction Documents to which it is a party:

(a) are within the respective corporate or limited liability company powers of such Loan Party, have been duly authorized by all necessary corporate or limited liability company action, including the consent of shareholders or members where required, and do not (i) contravene the charter, memorandum and articles of association, by-laws or limited liability company agreement (or equivalent documentation) of such Loan Party, (ii) violate any applicable law (including, without limitation, the Securities Exchange Act of 1934) or regulation (including, without limitation, Regulations T, U or X of the Board), or any order or decree of any court or Governmental Authority, other than violations by a Loan Party which would not reasonably be expected to have a Material Adverse Effect or (iii) conflict with or result in a breach of, or constitute a default under, any material indenture, mortgage or deed of trust or any material lease, agreement or other instrument binding on a Loan Party or any of their properties, which, in the aggregate, would reasonably be expected to have a Material Adverse Effect; and

(b) do not require the consent, authorization by or approval of or notice to or filing or registration with any Governmental Authority or any other Person, other than (i) the filing of financing statements under the UCC, (ii) such as may be required in order to perfect and register the security interests and liens purported to be created by the Collateral Documents

(including appropriate filings with the U.S. Patent and Trademark Office), (iii) approvals, consents and exemptions that have been obtained on or prior to the Closing Date and remain in

full force and effect, (iv) consents, approvals and exemptions that the failure to obtain in the aggregate would not be reasonably expected to result in a Material Adverse Effect and (v) routine reporting obligations. Each Transaction Document to which a Loan Party is a party has been duly executed and delivered by the Loan Parties party thereto. This Agreement and the other Transaction Documents to which any Loan Party is a party, when delivered hereunder or thereunder, will be a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.04 [Reserved].

Section 3.05 Financial Statements; Material Adverse Change.

(a) The audited consolidated financial statements of Parent and its Subsidiaries for the fiscal year ended December 31, 2023, included in Parent's Annual Report on Form 10-K for 2023 filed with the SEC, as amended, present fairly, in all material respects, in accordance with GAAP, the financial condition, results of operations and cash flows of Parent and its Subsidiaries on a consolidated basis as of such date and for such period.

(b) Except as disclosed in Parent's Annual Report on Form 10-K for 2023 or any subsequent report filed by Parent on Form 10-Q or Form 8-K with the SEC, since December 31, 2023, there has been no Material Adverse Change.

Section 3.06 [Reserved].

Section 3.07 Liens. There are no Liens of any nature whatsoever on any Collateral other than Permitted Liens.

Section 3.08 Use of Proceeds. The proceeds of the Term Loans received on the Closing Date shall be used (a) to fund the Term Loan Reserve Account and (b) in turn, to use a portion of such proceeds to make the Alaska Intercompany Loan and (c) to pay transaction costs, fees and expenses as contemplated hereby and as referred to in Section 2.19.

Section 3.09 Litigation and Compliance with Laws.

Except as disclosed in Parent's Annual Report on Form 10-K for 2023 or any subsequent report filed by Parent on Form 10-Q or Form 8-K with the SEC since December 31, 2023, there are no actions, suits, proceedings or investigations pending or, to the knowledge of the Loan Parties, threatened against any Loan Party or any of their respective properties (including any properties or assets that constitute Collateral under the terms of the Loan Documents), before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that (i) are likely to have a Material Adverse Effect or (ii) could reasonably be expected to affect the legality, validity, binding effect or enforceability of the Loan Documents, the IP Agreements, the Intercompany Agreements or the Mileage Plan

Agreements or, in any material respect, the rights and remedies of the Secured Parties under the Loan Documents or in connection with the Transactions.

(c) Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, each Loan Party to its knowledge is currently in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in respect of the conduct of its business and ownership of its property.

Section 3.10 [Reserved]. Section 3.11

[Reserved]. Section 3.12 [Reserved].

Section 3.13 Margin Regulations; Investment Company Act. No Loan Party is engaged, 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 Board, "Margin Stock"), or extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Term Loans will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock in violation of Regulation U. No Loan Party is, or is required to be, registered as an "investment company" under the 40 Act.

Section 3.14 Ownership of Collateral(a) .

(b) Each Grantor has good title, leasehold, license or rights to use, all Collateral (other than Intellectual Property and data, which is addressed below in clause (b)) owned or purported to be owned by it that is material to the conduct of the business of such Grantor, in each case free and clear of all Liens other than Permitted Liens.

(c) Except for Intellectual Property and data that is not material, individually or in the aggregate, to the conduct of the business of the Borrower, the Borrower has good title to all Intellectual Property and data that is Collateral owned or purported to be owned by it, in each case free and clear of all Liens other than Permitted Liens, subject to the filing of assignments at the applicable intellectual property office for Intellectual Property contributed directly or indirectly to the Borrower pursuant to the Contribution Agreements.

Section 3.15 Perfected Security Interests. The Collateral Documents, taken as a whole, are effective to create in favor of the Master Collateral Agent or the Collateral Administrator, as applicable, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in all of the Collateral to the extent purported to be created thereby, subject as to enforceability to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether

considered in a proceeding in equity or at law. With respect to the Collateral as of the Closing Date, at such time as (a) financing statements in appropriate form are filed in the appropriate

offices (and the appropriate fees are paid), (b) the execution of Account Control Agreements (if applicable), and (c) the appropriate filings with the United States Patent and Trademark Office are made, the Master Collateral Agent, for the benefit of the Secured Parties, shall have a first priority perfected security interest and/or mortgage (or comparable Lien) in all of such Collateral to the extent that the Liens on such Collateral may be perfected upon the filings, registrations or recordations or upon the taking of the actions described in clauses (a), (b) and (c) above, subject in each case only to Permitted Liens, and such security interest is entitled to the benefits, rights and protections afforded under the Collateral Documents applicable thereto (subject to the qualification set forth in the first sentence of this Section 3.15).

Section 3.16 Payment of Taxes. Each Loan Party has timely filed or caused to be filed all Tax returns and reports required to have been filed by it and has paid or caused to be paid when due all Taxes required to have been paid by it, except and solely to the extent that, in each case (a) such Taxes are being contested in good faith by appropriate proceedings or (b) the failure to do so would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

Section 3.17 Anti-Corruption Laws and Sanctions. Alaska has implemented and maintains in effect policies and procedures reasonably designed to promote compliance by Alaska, its Subsidiaries and, when acting in such capacity, their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Alaska and its Subsidiaries are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of Alaska, any of its Subsidiaries or to the knowledge of Alaska any of their respective directors or officers is a Sanctioned Person. No Loan Party will directly or knowingly indirectly use the proceeds of any Borrowing hereunder, or lend, contribute or otherwise make available such proceeds to any of its Subsidiaries or any other person or entity, for the purpose of financing the activities of any person currently the subject of any Sanctions in a manner that would constitute or give rise to a violation of any Sanctions by any party hereto.

Section 3.18 Schedule of the Mileage Plan Agreements; Sole Intercompany Agreement. Schedule 3.18 sets forth the name of each Mileage Plan Agreement and each Material Mileage Plan Agreement as of the Closing Date. After giving effect to any agreements, licenses or sublicenses terminated or cancelled on the Closing Date, other than the Intercompany Agreements, the Alaska Intercompany Note, the Deeds of Undertaking, the Management Agreement and the IP Agreements provided to the Administrative Agent prior to the Closing Date, no Loan Party is party to any material agreement, license or sublicense with any other Loan Party governing the Mileage Plan Program.

Section 3.19 Representations Regarding the Mileage Plan Agreements. With respect to each Mileage Plan Agreement as of the Closing Date and on the initial date that an agreement is designated as a "Mileage Plan Agreement" on Schedule 3.18 (solely in respect of such Mileage Plan Agreement) pursuant to Section 5.16(i):

(a) (i) each Loan Party that is a party to such Mileage Plan Agreement had full legal capacity to execute and deliver such Mileage Plan Agreement and (ii) (x) such Mileage Plan Agreement is in full force and effect and constitutes the legal, valid and binding obligation

of the applicable Loan Party enforceable against such Loan Party in accordance with its terms, subject to usual and customary bankruptcy, insolvency and equity limitations and (y) such Mileage Plan Agreement is not subject to, or the subject of any assertions in respect of, any material litigation, dispute or offset of the applicable Loan Party or its Subsidiaries;

(b) to the knowledge of the Loan Parties, (i) no default by any party thereto exists and (ii) no party thereto is delinquent in payment of any other amounts required to be paid thereunder, in each case, that would reasonably be expected to result in a Material Adverse Effect;

(c) such Mileage Plan Agreement complies with, and will not violate, any applicable law except as would not reasonably be expected to result in a Material Adverse Effect;

(d) except as disclosed to the Administrative Agent, the Mileage Plan Agreements permit the Loan Parties to grant a security interest therein granted to the Master Collateral Agent pursuant to the Collateral Documents; and

(e) as of the Closing Date, the Collateral includes all of the rights under the contracts that generate at least 85.0% of the Mileage Plan Revenues for the preceding twelve
(12) calendar months.

Section 3.20 Compliance with IP Agreements. Each Loan Party is in compliance in all material respects with the terms and conditions of each IP Agreement to which it is a party as of the Closing Date.

Section 3.21 Fraudulent Conveyance. No Grantor is transferring any Collateral with any intent to hinder, delay or defraud any of its creditors.

Section 3.22 Intellectual Property.

Except as would not be reasonably expected to result in a Material Adverse Effect, Alaska and its Subsidiaries have taken commercially reasonable measures to protect the confidentiality of the Mileage Plan Customer Data and all Trade Secrets of Alaska and its Subsidiaries included in the Mileage Plan Intellectual Property (and any material Trade Secrets owned by any Person to whom any Loan Party or any of its Subsidiaries has a confidentiality obligation with respect to the Mileage Plan Program), as determined in their commercially reasonable business judgment. No material portion of the Mileage Plan Customer Data, and no such material Trade Secrets have been disclosed by Alaska and its Subsidiaries to any Person other than (i) pursuant to a written agreement restricting the disclosure and use thereof or (ii) Mileage Plan Customer Data disclosed to members in the ordinary course of operating the Mileage Plan Program. Except as would not be reasonably expected to result in a Material Adverse Effect, no current or former employee, contractor or consultant of Alaska or its Subsidiaries or their Affiliates has any right, title or interest in or to any Mileage Plan Intellectual Property. All Persons (including any current or former employees, contractors or consultants) who have developed, created, conceived or reduced to practice any material Mileage Plan

Intellectual Property for Alaska or any of its Subsidiaries have assigned all right, title and interest in and to all such Mileage Plan Intellectual Property pursuant to a valid and enforceable written contract or by operation of law.

(f) Following the contribution on the Closing Date of the Mileage Plan Intellectual Property by Alaska, directly or indirectly, to the Borrower pursuant to the Contribution Agreements, Alaska and each of its subsidiaries (other than the Borrower) would not be able to operate the Mileage Plan Program in a manner materially consistent with the operation of the Mileage Plan Program on the Closing Date, or any other similar airline loyalty program (other than a Permitted Acquisition Loyalty Program or Specified Minority Owned Program) in a similar manner, without the rights granted to Alaska with respect to such Mileage Plan Intellectual Property under the IP Licenses.

Section 3.23 Privacy and Data Security.

(a) Except as would not be reasonably expected to result in a Material Adverse Effect, each applicable Loan Party maintains commercially reasonable privacy and data security policies. Except as would not be reasonably expected to result in a Material Adverse Effect, during the five (5) year period preceding the date hereof, each applicable Loan Party and each of its Subsidiaries and each of its Third Party Processors have been and, as of the date hereof, is in compliance with (i) all applicable internal privacy policies and privacy policies contained on any websites maintained by or on behalf of each such Loan Party or such Subsidiary, and such policies are consistent with the actual practices of such entity, (ii) all applicable Data Protection Laws with respect to Personal Data, including Data Protection Laws anywhere in the United States, the State of California, the Cayman Islands, the United Kingdom and the European Union and (iii) its contractual commitments and obligations regarding Personal Data.

(b) Except as would not be reasonably expected to result in a Material Adverse Effect, the consummation of the transactions contemplated by this Agreement will not cause any Loan Party to be in violation or breach of any policy of any Loan Party, law of the United States or European Union or contractual agreement to which any Loan Party is a party, in each case with respect to Personal Data.

SECTION 4.

CONDITIONS OF LENDING

Section 4.01 Conditions Precedent to Closing. This Agreement shall become effective on the date on which the following conditions precedent shall have been satisfied (or waived by the Lenders in accordance with Section 10.08 and by the Administrative Agent), subject in all respects to Section 4.03:

(a) *Supporting Documents*. The Administrative Agent shall have received with respect to the Loan Parties in form and substance reasonably satisfactory to the Administrative Agent:

(i) to the extent available in the applicable jurisdiction, a certificate of the Secretary of State of the state of such entity's incorporation or formation (other than in respect of any entity incorporated in the Cayman Islands), dated as of a recent date, as to the good standing of that entity and a certificate of good standing issued by the Registrar of Companies dated as of a recent date in respect of each Loan Party incorporated, registered or formed in the Cayman Islands;

(ii) a certificate of the Secretary or an Assistant Secretary (or similar officer), of such entity dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the certificate of incorporation, registration or formation and the memorandum and articles of association, by-laws or limited liability company or other operating agreement (as the case may be) (or equivalent constitutional documents) of that entity as in effect on the date of such certification, (B) that attached thereto is a true and complete copy of resolutions adopted by the board of directors, board of managers or members (or similar managing body) of that entity authorizing the Borrowings hereunder, the execution, delivery and performance in accordance with their respective terms of this Agreement, the other Loan Documents and any other documents required or contemplated hereunder or thereunder, and the granting of the Liens contemplated hereby or the other Loan Documents (in each case to the extent applicable to such entity), (C) that the certificate of incorporation, registration or formation (or equivalent constitutional documents) of that entity has not been amended since the date of the last amendment thereto indicated on the certificate of the Secretary of State furnished pursuant to clause (i) above (if applicable), and (D) as to the incumbency and specimen signature of each officer of that entity executing this Agreement and the Loan Documents or any other document delivered by it in connection herewith or therewith (such certificate to contain a certification by another officer or similar authorized person of that entity as to the incumbency and signature of the officer signing the certificate referred to in this clause (ii)); and

an Officer's Certificate from the Borrower certifying (A) as to the accuracy in all material respects of the representations and warranties of all of the Loan Parties set forth in the Loan Documents as though made on the Closing Date, except to the extent that any such representation or warranty by its terms is made as of a different specified date, in which case as of such date (*provided* that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects as of the applicable date, before and after giving effect to the Transactions) and (B) as to the absence of any Early Amortization Event or an Event of Default occurring and continuing on the Closing Date after giving effect to the Transactions.

(b) *Term Loan Credit Agreement*. Each party hereto (including the Borrower and each Guarantor) shall have duly executed and delivered to the Administrative Agent this Agreement.

(c) *Security Agreements*. The Loan Parties shall have duly executed and delivered to the Administrative Agent the Security Agreement, the Alaska Security Agreement, the Cayman Share Mortgages and each of the IP Security Agreements, in each case in form and substance reasonably acceptable to the Administrative Agent and shall have delivered all financing statements reasonably requested by the Administrative Agent, in form and substance reasonably acceptable to the Administrative Agent, and required to grant an enforceable security interest in the applicable Collateral (subject to the terms hereof and of the other Loan Documents) in accordance with the UCC as enacted in all relevant jurisdictions, together with certificates, if any, representing the pledged Equity Interests accompanied by undated stock powers executed in blank to the extent required by the Security Agreement or the Alaska Security Agreement.

(d) *Collateral Agency and Accounts Agreement*. The Borrower, the Collateral Administrator, the Depositary and the Master Collateral Agent shall have executed the Collateral Agency and Accounts Agreement.

(e) *Opinions of Counsel*. The Administrative Agent, the Collateral Administrator and the Master Collateral Agent shall have received each of the following, dated as of the Closing Date, and in form and substance reasonably satisfactory to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent:

(i) a customary written opinion of Alaska's Legal Department, including a non-conflict with certain contractual obligations opinion;

(ii) a customary written opinion of Debevoise & Plimpton LLP, special New York counsel to the Loan Parties, including a true contribution opinion;

(iii) a customary written opinion of Walkers, special Cayman Islands counsel, including as to non-consolidation of the SPV Parties, Parent and Alaska, a true contribution opinion and customary Cayman transaction opinions;

(iv) a customary written opinion of Davis Wright Tremaine LLP, special Alaska counsel to the Loan Parties;

(v) a customary written opinion of Davis Wright Tremaine LLP, special Delaware counsel to the Loan Parties;

(f) [Reserved].

Payment of Fees and Expenses. The Borrower shall have paid to the Agents, the Lead Arrangers and the Lenders the then unpaid balance of all accrued and unpaid

Fees due, owing and payable under and pursuant to this Agreement, as referred to in Sections 2.19, and all reasonable and documented out-of-pocket expenses of the Administrative Agent (including reasonable attorneys' fees of Milbank LLP and Walkers) and the Collateral Administrator, the Master Collateral Agent (including reasonable attorneys' fees of Shipman & Goodwin LLP) and the Depositary for which invoices have been presented at least two (2) Business Days prior to the Closing Date, or the Borrower shall have authorized that such fees and expenses be deducted from the proceeds of the initial funding under the Term Loans.

(g) *Lien Searches*. The Administrative Agent shall have received copies of

(h) UCC, tax and judgment lien searches, in each case as of a recent date that name the Borrower and the other SPV Parties (under their current and any previous names used within the last five years) and in such offices and the states (or other jurisdictions) of formation of such Persons or in which the chief executive office of each such Person is located together with copies of the financing statements (or similar documents) disclosed by such search, and (ii) lien searches of the United States Patent and Trademark Office and United States Copyright Office in respect of the Mileage Plan Intellectual Property transferred by Alaska pursuant to the Contribution Agreements on the Closing Date, in each case of (i) and (ii) accompanied by evidence reasonably satisfactory to the Administrative Agent that the Liens indicated in any such financing statement (or similar document) are in respect of a Permitted Lien.

(i) [Reserved].

(i) *Representations and Warranties*. All representations and warranties of the Loan Parties contained in this Agreement and the other Loan Documents executed and delivered on the date hereof or on the Closing Date shall be true and correct in all material respects on and as of the Closing Date, before and after giving effect to the Transactions, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case as of such specified date); *provided* that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to the Transactions.

(j) *No Early Amortization Event or Event of Default*. Before and after giving effect to the Transactions, no Early Amortization Event or Event of Default shall have occurred and be continuing on the Closing Date.

(k) *Patriot Act*. The Lenders shall have received at least three (3) days prior to the Closing Date all documentation and other information, including a Beneficial Ownership Certification, required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, that such Lenders shall have requested from any Loan Party at least ten (10) days prior to the Closing Date.

(l) [Reserved.]

Direction of Payment. Alaska shall provide confirmation that a Direction of Payment has been delivered to a sufficient number of counterparties under Mileage Plan

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Agreements to cause at least 85% of the Mileage Plan Revenues to be directly deposited into the Collection Account.

(m) *Contribution Agreements*. The Borrower shall provide copies of executed agreements evidencing the transfer of (i) all of Alaska's and HoldCo's respective rights, title and interest in and to the Mileage Plan Intellectual Property that it owns or purports to own (excluding the Specified Intellectual Property) to the Borrower, (ii) all of Alaska's and HoldCo's respective rights to establish, create, organize, initiate, participate, operate, assist, benefit from, promote or otherwise be involved in or associated with, in any capacity, the Mileage Plan Program or any other customer loyalty miles program or any similar customer loyalty program to the Borrower (other than with respect to a Specified Minority Owned Program or a Permitted Acquisition Loyalty Program), and (iii) all of the Assigned Mileage Plan Agreement Rights, in each case, pursuant to Contribution Agreements in form and substance reasonably satisfactory to the Administrative Agent.

(n) *Other Transaction Documents*. The Administrative Agent shall have received a copy of each other Transaction Document required to be delivered on the Closing Date duly executed and delivered by each of the parties thereto.

(o) *Ratings*. The Loan Parties shall have obtained ratings for the Initial Term Loans from two (2) Rating Agencies (which Rating Agencies are acceptable to the Lead Arrangers in their reasonable discretion).

The execution by each Lender of this Agreement shall be deemed to be confirmation by such Lender that any condition relating to such Lender's satisfaction or reasonable satisfaction with any documentation set forth in this Section 4.01 has been satisfied as to such Lender.

Section 4.02 Conditions Precedent to Each Loan. The obligation of the Lenders to make any Term Loans, including the Term Loans to be made on the Closing Date, is subject to the satisfaction (or waiver in accordance with Section 10.08) of the following conditions precedent:

(a) *Notice*. The Administrative Agent shall have received a Loan Request pursuant to Section 2.03 with respect to such Borrowing.

Representations and Warranties. All representations and warranties of the Loan Parties contained in this Agreement and the other Loan Documents to which it is a party shall be true and correct in all material respects on and as of the date such Term Loan is made, before and after giving effect to Borrowing of such Term Loan, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case as of such specified date); *provided* that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to Borrowing of such Term Loan.

(b) *No Early Amortization Event or Event of Default*. Before and after giving effect to the Borrowing of such Term Loan on a pro forma basis, no Early Amortization Event or Event of Default shall have occurred and be continuing on the date such Term Loan is made.

The acceptance by the Borrower of each extension of credit hereunder shall be deemed to be a representation and warranty by the Borrower that the conditions specified in Section 4.02 have been satisfied at that time.

Section 4.03 Conditions Subsequent.

(a) Any assignment, pursuant to a Contribution Agreement, of Mileage Plan Intellectual Property registered in the United States shall be filed in the applicable intellectual property office on or before the date that is sixty (60) days after the Closing Date; provided that such period may be extended to a later date as the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) may agree in its reasonable discretion. Any assignment, pursuant to a Contribution Agreement, of Mileage Plan Intellectual Property registered outside the United States shall be filed in the applicable intellectual property office on or before the date that is one hundred and eighty (180) days after the Closing Date (as extended automatically without further consent to the extent the Borrower is diligently pursuing satisfaction of the terms hereof, but such completion has been delayed as a result of applicable law or a pandemic or other similar events and conditions (e.g., natural disaster), which are outside the control of the Borrower); provided that such period may be extended to a later date as the Master Collateral Agent (acting at the direction of the Collateral Controlling Party) may agree.

(b) Within 270 days of the Closing Date, Alaska shall segregate, compile and host, and thereafter Alaska shall maintain, current and future Mileage Plan Customer Data in a database (the "**Mileage Plan Customer Database**") separate from the database containing any data owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by Parent or any of its Subsidiaries (other than the Mileage Plan Customer Data); provided that Dated Mileage Plan Member Profile Data may be commingled with other data owned or purported to be owned, or later developed or acquired and owned or purported to be owned, by Parent or any of its Subsidiaries that is held in an archival format (such commingled Dated Mileage Plan Member Profile Data, "**Archived Mileage Plan Member Profile Data**"); and further provided that Alaska shall not be required to remove or segregate any Alaska Traveler Related Data contained in the Mileage Plan Customer Database. Any copies of Archived Mileage Plan Member Profile Data contained in the Mileage Plan Customer Database shall continue to be subject to the security interest granted under the Collateral Documents. The Mileage Plan Customer Database shall be property of the Borrower and subject to the lien granted under the Collateral Documents.

SECTION 5.

AFFIRMATIVE COVENANTS

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From the date hereof and for so long as the Term Loan Commitments remain in effect, the principal of or interest on any Term Loan is owing (or any other amount that is due and unpaid on the first date that none of the foregoing is in effect, outstanding or owing, respectively, is owing) to any Lender or the Administrative Agent hereunder:

Section 5.01 Financial Statements, Reports, Etc. The Borrower shall deliver to the Administrative Agent on behalf of the Lenders:

(a) Within (i) thirty (30) days after Parent files them with the SEC, copies of annual report, quarterly reports, current reports and the other information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) that the Parent is required to file with the SEC pursuant to Sections 13 and 15(d) of the Exchange Act; provided that reports, information and documents filed by the Parent with the SEC via the EDGAR system (or any similar successor system) will be deemed to have been furnished to the Trustee as of the time such documents are so filed and (ii) one hundred eighty (180) days after the end of the fiscal year ending December 31, 2024, and within one hundred twenty (120) days after the end of each fiscal year thereafter, the unaudited financial statements of HoldCo and its Subsidiaries on a consolidated basis as of the close of such fiscal year and the results of their respective operations during such year;

(b) Within sixty (60) days after the end of each of the first three fiscal quarters of each fiscal year beginning on March 31, 2025, unaudited financial statements (including cash flows) of HoldCo and its Subsidiaries on a consolidated basis as of the close of such fiscal quarter and the results of its operations during such fiscal quarter and the then elapsed portion of the fiscal year;

(c) Within the time period under Section 5.01(a) above with respect to Parent, a certificate of a Responsible Officer of Parent certifying that, to the knowledge of such Responsible Officer, no Early Amortization Event or Event of Default has occurred and is continuing, or, if, to the knowledge of such Responsible Officer, such an Early Amortization Event or Event of Default has occurred and is continuing, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto;

(d) On or prior to each Determination Date, a certificate of a Responsible Officer demonstrating in reasonable detail compliance with (i) Section 5.20 as of the last day of the most recently completed Quarterly Reporting Period and (ii) the Debt Service Coverage Ratio Test as of the last day of the most recently completed Quarterly Reporting Period;

On each Determination Date, deliver a Payment Date Statement to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent. The Administrative Agent may, prior to the related Payment Date, provide notice to the Borrower, the Collateral Administrator and the Master Collateral Agent of any information contained in the Payment Date Statement that the Administrative Agent believes to be incorrect. If the Administrative Agent provides such a notice, the Borrower shall use its reasonable efforts to resolve the discrepancy and provide an updated

Payment Date Statement on or prior to the related Payment Date. If the discrepancy is not resolved and a replacement Payment Date

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Statement is not received by the Collateral Administrator prior to the payment of Available Funds on the related Payment Date pursuant to Section 2.10(b), and it is later determined that the information identified by the Administrative Agent as incorrect was in fact incorrect and such error resulted in a party receiving a smaller distribution on the Payment Date than they would have received had there not been such an error, then the Borrower shall remit payment to such party for such shortfall;

(e) [Reserved];

(f) Promptly upon knowledge thereof by a Responsible Officer of the Borrower, give to the Administrative Agent notice in writing of any Early Amortization Event or Event of Default;

(g) [Reserved]; and

(h) Subject to any confidentiality restrictions under binding agreements or limitations imposed by applicable law, a notice posted on a password protected website to which the Administrative Agent will have access (or otherwise deliver to the Administrative Agent, including, without limitation, by electronic mail) of (i) any material amendment, restatement, supplement, waiver or other material modification to any Material Mileage Plan Agreement promptly (but in no case within thirty (30) days) upon the effectiveness of such material amendment, restatement, supplement, waiver or other material modification and (ii) any termination, cancellation or expiration received or delivered by a Loan Party with respect to a Material Mileage Plan Agreement (with such notice posted as soon as reasonably practicable after such termination, cancellation or expiration).

In no event shall the Administrative Agent be entitled to inspect, receive and make copies of materials, (i) except in connection with any enforcement or exercise of remedies,
(A) that constitute non-registered Mileage Plan Intellectual Property, non-financial Trade Secrets (including the Mileage Plan Customer Data) or non-financial proprietary information, or (B) in respect of which disclosure to the Administrative Agent, any Collateral Agent or any Lender (or their respective representatives or contractors) is prohibited by law or any binding agreement (or would otherwise cause a breach or default thereunder) or (ii) that are subject to attorney client or similar privilege or constitute attorney work product or constitute Excluded Intellectual Property. The Borrower agrees to provide copies of any notices or any deliverables given or received under the Collateral Agency and Accounts Agreement to the Administrative Agent, including any notice or deliverable required to be provided to the Senior Secured Debt Representatives.

Subject to the next succeeding sentence, information delivered pursuant to this Section 5.01 to the Administrative Agent may be made available by the Administrative Agent to the Lenders by posting such information on the Syndtrak website on the Internet at http://syndtrak.com or on Intralinks, ClearPar or a substantially similar electronic transmission system (the "Platform"). Information required to be delivered pursuant to this Section 5.01 by any Loan Party shall be delivered pursuant to Section 10.01 hereto.

Information required to be delivered pursuant to this Section 5.01 (to the extent not made available as set forth above) shall be deemed to have been delivered to the Administrative Agent on the date on which the

Borrower provides written notice to the Administrative Agent that such information has been posted on Alaska's general commercial website on the Internet (to the extent such information has been posted or is available as described in such notice), as such website may be specified by the Borrower to the Administrative Agent from time to time. Information required to be delivered pursuant to this Section 5.01 shall be in a format which is suitable for transmission.

Any notice or other communication delivered pursuant to this Section 5.01, or otherwise pursuant to this Agreement, shall be deemed to contain material non-public information unless (i) expressly marked by a Loan Party as "PUBLIC", (ii) such notice or communication consists of copies of any Loan Party's public filings with the SEC or (iii) such notice or communication has been posted on Alaska's general commercial website on the Internet, as such website may be specified by the Borrower to the Administrative Agent from time to time.

Delivery of reports, information and documents to the Collateral Administrator is for informational purposes only, and its receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including any Loan Party's or any other Person's compliance with any of its covenants under this Agreement or any other Loan Document. The Collateral Administrator shall have no liability or responsibility for the content, filing or timeliness of any report or other information delivered, filed or posted under or in connection with this Agreement, the other Loan Documents or the transactions contemplated hereunder or thereunder. For the avoidance of doubt, the Collateral Administrator shall have no duty to monitor or access any website of a Loan Party or any other Person referenced herein, shall not have any duty to monitor, determine or inquire as to compliance or performance by any Loan Party or any other Person of its obligations under this Section 5.01 or otherwise and the Collateral Administrator shall not be responsible or liable for any Loan Party's or any other Person's non-performance or non-compliance with such obligations.

THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE INFORMATION TO BE PROVIDED PURSUANT TO THIS SECTION 5.01 OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM SUCH INFORMATION. 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 SUCH INFORMATION OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to Alaska, Parent, the Borrower, the SPV Parties, any Lender 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 such information or notices through the Platform, any other electronic platform or electronic messaging service, or through the Internet.

Section 5.02 Taxes. Each Loan Party shall pay and discharge promptly all taxes, assessments, governmental charges, levies or claims imposed upon it or upon its income or profits or in respect of its property, before the same shall become more than ninety (90) days delinquent, except in each case where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; provided, however, that each Loan Party shall not be required to pay and discharge or to cause to be paid and discharged any such obligation, tax, assessment, charge, levy or claim so long as the validity or amount thereof shall be contested in good faith by appropriate proceedings.

Section 5.03 [Reserved].

Section 5.04 Corporate Existence. Each Loan Party shall do or cause to be done all things reasonably necessary to preserve and maintain in full force and effect its corporate existence in accordance with its respective Specified Organization Documents and all governmental rights, privileges, qualifications, permits, licenses and franchises necessary in the normal conduct of its business except (a) if such failure to preserve the same could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (b) as otherwise permitted in connection with (i) sales of assets not restricted by Section 6.04 or (ii) mergers, liquidations and dissolutions permitted by Section 6.10.

Section 5.05 Compliance with Laws. Each Loan Party shall comply, and cause each of its Subsidiary Guarantors to comply, with all applicable laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where such noncompliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. AAG will maintain in effect policies and procedures reasonably designed to promote compliance by it, its Subsidiaries and, when acting in such capacity, their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

Section 5.06 Contribution of Mileage Plan Intellectual Property. Alaska shall contribute Intellectual Property and data to the Borrower pursuant to the Contribution Agreements from time to time so that at all times Alaska and its Subsidiaries (other than the Borrower) would not be able to operate the Mileage Plan Program in a manner materially consistent with the operation of the Mileage Plan Program at such time, or any other similar airline loyalty program (other than a Permitted Acquisition Loyalty Program or Specified Minority Owned Program) in a similar manner, without the rights granted to Alaska with respect to such Mileage Plan Intellectual Property under the IP Licenses; *provided* that, for the avoidance of doubt, neither Parent not any of its Subsidiaries shall be required to so contribute any Airlines Business Intellectual Property or sublicense any Intellectual Property owned by any non-Affiliate third party.

Section 5.07 Special Purpose Entity. Other than as required or permitted by the Transaction Documents or the Mileage Plan Agreements, the SPV Parties have not and shall not:

engage in any business or activity other than (i) the purchase, receipt, management and sale of Collateral and Excluded Property; *provided* that in no event shall any SPV Party purchase, receive, manage or sell real property, (ii) the transfer and pledge of

Collateral pursuant to the terms of the Collateral Documents and the Priority Lien Debt Documents and the Junior Lien Debt Documents, (iii) the entry into and the performance under the Transaction Documents and Mileage Plan Agreements to which it is a party and (iv) such other activities as are incidental to any of the foregoing;

(a) acquire or own any material assets other than (i) the Collateral and Excluded Property; *provided* that in no event shall any SPV Party acquire or own real property, or (ii) incidental property as may be necessary or desirable for the operation of any SPV Party and the performance of its obligations under the Transaction Documents and Mileage Plan Agreements to which it is a party and the Priority Lien Debt Documents and the Junior Lien Debt Documents;

(b) except as permitted by this Agreement (i) merge into or consolidate with any Person or dissolve, terminate or liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets, or (ii) change its legal structure, or jurisdiction of incorporation, unless, in connection with any of the foregoing, such action shall result in the substantially contemporaneous occurrence of the Discharge of Senior Secured Debt Obligations;

(c) except as otherwise permitted under Section 5.07(c), fail to preserve its existence as an entity duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation;

(d) form, acquire or own any Subsidiary, own any Equity Interests in any other entity, or make any Investment in any Person other than to the extent permitted in its memorandum and articles of association and the Loan Documents (it being understood that each SPV Party shall only be permitted to form and thereafter own one or more Subsidiaries that are each SPV Parties or will become SPV Parties upon satisfaction of the requirements set forth in clauses (4), (5) and (6) of the proviso in the definition of "Permitted Loyalty Subsidiary" within the time periods set forth in Section 5.16(k));

(e) except as contemplated in the Senior Secured Debt Documents, commingle its assets with the assets of any of its Affiliates, or of any other Person;

(f) incur any Indebtedness other than (i) Indebtedness to the Secured Parties hereunder (including Incremental Term Loans) or in conjunction with a repayment of all or a portion of the Term Loans owed to the Lenders and a termination of all the Term Loan Commitments, (ii) any other Priority Lien Debt, (iii) any Junior Lien Debt and (iv) ordinary course contingent obligations under or any terms thereof related to the Mileage Plan Agreements (such as customary indemnities to fronting banks, administrative agents, collateral agents, depository banks, escrow agents, etc.);

become insolvent or fail to pay its debts and liabilities from its assets as the same shall become due in the ordinary course of business;

(g) fail to maintain its records, books of account and bank accounts separate and apart from those of any other Person;

(h) enter into any contract or agreement with any Person, except (i) the Transaction Documents to which it is a party and the Priority Lien Debt Documents and the Junior Lien Debt Documents, (ii) organizational documents, (iii) Mileage Plan Agreements or other co-branding, partnering or similar agreements, (iv) agreements between any SPV Party and Alaska and/or its Subsidiaries substantially consistent with Alaska's arrangements with its other Subsidiaries that (I) terminate upon such SPV Party ceasing to be a Subsidiary of Alaska, (II) do not involve the payment of cash to or from such SPV Party, (III) are entered into for the primary purpose of managing the transfer and processing of data among the parties thereto and (IV) contain non-petition and nonrecourse covenants with respect to such SPV Party consistent with the provisions set forth in this Agreement, (v) intercompany agreements for loans from the Borrower to Alaska permitted under Section 6.01, (vi) other contracts or agreements that (x) are upon terms and conditions that are commercially reasonable and substantially similar to those that would be available on an arm's length basis with third parties other than such Person, (y) contain non-petition covenants with respect to such SPV Party consistent with the provisions set forth in this Agreement and (z) contain nonrecourse covenants with respect to such SPV Party consistent with the provisions set forth in this Agreement;

(i) seek its dissolution or winding up in whole or in part;

(j) fail to use commercially reasonable efforts to correct promptly any material known misunderstandings regarding the separate identities of any SPV Party, on the one hand, and any Affiliate or any principal thereof or any other Person, on the other hand;

(k) except pursuant to the Transaction Documents and Mileage Plan Agreements, the Priority Lien Debt Documents and the Junior Lien Debt Documents guarantee, become obligated for, or hold itself out to be responsible for the Indebtedness of another Person;

(l) fail, in any material respect, either to hold itself out to the public as a legal entity separate and distinct from any other Person or to conduct its business, solely in its own name in order not (i) to mislead others as to the identity of the Person with which such other party is transacting business, or (ii) to suggest that it is responsible for the Indebtedness of any third party (including any of its principals or Affiliates (other than as contemplated or required pursuant to the Transaction Documents or Mileage Plan Agreements));

(m) fail, to the extent of its own funds (taking into account the requirements in the Transaction Documents and Mileage Plan Agreements), to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations;

(n) [Reserved];

fail to maintain separate financial statements, which may be unaudited, showing its assets and liabilities separate and apart from those of any other Person and not have

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its assets listed on any financial statement of any other Person; *provided* that the SPV Parties' assets may be included in a consolidated financial statement of its Affiliates so long as (i) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of the SPV Parties from such Person and to indicate that the SPV Parties' assets and credit are not available to satisfy the Indebtedness and other obligations of such Person or any other Person except for Indebtedness incurred and other obligations pursuant to the Loan Documents, the Priority Lien Debt Documents and the Junior Lien Debt Documents and (ii) such assets shall also be listed on the SPV Parties' own separate balance sheet (in each case, subject to clause (y) below);

(o) fail to pay its own separate liabilities and expenses only out of its own funds (other than as contemplated under any Director Services Agreement);

(p) maintain, hire or employ any individuals as employees; provided that the SPV Parties are not prohibited or limited in any manner from having directors and officers;

(q) acquire the obligations or securities issued by its Affiliates or members (other than (i) any equity interests of another SPV Party that is a Subsidiary of such SPV Party or
(ii) intercompany loans permitted under Section 6.01);

(r) fail to allocate fairly and reasonably any overhead expenses that are shared with an Affiliate, including paying for office space and services performed by any employee of an Affiliate;

(s) pledge its assets to secure the obligations of any other Person other than pursuant to the Loan Documents, the Priority Lien Debt Documents and the Junior Lien Debt Documents;

(t) fail to have such Independent Directors as are required pursuant Section 5.08;

(u) (i) institute proceedings to be adjudicated bankrupt or insolvent, (ii) institute or consent to the institution of bankruptcy or insolvency proceedings against it, (iii) file a petition seeking or consent to reorganization, restructuring, liquidation (including provisional liquidation), winding up or relief under any applicable federal or state law relating to bankruptcy or insolvency, (iv) seek or consent to the appointment of a receiver, restructuring officer, liquidator, provisional liquidator, assignee, trustee, sequestrator, collateral agent or any similar official for any SPV Party, (v) make any general assignment for the benefit of any SPV Party's creditors, (vi) admit in writing its inability to pay its debts generally as they become due, or (vii) take any corporate action to approve any of the foregoing; or

(v) fail to file its own tax returns separate from those of any other Person, except to the extent that any SPV Party is treated as a disregarded entity for U.S. federal and applicable state and local income tax purposes.

Section 5.08 SPV Party Independent Directors. No SPV Party shall fail for five (5) consecutive Business Days to have the Required Number of Independent Directors (or 30 days in the case of such Independent Director's death, disability or resignation, provided that in the case of the Borrower, one Independent Director remains at the Borrower during such period). Each SPV Party agrees that no vote for a "Material Action" (as defined in the Specified Organization Documents of such SPV Party) shall be held unless such SPV Party has the Required Number of Independent Directors at such time, all Required Number of Independent Directors are present for such vote and the affirmative vote of all Independent Directors is required for such SPV Party to take such "Material Action."

Section 5.09 Regulatory Matters; Citizenship; Air Carrier Status. Alaska will:

(a) maintain at all times its status as an "air carrier" within the meaning of Section 40102(a)(2) of Title 49, and hold a certificate under Section 41102(a)(1) of Title 49; and

(b) maintain at all times its status at the FAA as an "air carrier" and hold an air carrier operating certificate under Section 44705 of Title 49 and operations specifications issued by the FAA pursuant to Parts 119 and 121 of Title 14 as currently in effect or as may be amended or recodified from time to time.

Section 5.10 Collateral Ownership. Subject to the provisions described (including the actions permitted) under Section 6 hereof, each Grantor will continue to maintain its interest in and right to use all property and assets so long as such property and assets constitute Collateral, except as would not reasonably be expected to result in a Material Adverse Effect.

Section 5.11 [Reserved].

Section 5.12 Guarantors; Grantors; Collateral.

(a) Alaska shall take, and cause each Guarantor to take, such actions as are necessary in order to ensure that the obligations of the Loan Parties hereunder and under the other Loan Documents are guaranteed by all Guarantors. If Alaska or any of its Subsidiaries acquires, creates or designates a Permitted Loyalty Subsidiary after the Closing Date, then Alaska will promptly cause such Permitted Loyalty Subsidiary to guarantee the Guaranteed Obligations and become a Guarantor by executing an Instrument of Assumption and Joinder substantially in the form attached hereto as Exhibit B.

Alaska and the Borrower shall, in each case at their own expense, (A) cause each Permitted Loyalty Subsidiary to become a Grantor and to become a party to each applicable Collateral Document and all other agreements, instruments or documents that create or purport to create and perfect a first priority Lien (subject to Permitted Liens) in favor of the Master Collateral Agent for the benefit of the Secured Parties in substantially all of its assets (other than Excluded Property), subject to and in accordance with the terms, conditions and provisions of the Loan Documents (it being understood that only the Borrower and HoldCo shall be required to become Grantors and pledge their respective Collateral on the Closing Date), (B) promptly execute and deliver (or cause such Grantor to execute and deliver) to the

Administrative Agent and the Collateral Administrator such documents and take such actions to create, grant, establish, preserve and perfect the applicable priority Liens (subject to Permitted Liens) (including to obtain any release or termination of Liens not permitted under Section 6.06 and the filing of UCC financing statements, as applicable) in favor of the Master Collateral Agent for the benefit of the Secured Parties on such assets of any Grantor to secure the Obligations to the extent required under the applicable Collateral Documents or reasonably requested by the Administrative Agent or the Master Collateral Agent, and to ensure that such Collateral shall be subject to no other Liens other than Permitted Liens and (C) if reasonably requested by the Administrative Agent or the Collateral Administrator, deliver to the Administrative Agent, for the benefit of the Secured Parties, the Master Collateral Agent, the Collateral Administrator and the Depositary, a customary written opinion of counsel (which counsel shall be reasonably satisfactory to the Administrative Agent) to such Grantor, as applicable, with respect to the matters described in clauses (A) and (B) hereof, in each case within twenty (20) Business Days after the addition of such Collateral.

Section 5.13 Access to Books and Records.

The Borrower shall maintain or cause to be maintained at all times true and complete books and records in all material respects in a manner consistent with GAAP in all material respects of the financial operations of the Borrower and provide the Administrative Agent, Master Collateral Agent and their respective representatives and advisors reasonable access to all such books and records (subject to requirements under any confidentiality agreements, if applicable, and excluding the Mileage Plan Agreements), as well as any appraisals of the Collateral, during regular business hours, in order that the Administrative Agent and the Master Collateral Agent may upon reasonable prior notice and with reasonable frequency, but in any event, so long as no Event of Default has occurred and is continuing, no more than one (1) time per year, examine and make abstracts from such books, accounts, records, appraisals and other papers, and permit the Administrative Agent, the Master Collateral Agent and their respective representatives and advisors to confer with the officers of Alaska and representatives (provided that Alaska shall be given the right to participate in such discussions with such representatives) of Alaska, all for the purpose of verifying the accuracy of the various reports delivered by the Borrower to the Administrative Agent or the Lenders pursuant to this Agreement or for otherwise ascertaining compliance with this Agreement. All confidential or proprietary information obtained in connection with any such visit, inspection or discussion shall be held confidential by the Administrative Agent, the Master Collateral Agent and each agent or representative thereof and shall not be furnished or disclosed by any of them to anyone other than their respective bank examiners, auditors, accountants, agents and legal counsel, and except as may be required by any court or administrative agency or by any statute, rule, regulation or order of any Governmental Authority. None of Alaska or any of its Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter pursuant to this Section 5.13, (i) except in connection with any enforcement or exercise of remedies, (A) that constitutes non-registered Mileage Plan Intellectual Property, non-financial Trade Secrets (including the Mileage Plan Customer Data) or non-financial

proprietary information, including the Mileage Plan Agreements, or (B) in respect of which disclosure to Administrative Agent or any Lender (or their respective designees or

representatives) is prohibited by law or any binding agreement (or would otherwise cause a breach or default thereunder), or (ii) that is subject to attorney-client or similar privilege or constitutes attorney work product or constitutes Excluded Intellectual Property.

Section 5.14 Further Assurances.

(a) In each case, subject to the terms, conditions and limitations in the Loan Documents, each Loan Party shall execute any and all further documents and instruments, and take all further actions, that may be required or advisable under applicable law or that the Master Collateral Agent or Collateral Administrator may reasonably request, in order to create, grant, establish, preserve, protect and perfect the validity, perfection and priority of the Liens and security interests created or intended to be created by the Collateral Documents, in each case to the extent required under this Agreement or the Collateral Documents. For the avoidance of doubt, the requirements of this Section 5.14(a) shall not create any obligation of the Loan Party to provide any Mileage Plan Agreements (or copies thereof), or disclose any information therein that is not otherwise disclosed on the Closing Date.

(b) [Reserved.]

(c) Promptly after the date upon which it is permissible to transfer and assign any Specified Intellectual Property, the Loan Parties shall, if such Specified Intellectual Property is not transferred and assigned pursuant to an existing Contribution Agreement or an amendment thereto, execute and deliver one or more Contribution Agreements together with all further documents and instruments that may be required and advisable, and take all further actions that may be required or advisable under applicable law or that the Master Collateral Agent may reasonably request, to transfer and assign all of the Loan Parties' right, title and interest in and to such Specified Intellectual Property to the Borrower, and shall promptly provide the Administrative Agent and the Master Collateral Agent copies of any such documents.

Section 5.15 Maintenance of Rating. The Loan Parties shall use commercially reasonable efforts to cause the Term Loans to be continuously rated (but not any specific rating) by the two (2) Rating Agencies that initially rated the Term Loans; provided that the Loan Parties' failure to obtain such a rating after using commercially reasonable efforts shall not constitute an Event of Default. The Loan Parties shall make commercially reasonable efforts to provide such Rating Agencies (at Alaska's sole expense) such reports, records and documents as each shall reasonably request to monitor or affirm such ratings, except to the extent the disclosure of any such document or any such discussion would result in the violation of any Loan Party's contractual (including all confidentiality obligations set forth in the Mileage Plan Agreements) or legal obligations.

Section 5.16 Mileage Plan Program; Mileage Plan Agreements.

(a) The Loan Parties (as applicable) agree to honor Miles according to the policies and procedures of the Mileage Plan Program except to the extent that would not reasonably be expected to cause a Payment Material Adverse Effect.

(b) Each Loan Party shall take any action permitted under the Mileage Plan Agreements and applicable law that it, in its reasonable business judgment, determines is advisable, in order to diligently and promptly (i) enforce its rights and any remedies available to it under the Mileage Plan Agreements, (ii) perform its obligations under the Mileage Plan Agreements and (iii) cause the applicable counterparties to perform their obligations under the related Mileage Plan Agreements, including such counterparties' obligations to make payments to and indemnify the applicable Loan Parties in accordance with the terms thereof in each case except to the extent that would not reasonably be expected to cause a Payment Material Adverse Effect.

(c) Neither Alaska nor the Borrower shall substantially reduce the Mileage Plan Program business or modify the terms of the Mileage Plan Program in any manner that would reasonably be expected to cause a Payment Material Adverse Effect.

(d) Alaska shall not and shall not permit any of its Subsidiaries to change the policies and procedures of the Mileage Plan Program in any manner that would reasonably be expected to cause a Payment Material Adverse Effect.

(e) No Loan Party shall, and each Loan Party shall not permit any of its Subsidiaries to, establish, create, or operate any Loyalty Program, other than a Permitted Acquisition Loyalty Program or a Specified Minority Owned Program, unless substantially all such Loyalty Program cash payments (which excludes, for the avoidance of doubt, airline revenues such as ticket sales and baggage fees), accounts in which such cash payments are deposited, Intellectual Property and member data (but solely to the extent that such Intellectual Property and member data would be included in the definition of Mileage Plan Intellectual Property, substituting references to the Mileage Plan Program with references to such other Loyalty Program), and material third-party co-branding, partnering or similar agreements (but solely to the extent that such agreements would be included in the definition of Mileage Plan Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or later again become Retained Agreements), substituting references to the Mileage Plan Program with references to such other Loyalty Program) related to such Loyalty Program and intercompany agreements concerning the operation of such Loyalty Program are transferred and held at the Borrower or a Permitted Loyalty Subsidiary and pledged as Collateral on a first lien basis (except to the extent such revenues and assets constitute Excluded Property), subject to third party rights and Permitted Liens; *provided* that, for the avoidance of doubt, nothing shall prohibit Parent or any of its Subsidiaries from offering and providing discounts or other incentives (other than any Currency) for travel or carriage on Alaska or any of its affiliates, or on any of its airline alliance or code-share partners.

(f) The Loan Parties agree that, with respect to each Mileage Plan Agreement entered into after the Closing Date that would not be a Retained Agreement at such time, (i) the Borrower shall either be party to such Mileage Plan Agreement or an express third party beneficiary of such Mileage Plan Agreement and (ii) such Mileage Plan Agreement shall (x) provide that payment made by the counterparty thereunder shall be made to the Borrower

and deposited directly into the Collection Account and (y) permit the Borrower to grant a Lien on

such Mileage Plan Agreement to secure the Obligations; provided, that the foregoing shall not apply to any renewals, extensions or modifications of Mileage Plan Agreements in effect on the Closing Date (each, a "**Closing Date Mileage Plan Agreement**") as long as commercially reasonable efforts (as determined by Alaska) have first been made to have the Borrower be a party to (or an express third party beneficiary of) such renewed, extended or modified agreement; provided further that in no event shall Alaska be required to pay or provide concessions to a counterparty of such a renewed, extended or modified Closing Date Mileage Plan Agreement in order to have the Borrower added as a party to such agreement (or an express third party beneficiary thereof).

(g) Notwithstanding anything to the contrary, with respect to any Permitted Acquisition Loyalty Program, each Loan Party shall be permitted to undertake any of the following actions at any time after such actions are permitted under the Material Mileage Plan Agreements and applicable law:

(i) terminate the Permitted Acquisition Loyalty Program;

(ii) merge and consolidate the Permitted Acquisition Loyalty Program with the Mileage Plan Program; or

(iii) cause all or part of the Permitted Acquisition Loyalty Program's payments in cash (which excludes airline revenues such as ticket sales and baggage fees) to be pledged as Collateral.

(h) For the avoidance of doubt, (i) until it is merged into or consolidated with the Mileage Plan Program or substantially all of the payments in cash and Intellectual Property of such Permitted Acquisition Loyalty Program, all material third-party co-branding, partnering and similar agreements related to or entered into in connection with such Permitted Acquisition Loyalty Program (but solely to the extent that such agreements would be included in the definition of Mileage Plan Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or again become Retained Agreements), substituting references to the Mileage Plan Program with references to such other Permitted Acquisition Loyalty Program) and intercompany agreements concerning the operation of such Permitted Acquisition Loyalty Program are transferred and held at the Borrower or a Permitted Loyalty Subsidiary and pledged as Collateral, any Permitted Acquisition Loyalty Program shall not be deemed part of the Mileage Plan Program, its co-branding, partnering or similar agreements shall not constitute Mileage Plan Agreements, and its customer data shall not constitute Mileage Plan Customer Data, (ii) following a merger or consolidation of the Permitted Acquisition Loyalty Program with the Mileage Plan Program or substantially all of the payments in cash and Intellectual Property of such Permitted Acquisition Loyalty Program, all material third-party co-branding, partnering and similar agreements related to or entered into in connection with such Permitted Acquisition Loyalty Program (but solely to the extent that such agreements would be included in the definition of Mileage Plan Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained

Agreements or again become Retained Agreements), substituting references to the Mileage Plan Program with references to such other Permitted Acquisition Loyalty Program) and

intercompany agreements concerning the operation of such Permitted Acquisition Loyalty Program are transferred and held at the Borrower or a Permitted Loyalty Subsidiary and pledged as Collateral, (A) none of the restrictions described in the definition of "Permitted Acquisition Loyalty Program" will continue to apply to the merged program, (B) the co-branding, partnering or similar agreements related to or entered into in connection with the Permitted Acquisition Loyalty Program shall become Mileage Plan Agreements (but solely to the extent that such agreements would be included in the definition of Mileage Plan Agreements (e.g., Retained Agreements are excluded from all of the foregoing so long as such agreements remain Retained Agreements or again become Retained Agreements), substituting references to the Mileage Plan Program with references to such other Permitted Acquisition Loyalty Program) and (C) all rights, title and interest therein and the Permitted Acquisition Loyalty Program's payments in cash (which excludes airline revenues such as ticket sales and baggage fees) must be promptly pledged as Collateral (except to the extent constituting Excluded Property), and (iii) customers of the Mileage Plan program and customers of the HawaiianMiles program will be permitted to exchange Miles under the Mileage Plan program with the applicable Currency under the HawaiianMiles program (and vice versa), in each case so long as the HawaiianMiles program is a Permitted Acquisition Loyalty Program.

(i) The Loan Parties agree that if, as of any Determination Date, the aggregate amount of payments in cash attributable to the Retained Agreements for the preceding four Quarterly Reporting Periods (or, in the case of the first three Quarterly Reporting Periods, since the Closing Date) are greater than or equal to 15.0% of the Mileage Plan Revenues for such period, (i) Alaska shall promptly transfer (or cause to be transferred) its Assigned Mileage Plan Agreement rights with respect to one or more Retained Agreements to the Borrower such that the aggregate amount of payments in cash produced by the Retained Agreements not so transferred is less than 15.0% of the Mileage Plan Revenues in such period (on a pro forma basis) and shall deliver updates to Schedule 3.18 to list such transferred agreement(s) as Mileage Plan Agreement(s) and (ii) upon the effectiveness of such transfer, such Retained Agreement(s) shall become Mileage Plan Agreement(s); *provided* that, in the case of any airline-to-airline frequent flyer program agreement that was previously a Retained Agreement and subsequently becomes a Mileage Plan Agreement, such airline-to-airline frequent flyer program may be re-designated as a Retained Agreement and released from the Collateral so long as after giving effect to such release and re-designation, the aggregate amount of payments in cash attributable to the Retained Agreements is less than 15.0% (on a pro forma basis) for the preceding four Quarterly Reporting Periods (or, in the case of the first three Quarterly Reporting Periods, since the Closing Date).

The Borrower shall have the exclusive right to issue Miles (other than those attributable to any arrangement or transaction with any non-airline third parties) in connection with the Mileage Plan Program, including any Miles purchased by Alaska, Mileage Plan members or any other third parties pursuant to Mileage Plan Agreements, Retained Agreements, Alaska Airline Business Agreements or otherwise from the Borrower, Parent or any of its Affiliates, and neither Parent nor any of its Subsidiaries (other than the Borrower) shall engage in such activities; *provided* that nothing in this Section 5.16(j) shall limit the ability of Alaska in its capacity as manager of the

Mileage Plan Program (or Parent and any of its Subsidiaries or any third party, in each case designated by Alaska in such capacity) to enter into

any agreements with respect to Excluded Miles on behalf of the Borrower. Alaska shall purchase Miles from the Borrower in order to comply with its obligations under the Mileage Plan Agreements, the Retained Agreements and the Alaska Airline Business Agreements (which payments shall be deemed to satisfy any payments owed by Alaska with respect to License Fees (as defined in the HoldCo-to-Alaska Data IP Sublicense)). The Borrower shall issue Miles purchased by Alaska in accordance with the Intercompany Agreements.

(j) In connection with the transactions contemplated by clauses (e) and/or (h) of this Section 5.16, any SPV Party may form a Permitted Loyalty Subsidiary; provided that such Permitted Loyalty Subsidiary satisfies the requirements set forth in the definition of "Permitted Loyalty Subsidiary" within thirty (30) days after the formation of such Subsidiary (or such longer period as the Administrative Agent may agree in its sole discretion) and Loyalty Co provides written notice to the Administrative Agent designating such Subsidiary as a "Permitted Loyalty Subsidiary" and an "SPV Party".

Section 5.17 Term Loan Reserve Account.

Borrower shall establish and maintain or cause to be maintained at the Collateral Custodian, a segregated non-interest bearing trust account in the name of Borrower with the account name: "Term Loan Reserve Account" and account number: 270993003, for the purpose of holding a minimum balance of not less than the Term Loan Reserve Account Required Balance (such account, the "**Term Loan Reserve Account**"). The Term Loan Reserve Account shall be subject at all times to the control of the Collateral Administrator. So long as the Collateral Custodian has not been notified by the Administrative Agent or the Borrower that an Event of Default exists and is continuing, then the Collateral Custodian shall, at the written direction of the Borrower from time to time cause the funds held in the Term Loan Reserve Account, from time to time, to be invested in one or more Cash Equivalents selected by the Borrower (which Cash Equivalents shall at all times be subject to the Lien created hereunder); *provided* that in no event shall the Collateral Custodian: (i) have any responsibility whatsoever as to the validity or quality of any Cash Equivalent (or for determining whether any investment made qualifies under the definition of "Cash Equivalent"), (ii) be liable for the selection of Cash Equivalents or for investment losses incurred thereon or in respect of losses incurred as a result of the liquidation of any Cash Equivalent before its stated maturity pursuant to this Section 5.17 or the failure of the Borrower to provide timely written investment direction or (iii) have any obligation to invest or reinvest any such amounts in the absence of such investment direction. Following the Collateral Custodian's receipt of written notice from the Administrative Agent or from the Borrower that an Event of Default has occurred and is continuing, the Collateral Custodian shall, unless directed by the Administrative Agent, cease making or renewing such Investments, and the funds held in the Term Loan Reserve Account shall remain uninvested for so long as such Event of Default is continuing. The Collateral Custodian shall not have any obligation to invest or reinvest the funds held in the Term Loan Reserve Account on any day to the extent that the Collateral Custodian has not received investment instruction on or prior to 11:00 a.m. (New York City time) on such day. Notwithstanding anything else in this Agreement to

the contrary, in no event shall the Borrower direct any investment in any such Cash Equivalent that will mature later than the Business Day before the next occurring Payment Date. It is agreed

and understood that the entity serving as the Collateral Administrator or the Collateral Custodian may earn fees associated with the investments outlined above in accordance with the terms of such investments. In no event shall the Collateral Administrator or the Collateral Custodian be deemed an investment manager or adviser in respect of any selection of investments hereunder. It is understood and agreed that the Collateral Administrator, the Collateral Custodian or their respective affiliates are permitted to receive additional compensation that could be deemed to be in the Collateral Administrator's or the Collateral Custodian's economic self-interest for (A) serving as investment adviser, administrator, shareholder servicing agent, custodian or sub custodian with respect to certain of the investments, (B) using affiliates to effect transactions in certain investments and (C) effecting transactions in investments. All income from such Cash Equivalents shall be retained in the Term Loan Reserve Account, subject to release as permitted by this Agreement. All investments in such Cash Equivalents shall be at the risk of the Borrower. All income from Cash Equivalents in the Term Loan Reserve Account shall be taxable to the Borrower (or its regarded parent entity), and the Collateral Custodian shall prepare and timely distribute to each of the Borrower, as required, Form 1099 or other appropriate U.S. federal tax forms with respect to such income. Alaska shall provide the Collateral Custodian with certified tax identification numbers by furnishing an appropriate IRS Form W-9 and such other forms and documents that the Collateral Custodian may reasonably request (and the Collateral Custodian's obligation to invest amounts in the Term Loan Reserve Account is conditioned upon receipt thereof by Collateral Custodian from Alaska). Such forms shall, to the extent necessary, be updated as required by the IRS, and provided to the Collateral Custodian. The Collateral Custodian shall be entitled to rely on an opinion of legal counsel (which may be counsel to Alaska) in connection with the reporting of any earnings with respect hereto; *provided*, *however*, it is understood that the Collateral Custodian shall only be responsible for U.S. federal and state income reporting with respect to income earned on the Term Loan Reserve Account. In no event shall the Collateral Custodian be liable or responsible for the payment of taxes on any income earned on the Term Loan Reserve Account. Alaska shall pay or reimburse the Collateral Custodian upon request for any transfer taxes or other similar taxes relating to the Term Loan Reserve Account actually incurred in connection herewith and shall indemnify and hold harmless the Collateral Custodian in respect of any amounts that the Collateral Custodian has paid in the way of such taxes. The Collateral Custodian does not have any interest in the funds held in the Term Loan Reserve Account deposited hereunder but is serving as bank and securities intermediary only and having only possession thereof. This paragraph shall survive notwithstanding any termination of this Agreement or the resignation or removal of the Collateral Custodian.

As security for the prompt payment or performance in full when due, whether at Stated Maturity, by acceleration or otherwise, of all Obligations, the Borrower hereby grants to the Collateral Administrator for the benefit of the Secured Parties a security interest in and lien upon, all of the Borrower's right, title and interest in and to the Term Loan Reserve Account, (i) all funds held in the Term Loan Reserve Account, and all certificates and instruments, if any, from time to time representing or evidencing any account or such funds, (ii) all Investments from time to time of amounts in the Term Loan Reserve Account and all certificates and instruments, if any, from time to

time representing or evidencing such Investments, (iii) all notes, certificates of deposit and other instruments from time to time

delivered to or otherwise possessed by the Collateral Administrator or any Secured Party or any assignee or agent on behalf of the Collateral Administrator or any Secured Party in substitution for or in addition to any of the then existing Collateral in the Term Loan Reserve Account, and

(iv) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any and all of the then existing Collateral in the Term Loan Reserve Account.

(d) The Borrower hereby acknowledges and agrees that: (i) the Collateral Administrator shall be the only Person that has a right to withdraw funds from the Term Loan Reserve Account and (ii) the funds on deposit in the Term Loan Reserve Account shall at all times continue to be Collateral security for the benefit of the Secured Parties and shall not be subject to any Lien other than a Lien benefiting the Collateral Administrator on behalf of the Secured Parties.

(e) If, on any Determination Date, the amount on deposit in the Term Loan Reserve Account would exceed the then applicable Term Loan Reserve Account Required Balance for the related Payment Date, the Borrower shall be entitled to request the Collateral Administrator by notice in writing (which may be the Payment Date Statement) to direct the Collateral Custodian to transfer such excess amounts in the Term Loan Reserve Account to the Term Loan Payment Account as soon as practicable. In such circumstances, the Collateral Administrator shall promptly direct the Collateral Custodian to wire such excess amounts from the Term Loan Reserve Account to the Term Loan Payment Account.

(f) If, on any Determination Date, Available Funds for the related Payment Date will not be sufficient to pay in full the amounts due pursuant to clauses (i), (ii) and (iii) of Section 2.10(b) on the related Payment Date, the Borrower shall request by notice in writing (which may be the Payment Date Statement) to the Collateral Administrator that the Collateral Administrator, on or prior to the related Payment Date, direct the Collateral Custodian to transfer amounts in the Term Loan Reserve Account to the Term Loan Payment Account to the extent necessary so that Available Funds on the related Payment Date will be sufficient to pay such amounts on the related Payment Date. In such circumstances, the Collateral Administrator shall promptly direct the Collateral Custodian to wire such amounts from the Term Loan Reserve Account to the Term Loan Payment Account.

(g) The Borrower will at all times maintain a minimum balance of not less than the Term Loan Reserve Account Required Balance in the Term Loan Reserve Account (for the avoidance of doubt, except to the extent a lesser balance is maintained during the period from (and including) any Allocation Date to the time at which funds are distributed in accordance with Section 2.10(b) on the related Payment Date as a result of funds being remitted from the Term Loan Reserve Account to the Term Loan Payment Account in accordance with the Loan Documents).

If, at any time, the Term Loan Reserve Account shall no longer be an Eligible Deposit Account, the Borrower shall provide prompt written notice to the Collateral Administrator and the Administrative Agent and, if requested by the Administrative Agent,

within sixty (60) days (as may be extended by the Administrative Agent), move the Term Loan Reserve Account to a new depository institution in accordance with Section 8.05(d).

Section 5.18 Term Loan Payment Account.

(a) The Borrower shall establish and maintain or cause to be maintained at the Collateral Custodian, a segregated non-interest bearing trust account in the name of the Borrower with the account name: "Term Loan Payment Account" and account number: 270993002, for the purpose of holding amounts allocated to the Term Loans pursuant to the Collateral Agency and Accounts Agreement and the terms hereof (such account, the "**Term Loan Payment Account**"). The Term Loan Payment Account shall be subject at all times to the control of the Collateral Administrator. Amounts on deposit in the Term Loan Payment Account shall be uninvested.

(b) As security for the prompt payment or performance in full when due, whether at Stated Maturity, by acceleration or otherwise, of all Obligations, the Borrower hereby grants to the Collateral Administrator for the benefit of the Secured Parties a security interest in and lien upon, all of the Borrower's right, title and interest in and to (i) the Term Loan Payment Account, (ii) all funds held in the Term Loan Payment Account, and all certificates and instruments, if any, from time to time representing or evidencing any account or such funds, (iii) all Investments from time to time of amounts in the Term Loan Payment Account and all certificates and instruments, if any, from time to time representing or evidencing such Investments, (iv) all notes, certificates of deposit and other instruments from time to time delivered to or otherwise possessed by the Collateral Administrator or any Secured Party or any assignee or agent on behalf of the Collateral Administrator or any Secured Party in substitution for or in addition to any of the then existing Collateral in the Term Loan Payment Account, and
(v) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any and all of the then existing Collateral in the Term Loan Payment Account.

(c) Each Loan Party hereby acknowledges and agrees that: (i) at all times, the Collateral Administrator (or the Collateral Custodian at the direction of the Collateral Administrator) shall be the only Person that has a right to withdraw funds from the Term Loan Payment Account and (ii) the funds on deposit in the Term Loan Payment Account shall at all times continue to be Collateral security for all of the Obligations and shall not be subject to any Lien other than a Lien benefiting the Collateral Administrator on behalf of the Secured Parties.

(d) If, at any time, the Term Loan Payment Account shall no longer be an Eligible Deposit Account, the Borrower shall provide prompt written notice to the Collateral Administrator and the Administrative Agent and, if requested by the Administrative Agent, within sixty (60) days (as may be extended by the Administrative Agent), move the Term Loan Payment Account to a new depository institution pursuant to Section 8.05(d).

Section 5.19 Collections; Releases from Collection Account.

Alaska and the Borrower shall instruct and use commercially reasonable efforts to cause sufficient counterparties to Mileage Plan Agreements to direct payments of

Transaction Revenue into the Collection Account such that in any Quarterly Reporting Period, at least 85% of Mileage Plan Revenues are deposited directly into the Collection Account.

(e) To the extent any Loan Party or any of their controlled Affiliates receives any payments of Transaction Revenues to an account other than the Collection Account, such Person shall cause such amounts to be deposited into the Collection Account within three (3) Business Days after receipt and identification thereof.

(f) Alaska and HoldCo shall make, and the Borrower shall ensure that, all payments payable to the Borrower pursuant to the Intercompany Agreements and the IP Licenses are made directly into the Collection Account. Any amount released to the Borrower from the Term Loan Payment Account in accordance with this Agreement or the Collection Account in accordance with the Collateral Agency and Accounts Agreement may be transferred by the Borrower to Alaska in any manner without restriction.

Section 5.20 Minimum Liquidity. Alaska shall not permit total amount of unrestricted cash and Cash Equivalents and any marketable securities (determined in accordance with GAAP) maintained by Parent and its Subsidiaries to be less than $500,000,000 in the aggregate at the close of any Business Day.

Section 5.21 Mandatory Prepayments. To the extent not applied in accordance with Section 2.12, the Borrower shall cause an amount equal to the Net Proceeds from all transactions that result in mandatory prepayments pursuant to the terms of Section 2.12 to be deposited promptly into the Collection Account, which amounts shall be applied in accordance with the terms of Section 2.12.

Section 5.22 Privacy and Data Security. Except as would not reasonably be expected to result in a Material Adverse Effect, each applicable Loan Party shall maintain in effect commercially reasonable privacy and data security policies. Without limiting the generality of the foregoing, except as would not reasonably be expected to result in a Material Adverse Effect, each applicable Loan Party shall comply in all material respects, and shall cause each of its Subsidiaries to be, and shall use commercially reasonably efforts to cause each of its Third Party Processors to be, in compliance in all material respects, with (i) all applicable internal privacy policies and privacy policies contained on any websites maintained by or on behalf of each such Loan Party or such Subsidiary and such policies are consistent with the actual practices of such entity, (ii) all applicable Data Protection Laws with respect to Personal Data, including applicable Data Protection Laws anywhere in the United States, the State of California, the Cayman Islands, the United Kingdom and the European Union and (iii) its contractual commitments and obligations regarding Personal Data.

Section 5.23 Appraisals. The Borrower shall be required to deliver an Appraisal of the value of the Collateral to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent in order to test the applicable LTV Ratio for the incurrence of any Senior Secured Debt or Junior Lien Debt.

Any such Appraisal shall be dated no earlier than three (3) calendar months prior to the date of incurrence of the applicable Senior Secured Debt or Junior

Lien Debt. All Appraisals delivered to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent must be performed by an Approved Appraisal Firm.

SECTION 6.

NEGATIVE COVENANTS

From the date hereof and for so long as the Term Loan Commitments remain in effect or principal of or interest on any Term Loan is owing (or any other amount that is due and unpaid on the first date that none of the foregoing is in effect, outstanding or owing, respectively, is owing) to any Lender or the Administrative Agent hereunder:

Section 6.01 Restricted Payments.

(a) The SPV Parties shall not, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of any SPV Party's Equity Interests (including, without limitation, any payment in connection with any merger or consolidation) or to the direct or indirect holders of any SPV Party's Equity Interests in their capacity as such;

(ii) purchase, redeem or otherwise acquire or retire for value any Equity Interests of any SPV Party; or

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness other than the Priority Lien Debt; or

(iv) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (i) through (iv) above being collectively referred to as "**Restricted Payments**"), other than solely with respect to:

(1) Restricted Payments (including the making of any Intercompany Agreements, intercompany loans, any payments in respect of intercompany debt or Junior Lien Debt or any payments with respect to Indebtedness in the nature of an "AHYDO catch up" payment with respect to any Indebtedness that constitutes an applicable high yield discount obligation) with amounts released to the Borrower under Section 2.10(b)(xi) of this Agreement or pursuant to Section 2.11 of the Collateral Agency and Accounts Agreement; and

(2) (i) the making of the Alaska Intercompany Loan on the Closing Date from the proceeds of the Term Loans and any Qualifying Note Debt;

provided that notwithstanding anything to the contrary in this Agreement, other than funds released to the Borrower pursuant to clause (vi) of the priority of payments in Section 7.01, no SPV Party shall be permitted to make any Restricted Payment at any time when an Event of Default has occurred and is continuing.

Section 6.02 Incurrence of Indebtedness and Issuance of Preferred Stock. The SPV Parties shall not, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect any Indebtedness other than the following (and Alaska shall not, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect any Indebtedness with respect to any Pre-paid Miles Purchase other than as set forth in clause (b) below):

(a) Junior Lien Debt; *provided* that (i) no Event of Default or Early Amortization Event shall have occurred and be continuing or would result from the issuance of such Junior Lien Debt, (ii) the pro forma Debt Service Coverage Ratio (Senior Debt and Junior Debt) (calculated using the Semi-Annual Debt Service (Senior Debt and Junior Debt) of any other outstanding Indebtedness previously incurred pursuant to this clause (1) and such Junior Lien Debt) as of the immediately preceding Determination Date, immediately after giving effect to the issuance of such Junior Lien Debt shall be at least 1.00 to 1.00, (iii) the pro forma LTV Ratio (Senior Debt and Junior Debt) immediately after giving effect to the issuance or incurrence of such Junior Lien Debt shall not exceed 62.5% (*provided* that such pro forma LTV Ratio shall be calculated based on an Appraisal delivered by Alaska dated no earlier than three (3) calendar months prior to the proposed date of issuance or incurrence of such Junior Lien Debt) and (iv) such Junior Lien Debt shall not be incurred by or subject to a guarantee by any Subsidiary of Alaska other than any SPV Party;

(b) Pre-paid Miles Purchases, so long as (i) the aggregate amount of Miles purchased in Pre-paid Miles Purchases or other Indebtedness incurred with respect to Pre-paid Miles Purchases does not exceed an amount equal to the quotient of (x) $550,000,000 divided by
(y) the rate per Mile by which such Person purchases Miles from Alaska as of the Closing Date,
(ii) such sale is non-refundable and non-recourse to the SPV Parties, (iii) the Indebtedness related thereto is unsecured or secured by assets of Alaska or its subsidiaries (other than the SPV Parties) that do not constitute Collateral and (iv) no Early Amortization Period or Event of Default is continuing at the time of such sale or would result therefrom;

(c) Indebtedness under this Agreement and Qualifying Note Debt and any other Indebtedness issued in a Capital Markets Offering by the Borrower or incurred pursuant to another loan or credit agreement; *provided* that (i) any such Indebtedness (other than with respect to clauses (A) and (B) below, customary bridge loans which, subject only to customary conditions (which shall be limited to no payment or bankruptcy event of default) would either automatically be converted into or required to be exchanged for long-term refinancing in the form of Incremental Term Loans permitted under (and subject to the requirements of) Section 2.27, Replacement Term Loans permitted under (and subject to the requirements of) Section

10.08 or Priority Lien Debt permitted under (and subject to the requirements of) this Section 6.02(c)), (A) other than with respect to any Qualifying Note Debt, shall have a maturity date not

earlier than the Latest Maturity Date then in effect, (B) other than with respect to any Qualifying Note Debt, shall have a Weighted Average Life to Maturity thereof no shorter than the remaining Weighted Average Life to Maturity of the existing Term Loans or notes outstanding pursuant to this clause (c), and (C) shall not be subject to or benefit from any Guarantee by any Person other than a Loan Party (unless such other person also becomes a Guarantor under the Guaranty), (ii) in the case of the issuance of any additional Indebtedness after the Closing Date, the terms and conditions governing such Indebtedness shall (x) be reasonably acceptable to the Administrative Agent, (y) be customary in the market as such time for similarly situated borrowers (as reasonably determined by the Borrower), or (z) be substantially similar to, or (taken as a whole) no more favorable (as reasonably determined by the Borrower) to the investors or holders providing such Indebtedness than those applicable to the then-outstanding Term Loans (except to the extent such terms are (I) conformed (or added) in the Loan Documents for the benefit of the Lenders holding then-outstanding Term Loans pursuant to an amendment hereto or thereto subject solely to the reasonable satisfaction of the Borrower and the Administrative Agent, (II) applicable solely to periods after the latest final maturity date of the Term Loans existing at the time of such incurrence) or (III) consist of pricing, fees, rate floors, premiums, optional prepayment or redemption terms) and (D) [reserved]; *provided* that notwithstanding the foregoing, in no event shall such Indebtedness be subject to events of default or mandatory prepayment or acceleration resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Alaska Bankruptcy Event" (or the occurrence of any such event with respect to any Subsidiary of Parent other than any SPV Party) except on the same terms as the then-outstanding Term Loans, (iii) no Event of Default or Early Amortization Event shall have occurred and be continuing or would result from the issuance of such Indebtedness and (iv) the pro forma LTV Ratio (Senior Debt) immediately after giving effect to the issuance or incurrence of such Indebtedness shall not exceed 55.0% (*provided* that such pro forma LTV Ratio shall be calculated based on an Appraisal delivered by Alaska dated no earlier than three (3) calendar months prior to the proposed date of issuance or incurrence of such Indebtedness);

(d) Indebtedness arising from customary indemnification or other similar obligations under the Loan Documents and the other agreements entered into on the Closing Date in connection therewith (or replacements or amendments thereto which are permitted under this Agreement); and

(e) Indebtedness otherwise permitted under Section 6.06. Section 6.03

[Reserved].

Section 6.04 Disposition of Collateral.

(a) No Loan Party shall sell or otherwise Dispose of any Collateral (or, in the case of any SPV Party, any of its property or assets (including the Collateral)), including by way of any Sale of a Grantor, except for (i) a Permitted Disposition, (ii) Permitted Pre-paid Miles Purchases in an aggregate amount not to exceed $550,000,000 since the Closing Date, (iii) a

Permitted HoldCo Equity Minority Stake Sale and (iv) any other sale or Disposition (other than a Sale of a Grantor) of asset having a Fair Market Value in an aggregate amount not to exceed

$25,000,000 in any fiscal year; *provided* that, for the avoidance of doubt, it is acknowledged and agreed that Alaska is not a Grantor hereunder.

(b) Alaska shall be permitted after the Closing Date to sell or transfer up to 49% in the aggregate of the Equity Interests in HoldCo so long as at the consummation of such sale or transfer (i) all of the Equity Interests in HoldCo (including those that are the subject of such proposed sale or transfer, and any Equity Interests that have been previously sold or transferred) are, prior to or simultaneous with such proposed sale or transfer, pledged as Collateral under the Collateral Documents (pursuant to a Cayman Islands equity share mortgage substantially in the form of the Cayman Share Mortgages) and (ii) the purchaser or transferee of such Equity Interests agrees to be bound by the terms of the Collateral Agency and Accounts Agreement (a "**Permitted HoldCo Equity Minority Stake Sale**").

Section 6.05 [Reserved].

Section 6.06 Liens. No Loan Party will directly or indirectly create, incur, assume or suffer to exist any Lien of any kind on any property or asset that constitutes Collateral or any Equity Interests in any SPV Party, in each case other than Permitted Liens; *provided* that, for the avoidance of doubt, it is acknowledged and agreed that Alaska is not a Grantor hereunder. No SPV Party will directly or indirectly create, incur, assume or suffer to exist any Lien of any kind on any of its property or assets (including the Collateral) other than Permitted Liens.

Section 6.07 Business Activities. The SPV Parties shall not engage in any business other than Permitted Businesses.

Section 6.08 [Reserved]. Section 6.09 [Reserved].

Section 6.10 Merger, Consolidation, or Sale of Assets.

(a) Alaska shall not merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its assets (in each case, whether now owned or hereafter acquired) unless:

(1) immediately after giving effect thereto no Early Amortization Event, Default or Event of Default shall have occurred and be continuing;

Alaska is the surviving corporation or, if otherwise, (x) such other Person or continuing corporation (the "**Successor Company**") shall (A) be an "air carrier" within the meaning of Section 40102(a)(2) of Title 49, and hold a certificate under Section 41102(a)(1) of Title 49 and (B) be an entity organized or existing under the laws of the United States, any state of the United States or the District of Columbia; and

(2) in the case of a Successor Company, the Successor Company (A) assumes all the obligations of Alaska under the Loan Documents by pursuant to customary (as determined by Parent) assumption agreements and (B) shall have delivered to the Administrative Agent an Officer's Certificate stating that such consolidation, merger, sale, transfer, lease or other disposition complies with this Agreement.

Clause (1) above will not apply to any merger, consolidation or transfer of assets between or among Parent and/or its Subsidiaries that are not SPV Parties.

Upon any consolidation or merger in accordance with this Section 6.10(a) in any case in which Alaska is not the surviving corporation, the Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, Alaska under this Agreement with the same effect as if such Successor Company had been named as "Alaska" herein. No such consolidation or merger shall have the effect of releasing Alaska or any Successor Company which theretofore shall have become a successor to Alaska in the manner prescribed in this Section 6.10(a) from its liability with respect to any Loan Document to which it is a party.

(b) No SPV Party shall: (i) consolidate or merge with or into another Person, or permit any other Person to merge into or consolidate with it, or (ii) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of its properties, in one or more related transactions, to another Person.

Section 6.11 [Reserved].

Section 6.12 Direction of Payment. No Loan Party shall revoke, or permit to be revoked, any Direction of Payment.

Section 6.13 IP Agreements. The Loan Parties shall not terminate, amend, waive, supplement or otherwise modify any IP Agreement or any provision thereof or exercise any right or remedy under or pursuant to or under any IP Agreement, in each case, without the prior written consent of the Required Lenders if such termination, amendment, waiver, supplement or modification or exercise of remedies would reasonably be expected to result in a Material Adverse Effect; *provided* that (i) termination of any IP Agreement or any amendment to the termination provisions thereof, or (ii) any amendment to an IP Agreement that (A) materially and adversely affects rights to the Mileage Plan Intellectual Property or rights to use Mileage Plan Intellectual Property or in the case of the Contribution Agreements, rights to or rights to use other applicable Collateral, (B) shortens the scheduled term thereof, (C) in the case of any IP License, materially and adversely changes the amount or calculation of the termination payment, or the amount, calculation or rate of fees due and owing thereunder, (D) changes the contractual subordination of payments thereunder in a manner materially adverse to the Lenders, (E) reduces the frequency of payments thereunder to an SPV Party or permits payments due to an SPV Party thereunder to be deposited to an account other than the Collection Account, (F) changes the amendment standards applicable to such IP Agreement (other than changes affecting rights of the Administrative Agent or the Master Collateral Agent to consent to

amendments, which is covered by clause (G)) in a manner that would reasonably be expected to result in a Material

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Adverse Effect or (G) materially impairs the rights of the Administrative Agent or the Master Collateral Agent to enforce or consent to amendments to any provisions thereof in accordance therewith shall, in each case, be deemed to have a Material Adverse Effect.

Section 6.14 Specified Organization Documents. No Loan Party shall amend, modify or waive any SPV Provision of any Specified Organization Document. No Loan Party shall amend, modify or waive any other provision of any Specified Organization Document in a manner materially adverse to the Lenders.

SECTION 7.

EVENTS OF DEFAULT AND EARLY AMORTIZATION EVENTS

Section 7.01 Events of Default. In the case of the occurrence of any of the following events and the continuance thereof beyond the applicable grace period if any (each, an "**Event of Default**"):

(a) any representation or warranty made by any Loan Party in this Agreement or in any other Loan Document shall prove to have been false or incorrect in any material respect when made, and such representation or warranty, to the extent capable of being corrected, is not corrected within 30 days after the earlier of (A) a Responsible Officer of Alaska or the Borrower obtaining knowledge of such default or (B) receipt by the Borrower of notice from the Administrative Agent of such default; or

(b) default shall be made in the payment of (i) any principal amount or premium of the Term Loans when and as the same shall become due and payable; (ii) any interest on the Term Loans and such default shall continue unremedied for more than 5 Business Days; or (iii) any other amount payable hereunder when due and such default shall continue unremedied for more than 10 Business Days after the earlier of (A) a Responsible Officer of Alaska or the Borrower obtaining knowledge of such default or (B) receipt by the Borrower of notice from the Administrative Agent of such default; it being understood that if any default shall be made by any Loan Party in the due observance or performance of the covenants set in Section 5 shall not constitute a default subject to this Section 7.01(b); or

(c) default shall be made by any Loan Party in the due observance of (i) the covenants in Section 5.19, 5.20 or 5.21 and (ii) the covenant in Section 6.14 and such default shall continue unremedied for more than, in the cause of clause (i), 10 Business Days, and in the case of clause (ii), 20 Business Days, after the earlier of (A) a Responsible Officer of Alaska or the Borrower obtaining knowledge of such default or (B) receipt by Alaska or the Borrower of notice from the Administrative Agent of such default; or

default shall be made by any Loan Party in the due observance or performance of any other covenant, condition or agreement to be observed or performed by it pursuant to the terms of this Agreement or any of the other Loan Documents and such default shall continue unremedied or

uncured for more than 30 days (or 135 days in the case of Section 5.16(c) and (d)) after the earlier of (i) a Responsible Officer of Alaska or the Borrower obtaining

knowledge of such default or (ii) receipt by Alaska or the Borrower of notice from the Administrative Agent of such default; *provided* that, if such Person is proceeding with diligence and good faith to cure or remedy such default and such default is susceptible to cure or remedy, such 30 day (or 135 days in the case of Section 5.16(c) and (d)) period shall be extended as may be necessary to cure such failure, such extended period not to exceed 90 days (or 150 days in the case of Section 5.16(c) and (d)) in the aggregate (inclusive of the original 30 day period (or the original 135 day period in the case of Section 5.16(c) and (d)); or

(d) (i) any material provision of any Loan Document to which a Loan Party is a party ceases to be a valid and binding obligation of such Loan Party, or any action shall be taken to discontinue or to assert the invalidity or unenforceability of any Loan Document, (ii) the Lien on any material portion of the Collateral intended to be created by the Collateral Documents shall cease to be or shall not be a valid and perfected (to the extent required hereunder or under such Collateral Documents) Lien having the priorities contemplated thereby (subject to Permitted Liens and except as permitted by the terms of this Agreement or the Collateral Documents or as a result of the action, delay or inaction of the Administrative Agent) or (iii) the guaranty in Section 9 hereof shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of such guaranty, or any Guarantor shall fail to comply with any of the terms or provisions of such guaranty, or any Guarantor shall deny that it has any further liability under such guaranty; *provided* that, in each case, unless any Loan Party shall have contested or challenged, other than good faith disputes regarding interpretation of contractual provisions, the validity, perfection or priority of, or attempted to invalidate, such liens or the validity or enforceability of a material provision of any Loan Document or material portion of any Collateral or guaranty document, such breach shall not be an Event of Default unless such breach continues unremedied or uncured for more than 30 Business Days after the earlier of (x) a Responsible Officer of Alaska or the Borrower obtaining knowledge of such default or (y) receipt by the Borrower of written notice from the Administrative Agent of such default; or

(e) any SPV Party:

(i) commences a voluntary case or proceeding,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a receiver, trustee, liquidator, provisional liquidator, custodian, conservator or other similar official of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors,

admits in writing its inability generally to, pay its debts as they become due, or

(v) proposes or passes a resolution for its voluntary winding up, liquidation, provisional liquidation or restructuring; or

(f) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against any SPV Party;

(ii) appoints a receiver, restructuring officer, trustee, liquidator, provisional liquidator, custodian, conservator or other similar official of any SPV Party or for all or substantially all of the property of any SPV Party;

(iii) commences proceedings for a compromise or arrangement with any SPV Party's creditors (or class or classes of creditors), or

(iv) orders the winding up, liquidation or provisional liquidation of any SPV Party;

and in each case the order or decree remains unstayed and in effect for 60 consecutive days; or

(g) failure by any Loan Party to pay one or more final judgments entered by a court or courts of competent jurisdiction aggregating in excess of $200,000,000 (determined net of amounts covered by insurance policies issued by creditworthy insurance companies or by third party indemnities or a combination thereof), which judgments are not paid, discharged, bonded, vacated satisfied or stayed for a period of sixty (60) days; or

(h) (i) Alaska shall default in the performance of any obligation relating to Material Indebtedness and any applicable grace periods shall have expired and any applicable notice requirements shall have been complied with, and as a result of such default the holder or holders of such Material Indebtedness or any trustee or agent on behalf of such holder or holders shall have caused such Material Indebtedness to become due prior to its scheduled final maturity date or (ii) Alaska shall default in the payment of the outstanding principal amount due on the scheduled final maturity date of any Indebtedness outstanding under one or more agreements, any applicable grace periods shall have expired and such failure to make payment when due shall be continuing for a period of more than five (5) consecutive Business Days following the applicable scheduled final maturity date thereunder, in an aggregate principal amount at any time unpaid exceeding $200,000,000; *provided* that such payment default or acceleration resulting from any bankruptcy, insolvency or similar events with respect to Parent or Alaska shall not constitute a default under this Section 7.01(i); *provided, further,* that if any such default shall be waived or cured (as evidenced by a writing from the applicable holder, agent or trustee) then, to the extent of such waiver or cure, the Event of Default hereunder by reason of such default shall be deemed likewise to have been thereupon waived or cured; or

(i) any SPV Party shall default in the performance of any obligation relating to Material Indebtedness and any applicable grace periods shall have expired and any

applicable notice requirements shall have been complied with, and as a result of such default the holder or holders of such Material Indebtedness or any trustee or agent on behalf of such holder or holders shall have caused, or shall be entitled or permit or have the right to cause, such Material Indebtedness to become due prior to its scheduled final maturity date or (ii) any SPV Party shall default in the payment of the outstanding principal amount due on the scheduled final maturity date of any Indebtedness outstanding under one or more agreements of such SPV Party, any applicable grace periods shall have expired following the applicable scheduled final maturity date thereunder, in an aggregate principal amount at any time unpaid exceeding $200,000,000; *provided, further,* that if any such default shall be waived or cured (as evidenced by a writing from the applicable holder, agent or trustee) then, to the extent of such waiver or cure, the Event of Default hereunder by reason of such default shall be deemed likewise to have been thereupon waived or cured; or

(i) a termination of a Plan of any ERISA Affiliate pursuant to Section 4042 of ERISA that would reasonably be expected to result in a Material Adverse Effect; or

(j) (i) an exit from, or a termination or cancellation of, the Mileage Plan Program or (ii) any termination, expiration or cancellation of (1) an Intercompany Agreement,
(2) the Alaska Intercompany Loan, (3) a Material Mileage Plan Agreement for which, solely in the case of clause (3), (other than an Intercompany Agreement) a Permitted Replacement Mileage Plan Agreement is not entered into as of the effective date of such termination, expiration or cancellation; or

(k) any Loan Party makes a Material Modification to a Material Mileage Plan Agreement or the Alaska Intercompany Loan without the prior written consent of the Master Collateral Agent (acting at the direction of the Required Debtholders); or

(l) any termination or cancellation of any IP License; or

(m) after the occurrence of a Alaska Bankruptcy Event, any of the Alaska Case Milestones shall cease to be met or complied with, as applicable; or

(n) a SPV Party Change of Control; or

(o) (i) failure of any SPV Party to maintain at least the Required Number of Independent Directors for more than five (5) consecutive Business Days (or 30 days in the case of such Independent Director's death, disability or resignation, provided that in the case of the Borrower, one Independent Director remains at the Borrower during such period), (ii) the removal of any Independent Director of any SPV Party without "cause" (as such term is defined in the Specified Organization Documents of such SPV Party) or without giving prior written notice to the Administrative Agent, each as required in the Specified Organization Documents of the related entity, or (iii) an Independent Director of any SPV Party that is not an Approved Independent Director shall be appointed without the consent of the Administrative Agent;

then, and in every such event and at any time thereafter during the continuance of such event, the Administrative Agent shall, at the request of the Required Lenders, by written notice to the

Borrower (with a copy to the Master Collateral Agent and the Collateral Administrator), take one or more of the following actions, at the same or different times:

A. terminate forthwith the Term Loan Commitments;

B. declare the Term Loans or any portion thereof then outstanding to be forthwith due and payable, whereupon the principal of the Term Loans and other Obligations and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Loan Parties, anything contained herein or in any other Loan Document to the contrary notwithstanding;

C. [Reserved];

D. set-off amounts in any accounts (other than accounts pledged to secure other Indebtedness of any Loan Party, Escrow Accounts, Payroll Accounts or other accounts held in trust for an identified beneficiary maintained with the Administrative Agent, the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent or the Depositary (or any of their respective affiliates) and apply such amounts to the obligations of the Loan Parties hereunder and in the other Loan Documents; and

E. subject to the terms of the Loan Documents, exercise any and all remedies under the Loan Documents and under applicable law available to the Administrative Agent, the Collateral Administrator, the Master Collateral Agent and the Lenders.

In case of any event described in clause (f), (g) or (o) of this Section 7.01, the actions and events described in clauses (A), and (B) above shall be required or taken automatically, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Loan Parties. Subject to the terms of the Collateral Agency and Accounts Agreement, after the occurrence and during the continuance of any Event of Default, any Available Funds and other amounts received, including any amounts realized upon enforcement of any Collateral Documents or any payments, recoveries or distributions received in any proceeding under any Bankruptcy Laws including adequate protection and Chapter 11 plan distributions, to the extent received by the Collateral Administrator from the Master Collateral Agent as the Term Loans' Pro Rata Share thereof shall be applied by the Collateral Administrator as follows:

first, (x) to the payment of Cayman Islands governmental fees owing by the SPV Parties, then (y) ratably, to (i) the Master Collateral Agent, the amount of Fees, costs, expenses, reimbursements and indemnification amounts due and payable to such Agents pursuant to the terms of the Loan Documents and (ii) the Collateral Administrator and the Collateral Custodian, the amount of Fees, costs, expenses, reimbursements and indemnification amounts due and payable to the Collateral Administrator and the Collateral Custodian pursuant to the term of the Loan Documents, and *then* (y) to the Administrative Agent, the amount of Fees, costs, expenses,

reimbursements and indemnification amounts due and payable to the Administrative Agent pursuant to the terms of the Loan Documents and *then* (z) ratably, the Term Loans' Pro Rata Share of

fees, expenses and other amounts due and owing to the Cayman Islands registered office and/or corporate service provider (including the Administrator and Walkers Fiduciary Limited (or its successor) as share trustee) of any SPV Party and any Independent Director of any SPV Party (to the extent not otherwise paid);

(i) *second*, to the Administrative Agent, on behalf of the Lenders, any due and unpaid interest on the Term Loans;

(ii) *third*, to the Administrative Agent, on behalf of the Lenders in an amount equal to the amount necessary to pay the outstanding principal balance of the Term Loans in full;

(iii) *fourth*, to pay to the Administrative Agent on behalf of the Lenders, any additional Obligations then due and payable, including any Premium;

(iv) *fifth*, until all Priority Lien Debt is paid in full, to the Master Collateral Agent to be maintained in the Collection Account or distributed in accordance with the Collateral Agency and Accounts Agreement; and

(v) *sixth,* all remaining amounts shall be released to or at the direction of the Borrower.

Section 7.02 Early Amortization Event. In the case of the happening of any Early Amortization Event, the Administrative Agent may, and at the direction of the Required Lenders shall, by notice to the Borrower, provide written notice to the Borrower that an Early Amortization Event has occurred.

SECTION 8. THE AGENTS

Section 8.01 Administration by Agents.

Each of the Lenders hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. Each of the Lenders hereby irrevocably appoints the Master Collateral Agent to act on its behalf as the Master Collateral Agent hereunder and under the Collateral Documents and authorizes the Master Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Master Collateral Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Each of the Lenders hereby irrevocably appoints the Collateral Administrator to act on its behalf as the Collateral Administrator hereunder and authorizes the Collateral Administrator to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Administrator by the

terms hereof, together with such actions and powers as are reasonably incidental thereto. The Collateral Administrator shall be the Senior

Secured Debt Representative on behalf of the Lenders and the other Secured Parties. For any Act of Required Debtholders under the Collateral Agency and Accounts Agreement, the Collateral Administrator shall take instruction from the Administrative Agent (on behalf of the Required Lenders) hereunder (which such instruction shall include a certification by the Administrative Agent as to the aggregate principal amount of the Term Loans represented by such instruction).

(a) Each of the Lenders hereby authorizes the Administrative Agent, the Collateral Administrator and the Master Collateral Agent, as applicable, and in their sole discretion:

(i) to execute (or direct the execution of) any documents or instruments or take any other actions reasonably requested by the Loan Parties to release a Lien granted to the Master Collateral Agent, for the benefit of the Secured Parties, on any asset that is part of the Collateral of the Loan Parties (A) upon the payment in full of all Obligations (except for contingent obligations in respect of which a claim has not yet been made), (B) that is sold or to be sold or transferred as part of or in connection with any sale or other transfer permitted by the terms of this Agreement or under any other Loan Document to a Person that is not a Loan Party, (C) if the property subject to such Lien is owned by a Loan Party, upon the release of such Loan Party from its Guarantee otherwise in accordance with the Loan Documents, (D) as to the extent provided in the Collateral Documents, (E) that constitutes Excluded Property, or (F) if approved, authorized or ratified in writing in accordance with Section 10.08;

(ii) [Reserved];

(iii) to enter into the other Loan Documents on terms acceptable to the Administrative Agent, the Collateral Administrator and the Master Collateral Agent and to perform its respective obligations thereunder;

(iv) [Reserved];

(v) to enter into (or direct the entrance into) any Intercreditor Agreement or intercreditor and/or subordination agreements in accordance herewith, including Section 6.06, on terms reasonably acceptable to the Administrative Agent, and in each case to perform its obligations thereunder and to take such action and to exercise the powers, rights and remedies granted to it thereunder and with respect thereto; and

(vi) to enter into (or direct the entrance into) any other agreements reasonably satisfactory to the Administrative Agent granting Liens to the Master Collateral Agent, for the benefit of the Secured Parties, on any assets of the Borrower or any other Grantor to secure the Obligations.

(b) The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement relating to Disqualified Lenders. Without limiting the generality of the foregoing, the Administrative Agent shall not (i) be obligated to ascertain, monitor or inquire as to whether any Lender or prospective Lender is a Disqualified Lender or (ii) have any liability with respect to or arising out of any assignment of Term Loans, or disclosure of confidential information to any Disqualified Lenders.

(c) Concurrently herewith, the Administrative Agent directs the Master Collateral Agent and the Master Collateral Agent is authorized to enter into the Collateral Documents and any other related agreements in the form delivered to the Master Collateral Agent. For the avoidance of doubt, all of the Master Collateral Agent's rights, protections and immunities provided herein shall apply to the Master Collateral Agent for any actions taken or omitted to be taken under the Collateral Documents and any other related agreements in such capacity.

Section 8.02 Rights of Administrative Agent and the Other Agents. Any institution serving as an 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 an Agent, and such bank and its respective Affiliates may accept deposits from, lend money to and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate of Alaska as if it were not an Agent hereunder. The rights, privileges, protections, indemnities, immunities and benefits given to the Collateral Administrator are extended to, and shall be enforceable by, (i) the Collateral Administrator in each Loan Document and each other document related hereto to which it is a party and (ii) the entity acting as the Collateral Administrator in each of its capacities hereunder and under the other Loan Documents and any related document whether or not specifically set forth therein.

Section 8.03 Liability of Agents.

(a) No Agent shall have any duties or obligations except those expressly set forth herein and in any other applicable Loan Document. Without limiting the generality of the foregoing, (i) no Agent shall be subject to any fiduciary or other implied duties, regardless of whether an Early Amortization Event or an Event of Default has occurred and is continuing,
(ii) no Agent shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08), (iii) except as expressly set forth herein, no Agent shall have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of Alaska's Subsidiaries that is communicated to or obtained by the institution serving as an Agent or any of its Affiliates in any capacity and (iv) no Agent will be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Federal, state or

foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or that may

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effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect. No Agent shall be liable for any action taken or not taken by it with the consent of, or at the request of (i) the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.08) or (ii) in the case of the Collateral Administrator and the Master Collateral Agent, the Administrative Agent, or (B) in the absence of its own gross negligence or willful misconduct. Neither the Administrative Agent, the Collateral Administrator nor the Master Collateral Agent shall be deemed to have knowledge of any Early Amortization Event, Event of Default or Default unless and until written notice thereof is given to the Administrative Agent, the Collateral Administrator or the Master Collateral Agent, respectively, by, in the case of the Administrative Agent or the Collateral Administrator, the Borrower, Alaska or a Lender or, in the case of the Master Collateral Agent, the Administrative Agent, and neither Administrative Agent, the Collateral Administrator nor the Master Collateral Agent shall be responsible for, or have any duty to ascertain or inquire into,

(A) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (B) the contents of any certificate, report or other document delivered hereunder or in connection herewith or in connection with any other Loan Document, (C) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any other Loan Document or related document, (D) the validity, enforceability, effectiveness, value, sufficiency or genuineness of this Agreement or any other agreement, instrument or document or any Collateral or security interest, or (E) the satisfaction of any condition set forth in Section 4 or elsewhere herein or in any other Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(b) Each Agent shall be entitled to conclusively rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. Each Agent may consult with legal counsel (who may be counsel for Alaska or the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(c) Each Agent may perform any and all of its duties and exercise its rights and powers by or through any one or more sub-agents appointed by it. Each Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers through its Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of any Agent and any such sub-agent, and shall apply to their respective activities as such Agent. Neither the Master Collateral Agent nor the Collateral Administrator shall be responsible for the acts or omissions of any such sub-agent appointed with due care.

(d) The following additional rights and protections shall be applicable to the Master Collateral Agent and the Collateral Administrator in connection with this Agreement, the other Loan Documents and any related document:

(i) Neither the Master Collateral Agent nor the Collateral Administrator shall have any liability for any action taken, or errors in judgment made, in good faith by it or any of its officers, employees or agents, unless it shall have been negligent in ascertaining the pertinent facts.

(ii) Nothing in this Agreement or any other Loan Document shall require the Master Collateral Agent or the Collateral Administrator to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder.

(iii) Neither the Master Collateral Agent nor the Collateral Administrator shall be under any obligation to exercise any of the rights or powers vested in it by this Agreement or any other Loan Document at the request or direction of the Collateral Controlling Party, Administrative Agent or the Lenders, unless such Person shall have offered to the Master Collateral Agent or the Collateral Administrator, as applicable, security or indemnity (satisfactory to the Master Collateral Agent or the Collateral Administrator, as applicable, in its sole and absolute discretion) against the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction. The Master Collateral Agent and the Collateral Administrator shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Collateral Controlling Party, the Administrative Agent or the Required Lenders, as applicable (or such greater number of Lenders as may be expressly required hereby in any instance) and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders.

(iv) Notwithstanding anything to the contrary herein or in any other Transaction Document, neither the Collateral Administrator nor the Master Collateral Agent shall be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document other than this Agreement and any other Loan Document to which it is a party, whether or not an original or a copy of such agreement has been provided to the Collateral Administrator or the Master Collateral Agent, as applicable, and shall not be subject to, or bound by, the terms and provisions of any documents to which it is not a party.

(v) In the event that any Collateral shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered

by any court order affecting the Collateral, each of the Master Collateral Agent and the Collateral Administrator is hereby expressly authorized, each in its sole

discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction. In the event that the Master Collateral Agent or the Collateral Administrator obeys or complies with any such writ, order or decree it shall not be liable to any of the Loan Parties or to any other Person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

(vi) The Master Collateral Agent and the Collateral Administrator shall be entitled to request and receive written instructions from the Administrative Agent and shall have no responsibility or liability to the Lenders for any losses or damages of any nature that may arise from any action taken or not taken by the Master Collateral Agent or the Collateral Administrator in accordance with the written direction of the Administrative Agent.

(vii) The Master Collateral Agent and the Collateral Administrator may request, rely on and act in accordance with Officer's Certificates and/or opinions of counsel, and shall incur no liability and shall be fully protected in acting or refraining from acting in accordance with such Officer's Certificates and opinions of counsel.

If any conflict, disagreement or dispute arises between, among, or involving any of the parties hereto concerning the meaning or validity of any provision hereunder or concerning any other matter relating to this Agreement or any other Loan Document, or the Master Collateral Agent or the Collateral Administrator is in doubt as to the action to be taken hereunder, the Master Collateral Agent or the Collateral Administrator may, at its option, after sending written notice of the same to the Administrative Agent, refuse to act until such time as it (a) receives a final non-appealable order of a court of competent jurisdiction directing delivery of the Collateral or otherwise regarding such matter or (b) receives a written instruction, executed by each of the parties involved in such disagreement or dispute, in a form reasonably acceptable to the Master Collateral Agent or the Collateral Administrator, as applicable, directing delivery of the Collateral or otherwise regarding such matter. The Master Collateral Agent and the Collateral Administrator will be entitled to act on any such written instruction or final, non-appealable order of a court of competent jurisdiction without further question, inquiry or consent. The Master Collateral Agent and the Collateral Administrator may file an interpleader action in a state or federal court, and upon the filing thereof, the Master Collateral Agent or the Collateral Administrator will be relieved of all liability as to the Collateral and will be entitled to recover reasonable and documented out-of-pocket attorneys' fees, expenses and other costs incurred in commencing and maintaining any such interpleader action.

(viii) Neither the Collateral Administrator nor the Master Collateral Agent shall be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics, pandemics or similar health crises; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

(ix) Neither the Master Collateral Agent nor Collateral Administrator shall have any obligation to give, execute, deliver, file, record, authorize or obtain any financing statements, notices, instruments, documents, agreements, consents or other papers as shall be necessary to (i) create, preserve, perfect or validate the security interest granted to the Master Collateral Agent or the Collateral Administrator pursuant to this Agreement or any other Loan Document or any related document or (ii) enable the Master Collateral Agent or the Collateral Administrator to exercise and enforce its rights under this Agreement or any other Loan Document or any related document with respect to such pledge and security interest.

(x) For purposes of clarity, but without limiting any rights, protections, immunities or indemnities afforded to the Master Collateral Agent or the Collateral Administrator hereunder (including without limitation in this Section 8) and under the other Loan Documents, phrases such as "satisfactory to the Master Collateral Agent or the Collateral Administrator," "approved by the Master Collateral Agent or the Collateral Administrator," "acceptable to the Master Collateral Agent or the Collateral Administrator," "as determined by the Master Collateral Agent or the Collateral Administrator," "in the Master Collateral Agent's or the Collateral Administrator's discretion," "selected by the Master Collateral Agent or the Collateral Administrator," "elected by the Master Collateral Agent or the Collateral Administrator," "requested by the Master Collateral Agent or the Collateral Administrator," and phrases of similar import that authorize or permit the Master Collateral Agent or the Collateral Administrator to approve, disapprove, determine, act or decline to act in its discretion shall be subject to the Master Collateral Agent or the Collateral Administrator, as applicable, receiving written direction from the Administrative Agent to take such action or to exercise such rights.

Anything herein to the contrary notwithstanding, none of the Lead Arrangers listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any

of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender.

Section 8.04 Reimbursement and Indemnification. Each Lender agrees (a) to reimburse on demand the Administrative Agent (and the Collateral Administrator, the Collateral Custodian, the Master Collateral Agent and the Depositary) for such Lender's Aggregate Exposure Percentage of any expenses and fees incurred for the benefit of the Lenders under this Agreement and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, and any other expense incurred in connection with the operations or enforcement thereof, not reimbursed by the Loan Parties and (b) to indemnify and hold harmless the Administrative Agent, the Collateral Custodian, the Collateral Administrator and the Master Collateral Agent and any of their Related Parties, on demand, in the amount equal to such Lender's Aggregate Exposure Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement or any of the Loan Documents to the extent not reimbursed by the Loan Parties (except such as shall result from its own gross negligence or willful misconduct).

Section 8.05 Successor Agents.

The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower (with a copy to the Collateral Administrator, the Collateral Custodian and the Master Collateral Agent). Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the consent (provided no Event of Default has occurred and is continuing) of the Borrower (such consent not to be unreasonably withheld or delayed), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders with the consent of the Borrower (such consent not to be unreasonably withheld or delayed)) (the "**Resignation Effective Date**"), then the retiring Administrative Agent may (but shall not be obligated to), in consultation with the Borrower, on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. For the avoidance of doubt, whether or not a successor Administrative Agent has been appointed, the retiring Administrative Agent's resignation shall nonetheless become effective in accordance with such notice of resignation on the Resignation Effective Date. With effect from the Resignation Effective Date, (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (b) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of

the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring Administrative Agent shall be discharged from

all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article 8 and Section 10.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as the Administrative Agent.

(c) The Collateral Administrator may at any time resign at any time upon at least 30 days' prior written notice to the Borrower and the Administrative Agent; *provided* that, no resignation of the Collateral Administrator will be permitted unless a successor Collateral Administrator has been appointed. Promptly after receipt of notice of the Collateral Administrator's resignation, the Administrative Agent shall promptly appoint a successor Collateral Administrator (which successor Collateral Administrator shall be reasonably acceptable to the Required Lenders and, so long as no Event of Default under Section 7.01(b), (f), (g) or (o) has occurred and is continuing, the Borrower) by written instrument, copies of which instrument shall be delivered to the Borrower, the Master Collateral Agent, the resigning Collateral Administrator and to the successor Collateral Administrator. In the event no successor Collateral Administrator shall have been appointed within 30 days after the giving of notice of such resignation, the Collateral Administrator may petition any court of competent jurisdiction to appoint a successor Collateral Administrator. The Administrative Agent upon at least 30 days' prior written notice to the Collateral Administrator and the Borrower, may with or without cause remove and discharge the Collateral Administrator or any successor Collateral Administrator thereafter appointed from the performance of its duties under this Agreement. Promptly after giving notice of removal of the Collateral Administrator, the Administrative Agent shall appoint, or petition a court of competent jurisdiction to appoint, a successor Collateral Administrator (which successor Collateral Administrator shall be reasonably acceptable to the Required Lenders and, so long as no Event of Default under Section 7.01(b), (f), (g) or (o) has occurred and is continuing, the Borrower). Any such appointment shall be accomplished by written instrument and a copy shall be delivered to the Collateral Administrator and the successor Collateral Administrator, the Borrower and the Master Collateral Agent.

(d) The Master Collateral Agent may resign, and in any such event shall be replaced, in accordance with the terms of the Collateral Agency and Accounts Agreement.

(e) In the event that the Collateral Custodian shall no longer have the deposit rating necessary for the Term Loan Payment Account and Term Loan Reserve Account to be Eligible Deposit Accounts, the Borrower shall be permitted to and, if requested by the Administrative Agent, shall promptly, and in any event within 60 days (as such deadline may be extended by the Master Collateral Agent (acting at the direction of the Collateral Controlling Party)) of receipt by the Borrower and Alaska of notice from the Administrative Agent of such ratings change, move the Term Loan Payment Account and the Term Loan Reserve Account, as

applicable, to a depository institution (i) selected by the Borrower that that has the deposit rating necessary for the Term Loan Payment Account and Term Loan Reserve Account to be Eligible

Deposit Accounts or (ii) that is otherwise approved by the Administrative Agent (such approval not to be unreasonably withheld, conditioned or delayed) and will cause such depositary institution to execute an Account Control Agreement as soon as reasonably practicable thereafter.

Section 8.06 Independent Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, the Collateral Administrator, the Master Collateral Agent or any Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

Section 8.07 Advances and Payments.

(a) On the date of each Term Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each of the Lenders, the amount of the Term Loan to be made by it in accordance with its Term Loan Commitment hereunder. In such event, if a Lender has not in fact made its share of the applicable Term Loan available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith upon written demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to, but excluding, the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or

(x) in the case of the Borrower, the Interest Rate otherwise applicable to such Term Loan. If such Lender pays such amount to the Administrative Agent, then (x) such amount shall constitute such Lender's Term Loan included in such Term Loan and the Borrower shall not be obligated to repay such amount pursuant to the preceding sentence if not previously repaid and

(y) if such amount was previously repaid by the Borrower, the Administrative Agent shall promptly make a corresponding amount available to the Borrower.

(b) Any amounts received by the Administrative Agent in connection with this Agreement (other than amounts to which the Administrative Agent is entitled pursuant to Sections 2.19, 8.04 and 10.04), the application of which is not otherwise provided for in this Agreement, shall be applied in accordance with Section 2.10(b). All amounts to be paid to a Lender by the Administrative Agent shall be credited to that Lender, after collection by the Administrative Agent, in immediately available funds either by wire transfer or deposit in that Lender's correspondent account with the Administrative Agent, as such Lender and the Administrative Agent shall from time to time agree.

Section 8.08 Sharing of Setoffs. Each Lender agrees that, except to the extent this Agreement expressly provides for payments to be allocated to a particular Lender, if it shall, through the exercise either by it or any of its banking Affiliates of a right of banker's lien, setoff

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or counterclaim against the Borrower or a Guarantor, including, but not limited to, a secured claim under Section 506 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim and received by such Lender (or any of its banking Affiliates) under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Term Loans as a result of which the unpaid portion of its Term Loans is proportionately less than the unpaid portion of the Term Loans of any other Lender (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lender a participation in the Term Loans of such other Lender, so that the aggregate unpaid principal amount of each Lender's Term Loans and its participation in Term Loans of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all Term Loans then outstanding as the principal amount of its Term Loans prior to the obtaining of such payment was to the principal amount of all Term Loans outstanding prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders share such payment pro-rata, *provided* that if any such non-pro-rata payment is thereafter recovered or otherwise set aside, such purchase of participations shall be rescinded (without interest). Each Loan Party expressly consents to the foregoing arrangements and agrees, to the fullest extent permitted by law, that any Lender holding (or deemed to be holding) a participation in a Term Loan acquired pursuant to this Section or any of its banking Affiliates may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by a Loan Party to such Lender as fully as if such Lender was the original obligee thereon, in the amount of such participation. The provisions of this Section 8.08 shall not be construed to apply to (a) any payment made by a Loan Party 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), (b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Term Loans or other Obligations owed to it or (c) any payment made by a Loan Party pursuant to the Fee Letter.

Section 8.09 Withholding Taxes. The Administrative Agent shall withhold from any payment to any Lender an amount equivalent to any withholding tax required by any applicable law to be deducted or withheld from such payment. If the Internal Revenue Service or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold tax from amounts paid to or for the account of any Lender for any reason, or the Administrative Agent has paid over to the Internal Revenue Service applicable withholding tax relating to a payment to a Lender but no deduction has been made from such payment, without duplication of any indemnification obligations set forth in Section 8.04, such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as tax or otherwise, including any penalties or interest and together with any expenses incurred.

Section 8.10 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrower, the Agents, and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights, and remedies hereunder may be exercised solely by the

Administrative Agent, on behalf of the Secured Parties and all powers, rights, and remedies under the Senior Secured Debt Documents may be exercised solely by the Master Collateral Agent, in each case to the extent permitted by applicable law and in accordance with the terms hereof, the other Loan Documents and the other Senior Secured Debt Documents, and (ii) in the event of a foreclosure by the Master Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Master Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Master Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Master Collateral Agent at such sale or other disposition.

Section 8.11 Intercreditor Agreements Govern. The Administrative Agent and each other Secured Party (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of any intercreditor agreement entered into pursuant to the terms hereof, (b) hereby authorizes and instructs the Collateral Administrator to enter into each intercreditor agreement (including each Intercreditor Agreement) entered into pursuant to the terms hereof and to subject the Liens securing the Obligations to the provisions thereof and (c) hereby authorizes and instructs the Collateral Administrator to enter into any intercreditor agreement that includes, or to amend any then existing intercreditor agreement to provide for, the terms described in the definition of "Junior Lien Debt". In the event of any conflict or inconsistency between the provisions of each intercreditor agreement (including any Intercreditor Agreement) and this Agreement, the provisions of such intercreditor agreement shall control in all respects. With respect to any reference in this Agreement to another intercreditor agreement, subordination agreement or arrangement reasonably acceptable to the Administrative Agent and the Borrower's (or other similar description), Administrative Agent and the Collateral Administrator hereby agree to, and each Secured Party and each Lender hereby directs the Administrative Agent to, negotiate with the Borrower in good faith and promptly (and in any event not later than ten (10) Business Days following written request by the Borrower) enter into such other intercreditor or subordination agreement that is reasonably acceptable to the Administrative Agent (such acceptance not to be unreasonably withheld, conditioned, delayed or denied) upon request by the Borrower.

Each Lender hereby agrees (i) that all Obligations will be and are secured equally and ratably by all Priority Liens (as defined in the Collateral Agency and Accounts Agreement) at any time granted by any Grantor to the Master Collateral Agent to secure any obligations in respect of any other Series of Senior Secured Debt, whether or not upon property otherwise constituting Collateral, and that all such Priority Liens will be enforceable by the Master Collateral Agent for the benefit of all holders of Senior Secured Debt Obligations equally and ratably; and (ii) that each Lender is bound by the provisions of the Collateral Agency and Accounts Agreement, including the provisions relating to the ranking of Priority Liens and the order of application of proceeds from enforcement of Priority Liens; and each Lender consents to the terms of the Collateral Agency and Accounts Agreement and the Master Collateral Agent's

performance of, and directing the Master Collateral Agent to perform its obligations under, the Collateral Agency and Accounts Agreement and the other Senior Secured Debt Documents.

Section 8.12 Master Collateral Agent as Beneficiary. Without limitation of the terms of the Collateral Agency and Accounts Agreement, the parties hereto agree that the Master Collateral Agent is a third party beneficiary of Sections 8.02, 8.03 and 8.04, and any other terms hereof which operate to the benefit of the Master Collateral Agent, with full rights to enforce the same and no such term may be amended, modified or waived in any respect that would be materially adverse to the Master Collateral Agent without its written consent.

Section 8.13 Non-Reliance on the Administrative Agent, the Lead Arrangers. Each Lender expressly acknowledges that none of the Administrative Agent nor the Lead Arrangers has made any representation or warranty to it, and that no act by the Administrative Agent or the Lead Arrangers hereafter taken, including any consent to, and acceptance of any assignment or review of the affairs of any Loan Party of any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent or the Lead Arrangers to any Lender as to any matter, including whether the Administrative Agent or the Lead Arrangers have disclosed material information in their (or their Related Parties') possession. Each Lender represents to the Administrative Agent and the Lead Arrangers that it has, independently and without reliance upon the Administrative Agent, the Lead Arrangers, 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 of, appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of the Loan Parties and their Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrower hereunder. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, the Lead Arrangers, 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 credit analysis, appraisals and 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, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Loan Parties. Each Lender represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility and (ii) it is engaged in making, acquiring or holding commercial loans in the ordinary course and is entering into this Agreement as a Lender for the purpose of making, acquiring or holding commercial loans and providing other facilities set forth herein as may be applicable to such Lender, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument, and each Lender agrees not to assert a claim in contravention of the foregoing. Each Lender represents and warrants that it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is

experienced in making, acquiring or holding such commercial loans or providing such other facilities.

Section 8.14 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 Term Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise (a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Term Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 10.04) 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 to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 10.04.

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 any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 8.15 Recovery of Erroneous Payments. Without limitation of any other provision in this Agreement, if at any time the Administrative Agent makes a payment hereunder in error to any Lender, whether or not in respect of an Obligation due and owing by the Borrower at such time, where such payment is a Rescindable Amount, then in any such event, each Lender receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Lender in immediately available funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender irrevocably waives any and all defenses, including any “discharge for value” (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return

any Rescindable Amount. The Administrative Agent shall inform each Lender Recipient Party promptly upon

determining that any payment made to such Lender Recipient Party comprised, in whole or in part, a Rescindable Amount.

Section 8.16 Collateral Custodian. The Collateral Custodian shall have no other obligations other than to administer the funds in the Term Loan Reserve Account and the Term Loan Payment Account. The Collateral Custodian shall not, by reason of this Agreement, be a trustee for or owe a fiduciary duty to any Secured Party (and no implied duties, covenants, functions or responsibilities shall be read into this Agreement or otherwise claimed to exist by any Person against the Collateral Custodian). Without limiting the generality of the foregoing, the Collateral Custodian shall take all actions as the Borrower, the Administrative Agent or the Collateral Administrator, shall direct it to perform in accordance with the express provisions of this Agreement and the Collateral Custodian shall have no liability for any failure or delay in taking any action hereunder attributable to a failure or delay of the Administrative Agent, Collateral Administrator or the Borrower, as applicable, in providing any such direction. The Collateral Custodian shall exercise the same degree of care in administering the funds held in the Term Loan Reserve Account and the Term Loan Payment Account and the investments purchased with such funds in accordance with the terms of this Agreement as the Collateral Custodian exercises in the ordinary course of its day-to-day business in administering other funds and investments for its own account and as required by applicable Law. The Collateral Custodian shall not be required to invest in any funds held hereunder except as directed in this Agreement or otherwise agreed in writing between the Borrower and the Collateral Custodian (which shall not require the consent of any Lender). The Collateral Custodian shall have no obligation to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers. The Collateral Custodian shall not be charged with knowledge any Event of Default unless the Collateral Custodian has received written notice from the Administrative Agent or the Borrower that an Event of Default has occurred and is continuing. The Collateral Custodian shall have no obligation to request the deposit of any funds referenced herein into the Term Loan Reserve Account or the Term Loan Payment Account. The Collateral Custodian shall have no obligation to monitor compliance by the Borrower with any requirements of, or obligations under, any Loan Document. The Collateral Custodian shall have no duty to calculate any amounts to be distributed under the of the terms of this Agreement and shall have no liability for the accuracy or compliance with the terms of any Loan Document, or of any such calculation provided to it. The Collateral Custodian shall be entitled to all of the rights, privileges and immunities of the Administrative Agent and the Collateral Administrator under the Loan Documents as though fully set forth herein.

SECTION 9.

GUARANTY

Section 9.01 Guaranty.

(a) Each of the Guarantors unconditionally and irrevocably guarantees on a senior basis the due and punctual payment by the Borrower of the Obligations (including interest

accruing on and after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization, restructuring, liquidation (including provisional liquidation), winding

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up or like proceeding of the obligor whether or not post filing interest is allowed in such proceeding) (collectively, the "**Guaranteed Obligations**"). Each of the Guarantors further agrees that, to the extent permitted by applicable law, the Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and it will remain bound upon this guaranty notwithstanding any extension or renewal of any of the Obligations. The Obligations of the Guarantors shall be joint and several. Each of the Guarantors further agrees that its guaranty hereunder is a primary obligation of such Guarantor and not merely a contract of surety.

(b) To the extent permitted by applicable law, each of the Guarantors waives presentation to, demand for payment from and protest to the Borrower or any Guarantor, and also waives notice of protest for nonpayment. The obligations of the Guarantors hereunder shall not, to the extent permitted by applicable law, be affected by (i) the failure of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent or a Lender to assert any claim or demand or to enforce any right or remedy against any Loan Party under the provisions of this Agreement or any other Loan Document or otherwise; (ii) any extension or renewal of any provision hereof or thereof; (iii) any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of any of the Loan Documents; (iv) the release, exchange, waiver or foreclosure of any security held by the Master Collateral Agent or the Collateral Administrator for the Obligations or any of them; (v) the failure of the Administrative Agent or a Lender to exercise any right or remedy against any other Guarantor; or (vi) the release or substitution of any Collateral or any other Guarantor.

(c) To the extent permitted by applicable law, each of the Guarantors further agrees that this guaranty constitutes a guaranty of payment when due and not just of collection, and waives any right to require that any resort be had by the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Depositary or a Lender to any security held for payment of the Obligations or to any balance of any deposit, account or credit on the books of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent or a Lender in favor of the Borrower or any other Guarantor, or to any other Person.

(d) To the extent permitted by applicable law, each of the Guarantors hereby waives any defense that it might have based on a failure to remain informed of the financial condition of the Borrower and of any other Guarantor and any circumstances affecting the ability of the Borrower to perform under this Agreement.

To the extent permitted by applicable law, each Guarantor's guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any other instrument evidencing any Obligations, or by the existence, validity, enforceability, perfection, or extent of any collateral therefor or by any other circumstance relating to the Obligations which might otherwise constitute a defense to this guaranty (other than payment in full in cash of the Obligations in accordance with the terms of this Agreement (other than those that constitute unasserted contingent indemnification obligations)). None of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent or any of the Lenders makes any representation or warranty in respect to any such circumstances or shall have any duty or

responsibility whatsoever to any Guarantor in respect of the management and maintenance of the Obligations.

(e) Upon the occurrence of the Obligations becoming due and payable (by acceleration or otherwise), the Lenders shall be entitled to immediate payment of such Obligations by the Guarantors upon written demand by the Administrative Agent.

(f) The Guarantors hereby irrevocably agree that the obligations of each Guarantor hereunder are limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of the Bankruptcy Code.

Section 9.02 No Impairment of Guaranty. To the extent permitted by applicable law, the obligations of the Loan Parties hereunder shall not be subject to any reduction, limitation or impairment for any reason, including, without limitation, any claim of waiver, release, surrender, alteration or compromise, other than pursuant to a written agreement in compliance with Section 10.08 and shall not be subject to any defense or set-off, counterclaim, netting, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations. To the extent permitted by applicable law, without limiting the generality of the foregoing, the obligations of any Loan Party hereunder shall not be discharged or impaired or otherwise affected by the failure of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent or a Lender to assert any claim or demand or to enforce any remedy under this Agreement or any other agreement, by any waiver or modification of any provision hereof or thereof, by any default, failure or delay, willful or otherwise, in the performance of the Obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of such Loan Party or would otherwise operate as a discharge of such Loan Party as a matter of law.

Section 9.03 Continuation and Reinstatement, Etc. Each Guarantor further agrees that its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Administrative Agent, any Lender or any other Secured Party upon the bankruptcy or reorganization of the Borrower or a Guarantor, or otherwise.

Section 9.04 Subrogation; Fraudulent Conveyance.

(a) Upon payment by any Guarantor of any sums to the Administrative Agent, the Collateral Administrator, the Master Collateral Agent, the Depositary or a Lender hereunder, all rights of such Guarantor against the Borrower arising as a result thereof by way of right of subrogation or otherwise, shall in all respects be subordinate and junior in right of payment to the prior payment in full of all the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of an obligor whether or not post filing interest is allowed in such proceeding). If any amount shall be paid to such Guarantor for the account of the Borrower relating to the Obligations prior to payment in full of the

Obligations, such amount shall be held in trust for the benefit of the Administrative Agent, the Collateral Administrator, the Master Collateral Agent and the Lenders and shall forthwith be paid to the Administrative

Agent, the Collateral Administrator, the Master Collateral Agent, the Depositary and the Lenders to be credited and applied to the Obligations, whether matured or unmatured. Alaska hereby agrees that (1) all Indebtedness and other payment obligations owed to Alaska by the Borrower or any other SPV Party shall be subordinate and junior in right of payment to (and not subject to setoff, netting or recoupment prior to) the prior payment in full of all the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of an obligor whether or not post filing interest is allowed in such proceeding); *provided* that, in the case of clause (1) above, so long as no Event of Default shall have occurred and be continuing, any payments in respect of such Indebtedness and other payment obligations shall not be prohibited (to the extent not otherwise prohibited under any Loan Document); and (2) all Indebtedness and other payment obligations owed by Alaska or any Guarantor to the Borrower or any other SPV Party shall not be subordinated or junior in right of payment to, and shall rank pari passu with, any other senior unsubordinated indebtedness or payment obligations of Alaska or such Guarantor. Notwithstanding anything in this paragraph to the contrary, in no event will setoff or netting apply with respect to amounts due from Alaska or any Guarantor to the Borrower (or any other SPV Party) pursuant any Intercompany Agreement, the Alaska Intercompany Note or any IP Agreement or with respect to funds such Loan Party has received pursuant to any Mileage Plan Agreement.

(b) Each Guarantor, and by its acceptance of this Agreement, the Master Collateral Agent and each other Secured Party, hereby confirms that it is the intention of all such Persons that this Agreement and the Obligations of each Guarantor hereunder not constitute a fraudulent transfer or conveyance for purposes of the Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to the guaranties hereunder and the Obligations of each Guarantor hereunder. To effectuate the foregoing intention, the Master Collateral Agent, the other Secured Parties and the Guarantors hereby irrevocably agree that the Obligations of each Guarantor under the guaranties hereunder at any time shall be limited to the maximum amount as will result in the Obligations of such Guarantor under this guaranty not constituting a fraudulent transfer or conveyance.

SECTION 10.

MISCELLANEOUS

Section 10.01 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein or under any other Loan Document shall be in writing (including by facsimile or electronic mail (other than to the Borrower, unless agreed by the Borrower in its sole discretion)), and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by electronic mail or telecopy, as follows:

(i) if to any Loan Party other than the SPV Parties, to it at Alaska Airlines, Inc., 19300 International Boulevard, Seattle, WA 98188, Attention: Chief

Financial Officer, Phone: (206) 392-5040, Email: legalcontractnotices@alaskaair.com,

with a copy to:

Alaska Air Group, Inc., 19300 International Boulevard, Seattle, WA 98188, Attention: Chief Legal Officer, Phone: (206) 392-5292;

(ii) If to any SPV Party, to it at c/o Alaska Airlines, Inc., 19300 International Boulevard, Seattle, WA 98188, Attention: Chief Financial Officer, Phone: (206) 392-5040, Email: legalcontractnotices@alaskaair.com,

with a copy to:

Alaska Air Group, Inc., 19300 International Boulevard, Seattle, WA 98188, Attention: Chief Legal Officer, Phone: (206) 392-5292;

and

c/o Walkers Fiduciary Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands, Attention: Independent Director

(iii) if to the Administrative Agent, to it at:

BofA Center - 555 California, 555 California Street, 11th Floor, San Francisco, CA 94101, Attention: Carol Alfonso, Email: carol.alfonso@bofa.com, Phone: (415) 436-2321

(iv) if to the Collateral Administrator, to it at U.S. Bank Trust Company, National Association, 60 Livingston Ave., Saint Paul, MN 55107, Attention: Richard Krupske (AS Mileage Administrator); and

(v) if to any Lender, to it at its address (or telecopy number) set forth in, (A) in the case of each initial Lender, in its administrative questionnaire in a form as the Administrative Agent may require and (B) in the case of any other Lender, its Assignment and Acceptance.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in their reasonable discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications; *provided further* that no such approval shall be required for any notice delivered to the Administrative Agent by electronic mail pursuant to Section 2.13(a).

(c) Any party hereto may change its address, telecopy number or electronic mail address for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 10.02 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by a Loan Party without such consent shall be null and void), *provided* that the foregoing shall not restrict any transaction permitted by Section 6.10, and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.02. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (d) of this Section 10.02) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Depositary and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement; *provided further* that the Master Collateral Agent and the Depositary shall be express third party beneficiaries of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender, in the ordinary course of business and in accordance with applicable law, may assign to one or more assignees (other than to any Defaulting Lender, Disqualified Lender or natural person) all or a portion of its rights and obligations under this Agreement (including all or a portion of the Term Loans at the time owing to it), pursuant to an Assignment and Acceptance with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Administrative Agent; *provided* that no consent of the Administrative Agent shall be required for an assignment if the assignee is a Lender, an Affiliate of a Lender or an Approved Fund of a Lender, in each case so long as such assignee is an Eligible Assignee, and no consent of the Administrative Agent shall be required for an assignment of Term Loans to the Borrower in accordance with Section 10.02(g); and

(B) the Borrower; *provided* that no consent of the Borrower shall be required for an assignment (I) other than with respect to an assignment to any Defaulting Lender, Disqualified Lender or natural person, if an Event of Default under Section 7.01(b), 7.01(f), 7.01(g) or 7.01(o) has occurred and is continuing, (II) if the assignee is a Lender, an Affiliate of a Lender or an Approved Fund of a Lender, in each case so long as such assignee is an Eligible Assignee, or
(III) of Term Loans by any of the Lead Arrangers or any of its Affiliates as part of the primary syndication of the Term Loans (as determined by the Lead Arrangers) as previously consented to in writing (including

by email) by the Borrower, in each case so long as such assignee is an Eligible Assignee; *provided*, *further* that the Borrower's consent to any assignment of Term Loans will be deemed given with respect to a proposed assignment if no response is received

within ten (10) Business Days after having received a written request from such Lender pursuant to this Section 10.02(b);

(i) Assignments shall be subject to the following additional conditions:

(A) any assignment of any portion of the Term Loan Commitment and Term Loans shall be made to an Eligible Assignee;

(B) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund of a Lender or an assignment of the entire remaining amount of the assigning Lender's Term Loan Commitments or Term Loans, the amount of such Term Loan Commitments or Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000, and after giving effect to such assignment, the portion of the Term Loan or Term Loan Commitment held by the assigning Lender of the same tranche as the assigned portion of the Term Loan or Term Loan Commitment shall not be less than $5,000,000, in each case, unless the Borrower and the Administrative Agent otherwise consent; *provided*, that any such assignment shall be in increments of $500,000 in excess of the minimum amount described above; *provided further*, that in no case will the Administrative Agent be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the foregoing;

(C) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(D) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of $3,500 (unless waived by the Administrative Agent in any given case) for the account of the Administrative Agent (except in the case of assignments made by or to Bank of America, N.A., Citigroup Global Markets Inc., or any of their respective affiliates);

the assignee, if it was not a Lender immediately prior to such assignment, shall deliver to the Administrative Agent

an administrative questionnaire in a form as the Administrative Agent may require; and

(E) notwithstanding anything to the contrary herein, any assignment of any Term Loans to the Borrower shall be subject to the requirements of Section 10.02(g).

For the purposes of this Section 10.02(b), the term "**Approved Fund**" shall mean with respect to any Lender, any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of an entity that administers or manages such Lender.

(ii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 10.02, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14, 2.16 and 10.04). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.02 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section 10.02.

(iii) The Administrative Agent shall maintain at its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and principal amount (and stated interest) of the Term Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Loan Parties, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender (only with respect to such Lender's Term Loans), at any reasonable time and from time to time upon reasonable prior notice.

Notwithstanding anything to the contrary contained herein, no assignment may be made hereunder to any Defaulting Lender, Disqualified Lender or natural person or any of their respective Subsidiaries, or any Person, who upon

becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (iv).

(iv) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment will be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Term Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Borrower, Administrative Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Term Loans in accordance with its Aggregate Exposure Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder becomes effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest will be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(c) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed administrative questionnaire in a form as the Administrative Agent may require (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 10.02 and any written consent to such assignment required by clause (b) of this Section 10.02, the Administrative Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register; *provided* that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.04, 8.04 or 10.04(d), the Administrative Agent shall have no obligation to accept such Assignment and Acceptance and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (c).

(i) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations (other than to any Defaulting Lender, Disqualified Lender or natural person) to one or more banks or other entities (a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Term Loan Commitment and the Term Loans owing to it); *provided* that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other

parties hereto for the performance of such obligations, (C) such Lender shall remain the holder of any such Term Loan for all purposes under this Agreement and the

other Loan Documents, (D) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and (E) such Participant is not a natural person, Defaulting Lender, Disqualified Lender or any Affiliate thereof. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.08(a) that affects such Participant, to the extent that such Lender participating such interest would be entitled to vote. Subject to Section 10.02(d)(ii), the Borrower agrees that each Participant shall be entitled to the benefits of (and obligations under) Sections 2.14 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.02(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.08 as though it were a Lender, *provided* such Participant agrees to be subject to the requirements of Section 8.08 as though it were a Lender. Each Lender that sells a participation, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Term Loans or other obligations under this Agreement (the "**Participant Register**"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Term Loan Commitments, Term Loans or its other obligations under this Agreement or any Loan Document) except to the extent that such disclosure is necessary to establish that such Term Loan Commitment, Term Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender, the Loan Parties and the Administrative Agent shall treat each Person whose name is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary.

(ii) The Loan Parties shall not be obligated to make any greater payment under Section 2.14 or 2.16 than they would have been obligated to make in the absence of any participation. A Participant shall be subject to the terms of Section 2.18(a). The Lender selling the participation to such Participant shall be subject to the terms of Section 2.18(b) if such Participant requests compensation, additional amounts or indemnification payments pursuant to Section 2.14 or 2.16. A Participant shall not be entitled to the benefits of Section 2.16 unless such Participant agrees, for the benefit of the Borrower, to comply with Sections 2.16(f), 2.16(g), 2.16(h), 2.16(i) and 2.16(j) as though it were a Lender.

Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having

jurisdiction over such Lender, and this Section 10.02 shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment

of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(d) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.02, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Loan Parties furnished to such Lender by or on behalf of any Loan Party; *provided* that prior to any such disclosure, each such assignee or participant or proposed assignee or participant provides to the Administrative Agent its agreement in writing to be bound for the benefit of the Borrower by either the provisions of Section 10.03 or other provisions at least as restrictive as Section 10.03.

(e) Notwithstanding anything to the contrary contained herein, (x) any Lender may, at any time, assign all or a portion of its rights and obligations under this Agreement in respect of its Term Loans to the Borrower and (y) the Borrower may, from time to time, purchase or prepay Term Loans, in each case, on a non-pro rata basis through (1) Dutch auction procedures open to all applicable Lenders in accordance with customary procedures to be mutually agreed between the Borrower, Alaska and the Administrative Agent or (2) open market purchases; *provided* that:

(i) any Term Loans or Term Loan Commitments acquired by the Borrower shall be immediately and automatically retired and cancelled concurrently with the acquisition thereof;

(ii) no assignment of Term Loans to the Borrower may occur while an Event of Default has occurred and is continuing hereunder;

(iii) in connection with each assignment pursuant to this Section 10.02(g), neither Alaska nor the Borrower shall be required to make a representation that it is not in possession of material nonpublic information with respect to Alaska, the Borrower and their respective Subsidiaries or their respective securities, and all parties to such transaction may render customary "big boy" letters to each other (or to the auction agent, if applicable);

in the case of any Term Loans (A) acquired by, or contributed to, the Borrower and (B) cancelled and retired in accordance with this Section 10.02(g), (1) the aggregate outstanding principal amount of the Term Loans of the applicable series or Class shall be deemed reduced by the full par value of the aggregate principal amount of such Term Loans acquired by such Person and (2) any scheduled principal repayment installments with respect to the Term Loans of such Class occurring pursuant to Section 2.10 prior to the final maturity date for Term Loans of such Class, shall be reduced pro rata by the par value of the aggregate principal amount of Term Loans so purchased or contributed (and subsequently cancelled and retired), with such reduction being applied solely to the remaining Term Loans of the Lenders which sold or contributed such Term Loans; and

(iv) assignment to the Borrower and cancellation of Term Loans in connection with a Dutch auction or open market purchases shall not constitute a mandatory or voluntary payment for purposes of Section 2.12 or 2.13.

(f) Disqualified Lenders.

(g) Without limiting the generality of the foregoing, no participation or assignment, shall be made or sold to any Person that was a Disqualified Lender as of the date (the "**Trade Date**") on which the applicable Lender entered into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement to such Person (unless the Borrower has consented to such assignment as otherwise contemplated by this Section 10.02, in which case such Person will not be considered a Disqualified Lender for the purpose of such assignment). For the avoidance of doubt, with respect to any assignee that becomes a Disqualified Lender after the applicable Trade Date (including as a result of the delivery of a notice pursuant to the definition of "Disqualified Lender"), (x) such assignee shall not retroactively be disqualified from becoming a Lender in respect of the Term Loans it holds or has entered into an agreement to purchase as of such notice and (y) the execution by the Borrower of an Assignment and Acceptance with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Lender. Any assignment in violation of this clause (h)(i) shall not be void, but the other provisions of this clause (h) shall apply.

(ii) If any assignment is made to any Disqualified Lender without the Borrower's prior consent in violation of clause (i) above, the Borrower may, at their sole expense and effort, upon notice to the applicable Disqualified Lender and the Administrative Agent, (A) in the case of outstanding Term Loans held by Disqualified Lenders, prepay such Term Loan by paying the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Lender paid to acquire such Term Loans, in each case plus accrued interest (other than Default Interest), accrued fees and all other amounts (other than principal amounts or premiums) payable to it hereunder and under the other Loan Documents and/or

(B) require such Disqualified Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in this Section 10.02), all of its interest, rights and obligations under this Agreement and related Loan Documents to an Eligible Assignee that shall assume such obligations at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Lender paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder and other the other Loan Documents; *provided* that (i) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 10.02(b) and (ii) such assignment does not conflict with applicable laws.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Lenders (A) will not (x) have the right to receive information, reports or other materials provided to the Lenders by the Loan Parties, the Administrative Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Administrative Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders and (B) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Lender will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Lenders consented to such matter, and (y) for purposes of voting on any plan of reorganization or plan of liquidation pursuant to any Bankruptcy Laws ("**Plan of Reorganization**"), each Disqualified Lender party hereto hereby agrees (1) not to vote on such Plan of Reorganization, (2) if such Disqualified Lender does vote on such Plan of Reorganization notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other Bankruptcy Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such Plan of Reorganization in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Bankruptcy Laws) and (3) not to contest any request by any party for a determination by the Bankruptcy Court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(iv) The Administrative Agent shall have the right, and the Borrower hereby expressly authorizes the Administrative Agent, to (A) post the list of Disqualified Lenders provided by the Borrower and any updates thereto from time to time (collectively, the "**DQ List**") on the Platform, including that portion of the Platform that is designated for "public side" Lenders or (B) provide the DQ List to each Lender requesting the same.

(i) The Borrower shall be entitled to request and receive from any Lender or any assignee or Participant, and each Lender agrees to promptly provide (and to cause such assignee or Participant to promptly provide) to the Borrower, such information and assurances as the Borrower may reasonably request to determine whether such assignment of participation would require any Loan Party to make any filing with any Governmental Authority or qualify any Term Loan under the laws of any jurisdiction or whether any assignment or participation is otherwise in accordance with applicable law.

In connection with any replacement of a Lender pursuant to Section 2.18, 2.26(a), 10.08(d) or other provision hereof (collectively, a "**Replaceable Lender**"), if any such Replaceable

Lender does not execute and deliver to the Administrative Agent a duly executed Assignment and Acceptance reflecting such replacement within one (1) Business Day of the date

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on which the assignee Lender executes and delivers such Assignment and Acceptance to such Replaceable Lender, then such Replaceable Lender shall be deemed to have executed and delivered such Assignment and Acceptance without any action on the part of the Replaceable Lender.

Section 10.03 Confidentiality. Each Lender and each Agent agrees to keep any information delivered or made available by (or on behalf of) any Loan Party to it confidential, in accordance with its customary procedures, from anyone other than Persons employed or retained by such Lender, Agent or their respective Affiliates who are or are expected to become engaged in evaluating, approving, structuring, insuring or administering the Term Loans, and who are advised by such Lender or Agent of the confidential nature of such information; *provided* that nothing herein shall prevent any Lender or Agent from disclosing such information (a) to any of its Affiliates and its and their respective agents, directors, officers, and advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential) or to any other Lender (*provided* that such Lender shall be responsible for such recipient's compliance with this Section 10.03), (b) upon the order of any court or administrative agency,
(c) upon the request or demand of any regulatory agency or authority (including any self-regulatory authority), (d) which has been publicly disclosed other than as a result of a disclosure by the Administrative Agent or any Lender which is not permitted by this Agreement or other confidentiality obligations owed to Alaska or any of its Subsidiaries, (e) in connection with any litigation to which any Agent, any Lender, or their respective Affiliates may be a party to the extent reasonably required under applicable rules of discovery, (f) to the extent reasonably required in connection with the exercise of any remedy hereunder, (g) to such Lender's or Agent's legal counsel, independent auditors, accountants and other professional advisors, (h) on a confidential basis to (I) any Rating Agency in connection with rating Alaska and its Subsidiaries or any Facility, (II) any direct or indirect provider of credit protection to such Lender or its Affiliates (or its brokers) (other than a Disqualified Lender or any other Person to whom the Borrower has refused to consent to an assignment) (*provided* that such Lender shall be responsible for such recipient's compliance with this Section 10.03) and (III) market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders after the Closing Date and in connection with the administration and management of the Facility (*provided* that such information is limited to the existence of this Agreement and information about the Facility that is customarily shared for facilities of this type), (i) with the prior consent of the Borrower, (j) to any actual or proposed participant or assignee of all or part of its rights hereunder (other than a Disqualified Lender or any other Person to whom the Borrower has refused to consent to an assignment) or to any direct or indirect contractual counterparty (or the legal counsel, independent auditors, accountants and other professional advisors thereto) to any swap or derivative transaction relating to the Borrower and their obligations, in each case, subject to the proviso in Section 10.02(f) (with any reference to any assignee or participant set forth in such proviso being deemed to include a reference to such contractual counterparty for purposes of this Section 10.03(j)), (k) to the extent

that such information is received by such Lender or Agent from a third party that is not, to such Lender's or Agent's knowledge, subject to confidentiality obligations to the Borrower or any of its Affiliates and (l) to the extent that such information is independently developed by such

Lender or Agent. If any Lender or Agent is in any manner requested or required to disclose any of the information delivered or made available to it by any Loan Party under clauses (b) or (e) of this Section 10.03, such Lender or Agent will, to the extent permitted by law, provide the Loan Parties with prompt notice, to the extent reasonable, so that the Loan Parties may seek, at their sole expense, a protective order or other appropriate remedy or may waive compliance with this Section 10.03.

Section 10.04 Expenses; Indemnity; Damage Waiver.

(a) (i) The Borrower shall pay or reimburse:

(1) all reasonable fees and reasonable and documented out-of-pocket expenses of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian, the Depositary and the Lead Arrangers (in the case of legal counsel and other advisors, limited to the reasonable fees, disbursements and other charges of (i) a single special counsel to the Administrative Agent, (ii) a single special counsel to the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian (to the extent any such role is held by U.S. Bank Trust Company, National Association or any of its Affiliates), (iii) a single special counsel to the Depositary, (iv) local counsel in each material jurisdiction and (v) other advisors that are approved by the Borrower so long as no Event of Default has occurred or is continuing, which approval shall not be unreasonably withheld) associated with the syndication of the credit facility provided herein and the preparation, execution, delivery and administration of the Loan Documents and any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), including the reasonable fees and out of pocket, documented expenses of a single special counsel for the Administrative Agent with respect thereto, an additional single special counsel for the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian (to the extent any such role is held by U.S. Bank Trust Company, National Association or any of its Affiliates), collectively, and an additional single special counsel for the Depositary, and with respect to advising the Administrative Agent as to its rights and remedies under this Agreement (and, in the case of an actual or perceived conflict of interest or potential conflict of interest no more than the number of additional law firms as counsel for the various parties as is necessary to avoid any such actual or potential conflict of interest);

in connection with any enforcement of the Loan Documents, all reasonable and documented fees and out-of-pocket expenses of the Administrative Agent, the Master Collateral Agent, the Collateral Administrator, the Collateral Custodian, the Depositary and the Lenders (limited to the reasonable fees, disbursements and other charges

of (x) in the case of legal counsel, one outside counsel for the Administrative Agent, one additional outside counsel for the Lenders, collectively, one additional outside counsel for the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian (to the extent any such role is held by U.S. Bank Trust Company, National Association or any of its Affiliates), and if necessary regulatory and local counsel in each material jurisdiction and, in the case of an actual or perceived conflict of interest or potential conflict of interest no more than the number of additional law firms as counsel for the various parties as is necessary to avoid any such actual or potential conflict of interest and (y) other advisors);

(2) all reasonable, documented, out-of-pocket costs, expenses, taxes, assessments and other charges (including the reasonable fees, disbursements and other charges of counsel for the Administrative Agent, the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian) incurred by the Administrative Agent, the Master Collateral Agent, the Collateral Administrator and the Collateral Custodian in connection with any filing, registration, recording or perfection of any security interest contemplated by any Loan Document or incurred in connection with any release or addition of Collateral after the Closing Date; and

(3) all costs and expenses related to acquiring the ratings of the Term Loans from the Rating Agencies, including any monitoring fees of the Rating Agencies in respect of the rating of the Term Loans.

(ii) All payments or reimbursements pursuant to the foregoing clause (a)(i) shall be paid within thirty (30) days of written demand together with back-up documentation supporting such reimbursement request.

(b) The Borrower shall indemnify each Agent, each Lead Arranger and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Term Loan or the use of the proceeds therefrom,
(iii) in connection with clauses (i) and (ii) above, any Release of Hazardous Materials on or from any property owned or operated by Alaska or any of its Subsidiaries, or any Environmental Liability related to or asserted against Alaska or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing,

whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto and whether or not the same are brought by Alaska, its equity holders, affiliates or creditors or any other Person; provided that such indemnity shall not, as to any Indemnitee (or

any of its Related Parties), be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to (x) have resulted from (1) material breach of the obligations of such Indemnitee (or any of its Related Parties) under the Loan Documents or (2) the gross negligence or willful misconduct of such Indemnitee (or any of its Related Parties), as determined by a court of competent jurisdiction by final and nonappealable judgment and in such case such Indemnitee (and its Related Parties) shall repay to the Borrower the amount of any expenses previously reimbursed by the Borrower in connection with any such loss, claims, damages, expenses or liability to such Indemnitee and such Indemnitee's Related Parties or (y) result from any proceeding between or among Indemnitees that does not involve an action or omission by Alaska or any of its Subsidiaries (other than claims against any Indemnitee in its capacity as an Agent or similar role under this Agreement); provided that the standard set forth in the foregoing clause
(1) shall not apply to the Master Collateral Agent, Collateral Administrator or the Collateral Custodian. For the avoidance of doubt, no Indemnitee shall be liable for any damages arising from the use by others of information or other materials obtained through electronic, telecommunications or other information transmission systems. This Section 10.04(b) shall not apply with respect to Taxes other than Taxes that represent losses or damages arising from any non-Tax claim.

(c) In case any action or proceeding shall be brought or asserted against an Indemnitee in respect of which indemnity may be sought against the Borrower under the provisions of any Loan Document, such Indemnitee shall promptly notify the Borrower in writing and, other than with respect to an action or proceeding brought or asserted against the Administrative Agent or a Related Party of it (but excluding any Lender in its capacity as such), the Borrower shall, if the Borrower desires to do so, assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnitee but only if (i) no Event of Default shall have occurred and be continuing, (ii) such action or proceeding does not involve any risk of criminal liability or material risk of material civil money penalties being imposed on such Indemnitee and (iii) the Indemnitees do not notify the Borrower in writing that they elect to employ separate counsel at the expense of the Borrower in accordance with the below. The Borrower shall not enter into any settlement of any action or proceeding unless such settlement
(x) includes an unconditional release of such Indemnitees from all liability or claims that are the subject matter of such action or proceeding and (y) does not include any statement as to fault or culpability. The failure to so notify the Borrower shall not affect any obligations the Borrower may have to such Indemnitee under the Loan Documents or otherwise other than to the extent that the Borrower is materially adversely affected by such failure. The Indemnitees shall have the right to employ separate counsel in such action or proceeding and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnitees unless: (i) the Borrower has agreed to pay such fees and expenses, (ii) the Borrower has failed to assume the defense of such action or proceeding and employ counsel reasonably satisfactory to the Indemnitees within a reasonable time or (iii) there may be a conflict between the positions of the Borrower and the Indemnitees in conducting the defense of such action or proceeding or that there may be legal defenses available to the Indemnitees different from or in addition to those

available to the Borrower, in which case, if the Indemnitees notify the Borrower in writing that they elect to employ separate counsel at the expense of the Borrower, the Borrower shall not

have the right to assume the defense of such action or proceeding on behalf of the Indemnitees; provided, however, that the Borrower shall not, in connection with any one such action or proceeding or separate but substantially similar or related actions or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be responsible hereunder for the reasonable fees and expenses of more than one such firm of separate counsel for the Master Collateral Agent and the Collateral Administrator (to the extent such role is held by U.S. Bank Trust Company, National Association or any of its Affiliates) on the one hand, and the Administrative Agent and the Lenders, on the other hand, in addition to any regulatory counsel and any local counsel. The Borrower shall not be liable for any settlement of any such action or proceeding effected without the written consent of the Borrower (which shall not be unreasonably withheld or delayed).

(d) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or the Collateral Custodian under paragraph (a) or (b) of this Section 10.04, each Lender severally agrees to pay to the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or the Collateral Custodian such portion of the unpaid amount equal to such Lender's Aggregate Exposure Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought); *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Master Collateral Agent, the Collateral Administrator or the Collateral Custodian in its capacity as such.

(e) To the extent permitted by applicable law, each party hereto shall not assert, and hereby waives, any claim against any other party hereto, 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 or any agreement or instrument contemplated hereby, the Transactions or any Term Loan or the use of the proceeds thereof; *provided* that nothing in this clause (e) shall relieve any party of any obligation it may have to indemnify an Indemnitee against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

Section 10.05 Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard

and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding

shall, to the extent permitted by law, be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 10.05. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 10.06 No Waiver. No failure on the part of any Agent or any of the Lenders to exercise, and no delay in exercising, any right, power or remedy hereunder or any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

Section 10.07 Extension of Maturity. Should any payment of principal of or interest or any other amount due hereunder become due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of principal, interest shall be payable thereon at the rate herein specified during such extension.

Section 10.08 Amendments, Etc.

(a) Except as set forth in Section 2.09 and Section 2.27 or as otherwise set forth in this Agreement, no modification, amendment or waiver of any provision of this Agreement or any Collateral Document (other than any Account Control Agreement and the Security Agreement, each of which may be amended in accordance with its terms), and no consent to any departure by any Loan Party therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrower and the Required Lenders (or signed by the Administrative Agent or the Collateral Administrator with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given; *provided*, *however*, that no such modification or amendment shall without the prior consent of:

each Lender directly and adversely affected thereby (A) increase the Term Loan Commitment of such Lender or extend the termination date of the Term Loan Commitment of such Lender (it being understood that a waiver of any Default, Event of Default or mandatory repayment required under this Agreement shall not constitute an increase in or extension of the termination date of the Term Loan Commitment of a Lender), (B) reduce the principal amount or premium, if any, of any Term Loan, or the rate of interest payable thereon (*provided* that only

the consent of the Required Lenders shall be necessary for a waiver of Default Interest referred to in Section 2.08) or (C) extend any scheduled date for the payment of principal, interest or Fees hereunder or to reduce such percentage of any Fees payable hereunder or extend the scheduled final maturity of the Borrower's obligations hereunder;

(i) all of the Lenders (A) amend or modify any provision of this Agreement which provides for the unanimous consent or approval of the Lenders to reduce such percentage or (B) release all or substantially all of the Liens granted to the Master Collateral Agent or the Collateral Administrator hereunder or under any other Collateral Document (except to the extent contemplated hereby or by the terms of a Collateral Document), or release all or substantially all of the Guarantors;

(ii) the Lenders holding at least 66.67% of the total Term Loan Commitments and/or applicable Term Loans (A) for the release of liens on Collateral (other than as permitted hereunder or under any Loan Document), (B) to release any guarantees of this Facility (other than as permitted hereunder or under any Loan Document), (C) to amend, waive or otherwise modify Section 6.14, or (D) for any shortening or subordinating of term or reduction in liquidated damages under any IP License;

(iii) in connection with an amendment expressly permitted hereunder that addresses solely a repricing transaction in which any Class of Term Loan Commitments and/or Term Loans is refinanced with a replacement Class of Term Loan Commitments and/or Term Loans bearing (or is modified in such a manner such that the resulting Term Loan Commitments and/or Term Loans bear) a lower effective yield, any Lender holding Term Loan Commitments and/or Term Loans subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced Class of Term Loan Commitments and/or Term Loans or modified Class of Term Loan Commitments and/or Term Loans;

(iv) the applicable Required Class Lenders in connection with an amendment to Section 2.10, Section 2.17 or the last paragraph of Section 7.01 that directly and materially adversely affect the rights of Lenders holding Term Loan Commitments or Term Loans of one Class differently from the rights of Lenders holding Term Loan Commitments or Term Loans of any other Class;

all Lenders under any Class, change the application of prepayments as among or between Classes under Section 2.12 which is being allocated a lesser repayment or prepayment as a result thereof (it being understood that if additional Classes of Term Loans or additional Term Loans under this Agreement consented to by the Required Lenders or additional Term Loans permitted

hereby are made, such new Term Loans may be included on a pro rata basis in the various prepayments required pursuant to Section 2.12); and

(v) all Lenders, reduce the percentage specified in the definition of "Required Lenders" or "Required Class Lenders" or otherwise amend this Section 10.08 in a manner that has the effect of changing the number or percentage of Lenders that must approve any modification, amendment, waiver or consent;

provided, *further*, that any Collateral Document may be amended, supplemented or otherwise modified with the consent of the applicable Grantor and the Master Collateral Agent or Collateral Administrator, as applicable, (i) to add assets (or categories of assets) to the Collateral covered by such Collateral Document or (ii) to remove any asset or type or category of asset (including after-acquired assets of that type or category) from the Collateral covered by such Collateral Document to the extent being or having been sold or transferred to the extent the release thereof is permitted by the Loan Documents.

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon the Borrower, the other Loan Parties, such Lenders, the Administrative Agent, the Master Collateral Agent, the Collateral Administrator and all future holders of the affected Term Loans. In the case of any waiver, the Borrower, the other Loan Parties, the Lenders, the Administrative Agent, the Master Collateral Agent and the Collateral Administrator shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender.

In addition, notwithstanding the foregoing, this Agreement (and, as appropriate, the other Loan Documents) may be amended with the written consent of the Administrative Agent (not to be unreasonably withheld or delayed), the Borrower and the Lenders providing the relevant Replacement Term Loans as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower (x) to permit the refinancing, replacement or modification of all outstanding Term Loans of any Class ("**Refinanced Term Loans**") with a replacement term loan tranche ("**Replacement Term Loans**") hereunder and (y) to include appropriately the Lenders holding such credit facilities in any determination of Required Lenders; *provided* that (a) the aggregate principal amount of such Replacement Term Loans shall not exceed the aggregate principal amount of such Refinanced Term Loans (plus an amount equal to all accrued but unpaid interest, fees, premiums, and expenses incurred in connection therewith (including original issue discount, upfront fees and similar items)) unless otherwise permitted hereunder (including utilization of any other available baskets or incurrence based amounts), (b) the Weighted Average Life to Maturity of such Replacement Term Loans shall not be shorter than the remaining Weighted Average Life to Maturity of such Refinanced Term Loans (except to the extent of nominal amortization for periods where amortization has been eliminated as a result of prepayment of the applicable Term Loans) or any other then existing Priority Lien Debt at the time of such refinancing, except in the case of customary bridge loans which, subject only to customary conditions (which shall be limited to no payment or bankruptcy

event of default), would either automatically be converted into or required to be exchanged for long-term refinancing in the form of additional Replacement Term Loans permitted under (and subject to the requirements of) this Section 10.08 or Priority Lien Debt permitted under (and subject to the requirements of) Section 6.02(c), (c) the maturity date for such Replacement Term Loans shall be on or after the Latest Maturity Date, except in the case of customary bridge loans which, subject only to customary conditions (which shall be limited to no payment or bankruptcy event of default), would either automatically be converted into or required to be exchanged for long-term refinancing in the form of additional Replacement Term Loans permitted under (and subject to the requirements of) this Section 10.08 or Priority Lien Debt permitted under (and subject to the requirements of) Section 6.02(c), (d) after giving effect to the incurrence of such Replacement Term Loans no Event of Default or Early Amortization Event shall have occurred and be continuing and (e) the covenants, events of default and guarantees shall (i) be reasonably acceptable to the Administrative Agent or (ii) be substantially similar to, or (taken as a whole) not be materially more restrictive on the SPV Parties (as reasonably determined by the Borrower) when taken as a whole, than the terms of the Refinanced Term Loans (except for (1) covenants, events of default and guarantees applicable only to periods after the Latest Maturity Date (as of the date of the refinancing) of such Class of Refinanced Term Loans and (2) pricing, fees, rate floors, premiums, optional prepayment or redemption terms) unless the Lenders under the other Classes of Term Loans existing on the refinancing date (other than the Refinanced Term Loans), receive the benefit of such more restrictive terms; *provided* that in no event shall such Replacement Term Loans be subject to events of default resulting (either directly or through a cross-default or cross-acceleration provision) from the occurrence of any event described in the definition of "Alaska Bankruptcy Event" (or the occurrence of any such event with respect to any Subsidiary of Alaska other than any SPV Party) except on the same terms as the then-outstanding Term Loans.

The Lenders hereby irrevocably agree that the Liens granted to the Master Collateral Agent by the Loan Parties on any Collateral shall be automatically released (i) upon the sale or other disposition of such Collateral (including as part of or in connection with any other sale or other disposition permitted hereunder) to any Person other than another Loan Party, to the extent such sale or other disposition is made in compliance with the terms of the Collateral Documents (and the Master Collateral Agent shall rely conclusively on a certificate and/or opinion of counsel to that effect provided to it by any Loan Party, including upon its reasonable request without further inquiry), (ii) to the extent such Collateral is comprised of property leased to a Loan Party, upon termination or expiration of such lease, (iii) if the release of such Lien is approved, authorized or ratified in writing by Lenders holding at least 66.67% of the total Term Loan Commitments and/or applicable Term Loans, (iv) as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Master Collateral Agent pursuant to the Collateral Documents and (v) if such assets become Excluded Property. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Loan Documents. The Lenders hereby authorize the Administrative Agent and the Master Collateral Agent, as applicable, to,

and the Administrative Agent and the Master Collateral Agent agree to, promptly execute and deliver any instruments, documents, and agreements reasonably necessary or requested by the Borrower to evidence and confirm the release of any Collateral pursuant to the foregoing provisions of this paragraph, all without the further consent or joinder of any Lender.

Notwithstanding anything herein to the contrary, the Loan Documents may be amended to (i) add syndication or documentation agents and make customary changes and references related thereto, and (ii) if applicable, add or modify "parallel debt" language in any jurisdiction in favor of the Master Collateral Agents or add Master Collateral Agents, in each case under (i) and (ii), with the consent of only the Borrower, the Administrative Agent and in the case of clause (ii), the applicable Master Collateral Agent.

Notwithstanding anything in this Agreement (including, without limitation, this Section 10.08) or any other Loan Document to the contrary, (i) this Agreement and the other Loan Documents may be amended to effect an incremental facility, refinancing facility or extension facility in accordance with Sections 2.27, this Section 10.08 or Section 2.28, respectively, and the Administrative Agent and the Borrower may effect such amendments to this Agreement and the other Loan Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the terms of any such incremental facility, refinancing facility or extension facility, including in the case of any such incremental facility to create such facility as a fungible Class of Term Loans (including by increasing (but, for the avoidance of doubt, not be decreasing), the amount of amortization due and payable with regard to any Class of Term Loans); (ii) no Lender consent is required to effect any amendment or supplement to any Intercreditor Agreement or other intercreditor agreement or arrangement permitted under this Agreement that is for the purpose of adding the holders of any Indebtedness as expressly contemplated by the terms of such Intercreditor Agreement or such other intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent with the consent of the Borrower, are required to effectuate the foregoing); *provided*, *further*, that no such agreement shall amend, modify or otherwise directly and adversely affect the rights or duties of the Administrative Agent, the Master Collateral Agent or the Collateral Administrator hereunder or under any other Loan Document (which shall include any such amendment or modification to Section 2.10(b)) or under any other Loan Document without its prior written consent; (iii) any provision of this Agreement or any other Loan Document (including, for the avoidance of doubt, any exhibit, schedule or other attachment to any Loan Document) may be amended by an agreement in writing entered into by the Borrower and the Administrative Agent to (x) cure any ambiguity, omission, mistake, defect or inconsistency (as reasonably determined by the Administrative Agent and the Borrower), (y) effect administrative changes of a technical or immaterial nature and (z) correct or cure any incorrect cross references or similar inaccuracies and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five (5) Business Days' prior written notice of such change and the

Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such

amendment; and (iv) guarantees, collateral documents and related documents executed by the Loan Parties in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be, together with any other Loan Document, entered into, amended, supplemented or waived, without the consent of any other Person, by the applicable Loan Party or Loan Parties and the Administrative Agent or the Master Collateral Agent in its or their respective sole discretion, to (A) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, (B) as required by local law or advice of counsel to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable requirements of law, or
(C) to cure ambiguities, omissions, mistakes or defects (as reasonably determined by the Administrative Agent and the Borrower) or to cause such guarantee, collateral or security document or other document to be consistent with this Agreement and the other Loan Documents.

Notwithstanding anything in this Agreement or any Collateral Document to the contrary, (i) the Administrative Agent may, in its sole discretion, direct the Collateral Administrator, in its role as Collateral Controlling Party, to direct the Master Collateral Agent to grant extensions of time for the satisfaction of any of the requirements under Sections 5.12 and 5.14, and/or any Collateral Documents in respect of any particular Collateral or any particular Subsidiary and (ii) the Collateral Administrator, as "Collateral Controlling Party" under the Collateral Agency and Accounts Agreement and each Senior Secured Debt Document, hereby agrees to provide instructions to the Master Collateral Agent when directed in writing to do so by the Administrative Agent or the Required Lenders. The Collateral Administrator shall not be required to exercise any discretionary rights or remedies hereunder or give any consent hereunder unless, subject to the other terms and provisions of this Agreement, it shall have been expressly directed to do so in writing as set forth in the immediately preceding sentence.

(b) Promptly after execution of any amendment or modification to this Agreement, any Collateral Document or any other Loan Document to which the Master Collateral Agent or the Collateral Administrator is a party, the Borrower shall provide a copy of such executed amendment or modification to the Master Collateral Agent and the Collateral Administrator, as applicable.

(c) No notice to or demand on any Loan Party shall entitle any Loan Party to any other or further notice or demand in the same, similar or other circumstances. Each assignee under Section 10.02(b) shall be bound by any amendment, modification, waiver, or consent authorized as provided herein, and any consent by a Lender shall bind any Person subsequently acquiring an interest on the Term Loans held by such Lender. No amendment to this Agreement shall be effective against any Loan Party unless signed by the Borrower.

(d) Notwithstanding anything to the contrary contained in Section 10.08(a) or elsewhere, (i) in the event that the Borrower requests that (A) this Agreement be modified or amended in a manner which would require the unanimous consent of all of the Lenders or all

Lenders of a Class or the consent of all Lenders (or all Lenders of a Class) directly and adversely affected thereby and, in each case, such modification or amendment is agreed to by the Required

Lenders (or at least 50% of the directly and adversely affected Lenders) or Required Class Lenders (or at least 50% of the directly and adversely affected Lenders of such Class) or (B) the maturity of any Class of Term Loans be extended pursuant to Section 2.28, then the Borrower may (1) replace any applicable non-consenting Lender (each a "**Non-Consenting Lender**") or any non-extending Lender (each a "**Non-Extending Lender**"), as applicable, in accordance with an assignment pursuant to Section 10.02 (and such Non-Consenting Lender or Non-Extending Lender shall reasonably cooperate in effecting such assignment) or (2) repay such Lender on a non pro rata basis; *provided* that (x) such amendment or modification can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrower to be made pursuant to this clause (i)) and (y) such Non-Consenting Lender or Non-Extending Lender shall have received payment of an amount equal to the outstanding principal amount of its Term Loans, accrued interest thereon, accrued Fees and all other amounts due and payable to it under this Agreement from the applicable assignee or the Borrower and (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Term Loan Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that the Term Loan Commitment and the outstanding Term Loans or other extensions of credit held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

Section 10.09 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.10 Headings. Section headings used herein are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Agreement.

Section 10.11 Survival. All covenants, agreements, representations and warranties made by the Loan Parties herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Term Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Early Amortization Event or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder. The provisions of Sections 2.14, 2.15, 2.16 and 10.04 and Section 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Term Loans, the expiration or termination of the Term Loan Commitments, or the termination of this Agreement or any provision hereof.

Section 10.12 Execution in Counterparts; Integration; Effectiveness.

(a) This Agreement, any Loan Document and any other Communication, including Communications required to be in writing, may be in the form of an Electronic Record

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and may be executed using Electronic Signatures. Each of the Loan Parties and each of the Administrative Agent, the Master Collateral Agent and the Lenders agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on such Person to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lenders may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record ("Electronic Copy"), which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the Administrative Agent, the Collateral Administrator, and the Collateral Custodian are not under any obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by it pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent such party has agreed to accept such Electronic Signature, such party and each of Lender shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Loan Party and/or any Lender without further verification and (b) upon the request of such party or any Lender, any Electronic Signature shall be promptly followed by such manually executed counterpart. For purposes hereof, "Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

(b) The Agents shall not be responsible for or have any duty to ascertain or inquire into the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with reliance on any Electronic Signature transmitted by telecopy, emailed
.pdf or any other electronic means). The Agents shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any Communication (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution or signed using an Electronic Signature) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

Each of the Loan Parties and each Lender hereby waives (i) any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document based solely on the lack of paper original copies of this Agreement, such other

Loan Document, and (ii) waives any claim against the Agents, each Lender and each Related Party for any liabilities arising solely from the Agent's and/or any Lender's reliance on or use of Electronic Signatures, including any liabilities arising as a result of the failure of the Loan Parties to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature. The party providing electronic instructions agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Collateral Administrator and Collateral Custodian, including without limitation the risk of the Collateral Administrator or Collateral Custodian acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 10.13 USA Patriot Act. Each Lender that is subject to the requirements of the Patriot Act hereby notifies each Loan Party that pursuant to the requirements of the Patriot 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 to identify each Loan Party in accordance with the Patriot Act. In order to comply with laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering (for purposes of this Section 10.13, "**Applicable Law**"), each of the Collateral Administrator and the Master Collateral Agent is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Master Collateral Agent or the Collateral Administrator. Accordingly, subject to the terms of any binding confidentiality restrictions or limitations imposed by Applicable Law, each of the parties agrees to provide to the Collateral Administrator and the Master Collateral Agent promptly following its reasonable request from time to time such customary and reasonably available identifying information and documentation as may be available for such party in order to enable the Collateral Administrator and the Master Collateral Agent to comply with Applicable Law.

Section 10.14 New Value. It is the intention of the parties hereto that any provision of Collateral by a Grantor as a condition to, or in connection with, the making of any Term Loan hereunder, shall be made as a contemporaneous exchange for new value given by the Lenders to the Borrower.

Section 10.15 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.15.

Section 10.16 No Fiduciary Duty. The Administrative Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Borrower, its stockholders and/or its affiliates. The Borrower agrees that nothing in the Loan Documents or otherwise related to the Transactions will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and the Borrower, its stockholders or its affiliates, on the other hand. The parties hereto (other than the Collateral Administrator) acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Loan Parties, on the other hand, and

(ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of the Borrower, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise the Borrower, its stockholders or its affiliates on other matters) or any other obligation to the Borrower except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of the Borrower, its management, stockholders, affiliates, creditors or any other Person. The Borrower acknowledges and agrees that the Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. The Borrower agrees that it will not claim that any Lender or the Collateral Administrator has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Borrower, in connection with such transaction or the process leading thereto.

Section 10.17 CFC or a FSHCO Provisions. Notwithstanding any term of any Loan Document, no loan or other obligation of the Borrower, under any Loan Document, may be, directly or indirectly (including by application of any payments made by or amounts received or recovered from any CFC or FSHCO):

(i) guaranteed by a CFC or a FSHCO;

(ii) secured by any assets of a CFC or FSHCO (including any CFC or FSHCO equity interests held directly or indirectly by a CFC or FSHCO); or

(iii) secured by a pledge or other security interest in excess of 65% of the voting equity interests of any CFC or FSHCO.

Section 10.18 [Reserved].

Section 10.19 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial

Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the

applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if

applicable:

(i) a reduction in full or in part or cancellation of any such liability;

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

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

Section 10.20 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, each party to this Agreement, each Lead Arranger and their respective Affiliates, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans 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 Term Loans and this Agreement; or

(iii) (A) such Lender is an investment fund managed by a "**Qualified Professional Asset Manager**" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Term Loans and this Agreement, (C) the entrance into, participation in, administration of and performance of the Term Loans and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84- 14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Term Loans and this Agreement.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender, 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 each party to this Agreement, each Lead Arranger and their respective Affiliates, that, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Term Loans and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

Section 10.21 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**" and each such QFC a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

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.

Section 10.22 Limited Recourse; Non-Petition. Notwithstanding any other provision of this Agreement or any other document to which it may be a party, the obligations of each SPV Party from time to time and at any time hereunder are limited recourse obligations of such SPV Party and are payable solely from the assets thereof available at such time and amounts derived therefrom and following realization of the assets of such SPV Party, and application of the Proceeds (including proceeds of assets upon which a Lien was purported to be granted) thereof in accordance with this Agreement, all obligations of and any remaining claims against such SPV Party hereunder or in connection herewith after such realization shall be extinguished and shall not thereafter revive. No recourse shall be had against any officer, director, employee, shareholder, administrator or incorporator of the SPV Parties or their respective successors or assigns for any amounts payable hereunder. Notwithstanding any other provision of this Agreement, no Person may, prior to the date which is one year (or if longer, any applicable preference period) and one day after the Discharge of Senior Secured Debt Obligations, institute against, or join any other Person in instituting against, the SPV Parties any Insolvency or Liquidation Proceeding, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws. Nothing in this Section 10.22 shall preclude, or be deemed to estop, the parties hereto (i) from taking any action prior to the expiration of the aforementioned period in (A) any case or Insolvency or Liquidation Proceeding voluntarily filed or commenced by any SPV Party or (B) any involuntary Insolvency or Liquidation Proceeding filed or commenced by any other non-affiliated Person, or (ii) from commencing against any SPV Party or any of its property any legal action which is not an Insolvency or Liquidation Proceeding. It is understood that the foregoing provisions of this Section shall not (x) prevent recourse to the assets of the SPV Parties (including, in the case of the Borrower and HoldCo, the Collateral and sums due or to become due under any security, instrument or agreement which is part of the Collateral) or (y) constitute a waiver, release or discharge of any Indebtedness or obligation secured hereby until all assets of SPV Parties (including, in the case of the Borrower and HoldCo, the Collateral and sums due or to become due under any security, instrument or agreement which is part of the Collateral) have been realized. It is further understood that the foregoing provisions of this Section shall not limit the right of any Person to name any SPV Party as a party defendant in any proceeding or in the exercise of any other remedy hereunder, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced against any such Persons.

[SIGNATURE PAGE ~~FOLLOWS~~INTENTIONALLY OMITTED]

Annex A – Lenders and Commitments

Lender	Initial Term Loan Commitment
Bank of America, N.A.	$750,000,000
Total	$750,000,000

Schedule 1

Annex B – 2026 Incremental Term Loan Lenders and 2026 Incremental Term Loan Commitments

2026 Incremental Term Loan Lender	2026 Incremental Term Loan Commitment
Bank of America, N.A.	$500,000,000
Total	$500,000,000

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EXHIBIT A

to Term Loan Credit and Guaranty Agreement

FORM OF COLLATERAL AGENCY AND ACCOUNTS AGREEMENT

[***]

EXHIBIT B
to Term Loan Credit and Guaranty Agreement

FORM OF PAYMENT DATE STATEMENT

[***]

EXHIBIT C

to Term Loan Credit and Guaranty Agreement FORM OF ASSIGNMENT AND ACCEPTANCE

[***]

EXHIBIT D

to Term Loan Credit and Guaranty Agreement FORM OF LOAN REQUEST

[***]

EXHIBIT E

to Term Loan Credit and Guaranty Agreement [RESERVED]

EXHIBIT F

to Term Loan Credit and Guaranty Agreement FORM OF DIRECTION OF PAYMENT

[***]

EXHIBIT G-1

to Term Loan Credit and Guaranty Agreement FORM OF HOLDCO-TO-ALASKA DATA IP SUBLICENSE

[***]

EXHIBIT G-2

to Term Loan Credit and Guaranty Agreement FORM OF BORROWER-TO-HOLDCO DATA IP LICENSE

[***]

EXHIBIT G-3

to Term Loan Credit and Guaranty Agreement FORM OF DIRECT IP LICENSE

[***]

EXHIBIT H

to Term Loan Credit and Guaranty Agreement FORM OF IP

MANAGEMENT AGREEMENT

[***]

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT (this "Amendment"), dated as of April 20, 2026 among ALASKA AIRLINES, Inc., an Alaska corporation (the "Borrower"), ALASKA AIR GROUP, INC. (the "Parent") and Hawaiian Airlines, Inc. ("Hawaiian"), as guarantors, CITIBANK, N.A., as administrative agent for the Lenders party to the Credit Agreement referred to below (in such capacity, together with its successors and permitted assigns in such capacity, the "Administrative Agent") and the Consenting Lenders (as defined below). Unless otherwise indicated, all capitalized terms used herein and not otherwise defined shall have the respective meanings provided to such terms in the Credit Agreement referred to below (as amended by this Amendment).

W I T N E S S E T H:

WHEREAS, the Borrower, the Parent and certain of its subsidiaries from time to time, as guarantors, the Administrative Agent and the lenders from time to time are parties to the Amended and Restated Credit and Guaranty Agreement dated as of September 20, 2024 (as amended, modified and supplemented and in effect prior to the date hereof, the "Credit Agreement");

WHEREAS, the Borrower has proposed to increase the Revolving Commitments of certain Lenders, in each case on the terms and conditions set forth herein; and

WHEREAS, each Lender that is a signatory hereto (each, a "Consenting Lender"), together constituting the Required Lenders, desires to consent to the amendments set forth herein.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1 - Credit Agreement Amendments. Subject to the satisfaction of the conditions set forth in Section 2 hereof, Annex A to the Credit Agreement is hereby deleted and replaced in its entirety by Annex A to this Amendment.

The aggregate amount of the Total Revolving Commitments as of the Increase Effective Date as set forth on Annex A to the Credit Agreement (as so amended) is $1,090,000,000.

SECTION 2 - Conditions to Effectiveness. This Amendment shall become effective on the date when each of the following conditions specified below shall have been satisfied (the "Increase Effective Date"):

(a) Executed Amendment. The Administrative Agent shall have received signed signature pages to this Amendment from the Borrower, the Parent, Hawaiian, Citibank, N.A., as Administrative Agent, and the Consenting Lenders.

(b) Payment of Expenses. The Borrower shall have paid all reasonable and documented out-of-pocket expenses of the Administrative Agent (including reasonable attorneys' fees of Milbank LLP) for which invoices have been presented at least one Business Day prior to the Increase Effective Date.

(c) Representations and Warranties. All representations and warranties of the Borrower set forth in Section 3 of this Amendment shall be true and correct in all material respects on and as of the Increase Effective Date, before and after giving effect to the transactions contemplated hereby to occur on the Increase Effective Date, as though made on and as of such date (except to the extent any such representation or warranty by its terms is made as of a different specified date, in which case as of such specified date); provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to the transactions contemplated hereby to occur on the Increase Effective Date.

(d) No Event of Default. Before and after giving effect to the transactions contemplated hereby to occur on the Increase Effective Date, no Event of Default shall have occurred and be continuing on the Increase Effective Date.

(e) Opinion of Counsel. The Administrative Agent and the Consenting Lenders shall have received a written opinion of Debevoise & Plimpton LLP, special New York counsel to the Borrower and the Guarantors, dated the Increase Effective Date, in form and substance reasonably satisfactory to the Administrative Agent.

The Administrative Agent shall promptly notify the parties hereto of the occurrence of the Increase Effective Date.

SECTION 3 - Representations and Warranties. In order to induce the other parties hereto to enter into this Amendment, the Borrower represents and warrants to each of such other parties that on and as of the date hereof after giving effect to this Amendment:

(a) no Event of Default has occurred and is continuing or would result from giving effect to the Amendment; and

(b) the representations and warranties contained in the Credit Agreement and the other Loan Documents (other than the representations and warranties set forth in Sections 3.05(b), 3.06 and 3.09(a) of the Credit Agreement), are true and correct in all material respects on and as of the date hereof with the same effect as if made on and as of the date hereof except to the extent that such representations and warranties expressly relate to an earlier date and in such case as of such date; provided that any representation or warranty that is qualified by materiality, "Material Adverse Change" or "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the applicable date, before and after giving effect to the Amendment.

SECTION 4 - Reference to and Effect on the Credit Agreement; Ratification. At and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment. The Credit Agreement and each of the other Loan Documents, as specifically amended by this Amendment, and the obligations of the Borrower hereunder and thereunder, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. The parties hereto confirm and agree that the term "Obligations" as used in the Credit Agreement shall include all obligations of the Borrower under the Credit Agreement, as amended by this Amendment. This Amendment shall be deemed to be a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as an amendment or waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute an amendment or waiver of any provision of any of the Loan Documents.

SECTION 5 - Execution in Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.
This Amendment shall become effective as set forth in Section 2, and from and after the Increase Effective Date shall be binding upon and inure to the benefit of the parties hereto and their respective successors, permitted transferees and permitted assigns. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or electronic .pdf copy shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6 - Governing Law. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF
THE STATE OF NEW YORK. The provisions of Sections 10.05(b)-(d) and 10.15 are incorporated herein by reference *mutatis mutandis*.

SECTION 7 - Waiver of Notice. The Administrative Agent and each Consenting Lender waives the requirement for it to receive the notice specified in Section 2.27(a) of the Credit Agreement with respect to the transactions contemplated by this Amendment.

SECTION 8 - Instruction to Administrative Agent. The undersigned Consenting Lenders hereby authorize and instruct the Administrative Agent to execute, deliver and perform this Amendment and further certify and confirm that the foregoing instruction and the actions taken in accordance therewith, are duly authorized by, and are in compliance with the terms of the Credit Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the day and year above written.

ALASKA AIRLINES, INC.,
as Borrower

By:__

Name: Emily Halverson
Title: Vice President Finance and Treasurer

Docusign Envelope ID: 832BED78-72B6-49BA-AD38-7FDE7E32DDDC

ALASKA AIR GROUP, INC.,
as a Guarantor

By:____ Name: Emily Halverson

Title: Vice President Finance, Controller and Treasurer

Docusign Envelope ID: 832BED78-72B6-49BA-AD38-7FDE7E32DDDC

HAWAIIAN AIRLINES, INC.,
as a Guarantor

By:____ Name: Emily Halverson
Title: Treasurer

CITIBANK, N.A.
as Ad

By: ----"Ji
jlA:vl-(,l
VP

Signature Page - First Amendment

BANK OF AMERICA, N.A., as a Lender

By: __

Name: Reese Morikubo
Title: Senior Vice President

BNP PARIBAS, as a Lender

By:____ Name: Bradley Goodenough Title: Vice President

By:____ Name: El Ghali Amrani
Title: Vice President

U.S. BANK, NATTONAL ASSOCIATION,
as a Lender

By:---------
Name: **rc.nn an /V\....ll ins**
Title: ***Ass;*** **stal\t Vic.(, Pre,tiJ..,** **t-**

MORGAN STANLEY BANK, N.A., as a Lender

By: ____ Name: Michael King

Title: Authorized Signatory

GOLDMAN SACHS BANK USA, as a Lender

By: __ Name: Jonathan Dworkin

Title: Authorized Signatory

BARCLAYS BANK PLC, as a Lender

By: ____ Name: Charlene Saldanha

Title: Director

MUFG BANK, LTD., as a Lender

By: __

Name: Adam K. Patros, CFA
Title: Vice President

BANK OF HAWAII, as a Lender

By: __

Name: Terri L. Okada
Title: Senior Vice President

ANNEX A

ANNEX A
to Credit and Guaranty Agreement

LENDERS AND COMMITMENTS

[***]

EXHIBIT 31.1

CERTIFICATIONS

I, Benito Minicucci, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alaska Air Group, Inc. for the period ended June 30, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ BENITO MINICUCCI

Benito Minicucci

President and Chief Executive Officer

August 4, 2026

EXHIBIT 31.2

CERTIFICATIONS

I, Shane R. Tackett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alaska Air Group, Inc. for the period ended June 30, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ SHANE R. TACKETT

Shane R. Tackett

Executive Vice President/Finance and Chief Financial Officer

August 4, 2026

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Alaska Air Group, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Benito Minicucci, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By /s/ BENITO MINICUCCI

Benito Minicucci

Chief Executive Officer

August 4, 2026

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Alaska Air Group, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Shane R. Tackett, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By /s/ SHANE R. TACKETT

Shane R. Tackett

Executive Vice President/Finance and Chief Financial Officer

August 4, 2026